



Unilever

PT Unilever Indonesia Tbk

FY 2023 Results

Earnings Call

February 7th, 2024



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PT Unilever Indonesia Tbk Earnings Call FY 2023

Benjie Yap
Chief Executive Officer





Unilever Indonesia CEO

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

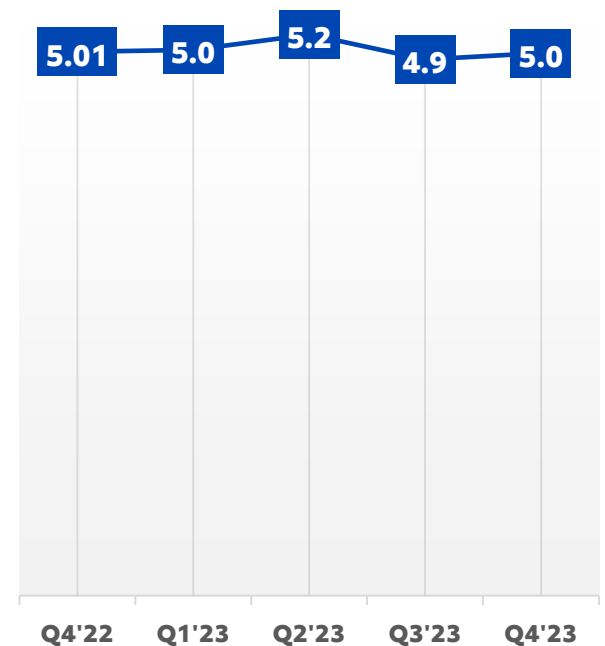
Various role in Unilever Foods, Home Care, R&D

1994 – Sep 2008

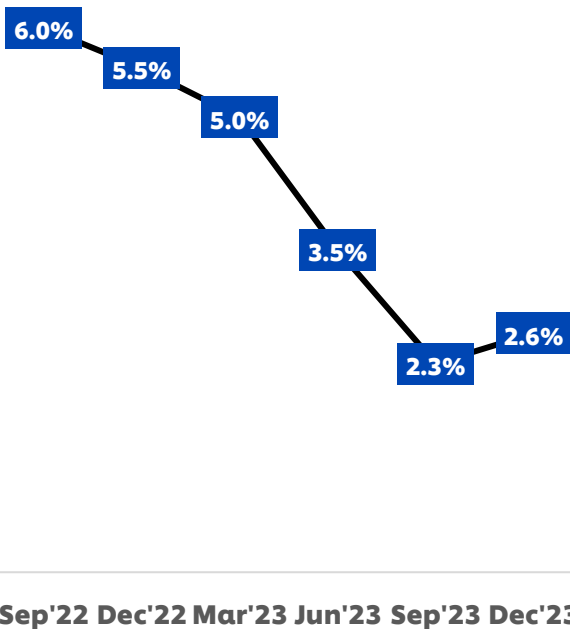


Stable economic and inflation led to increase in FMCG spending and consumption

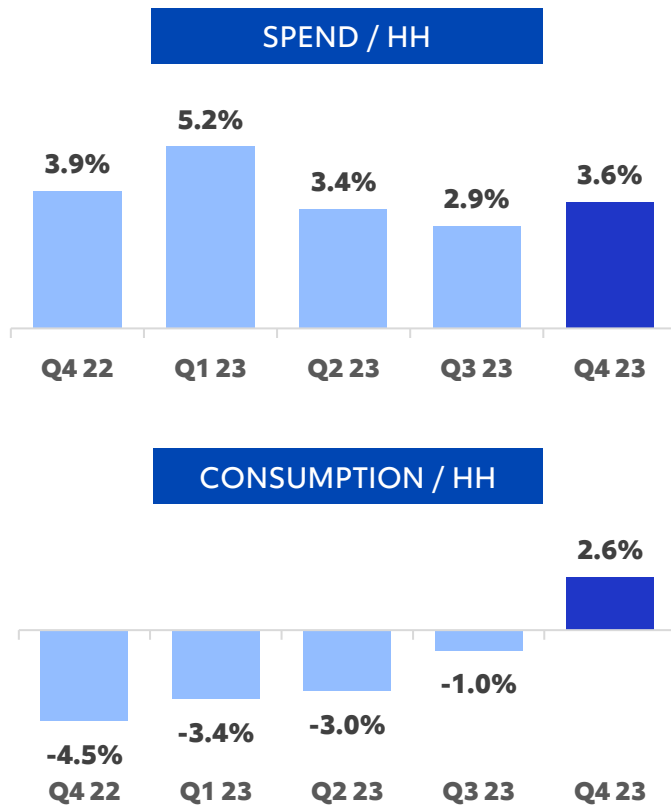
GDP remains resilient at 5%
driven by domestic consumption



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



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



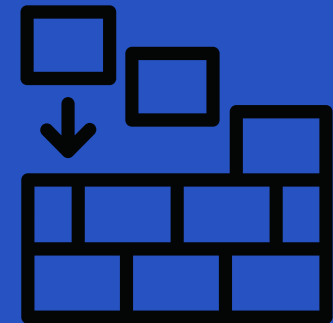
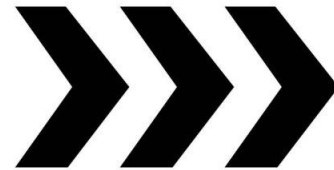
Negative consumer sentiment toward multinational brands due to the geopolitical situation in the Middle East starting Nov'23





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

Serini, 27 November 2023 / 11:44 WIB
f t w i n o s i i n d e k s b e r i t a



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

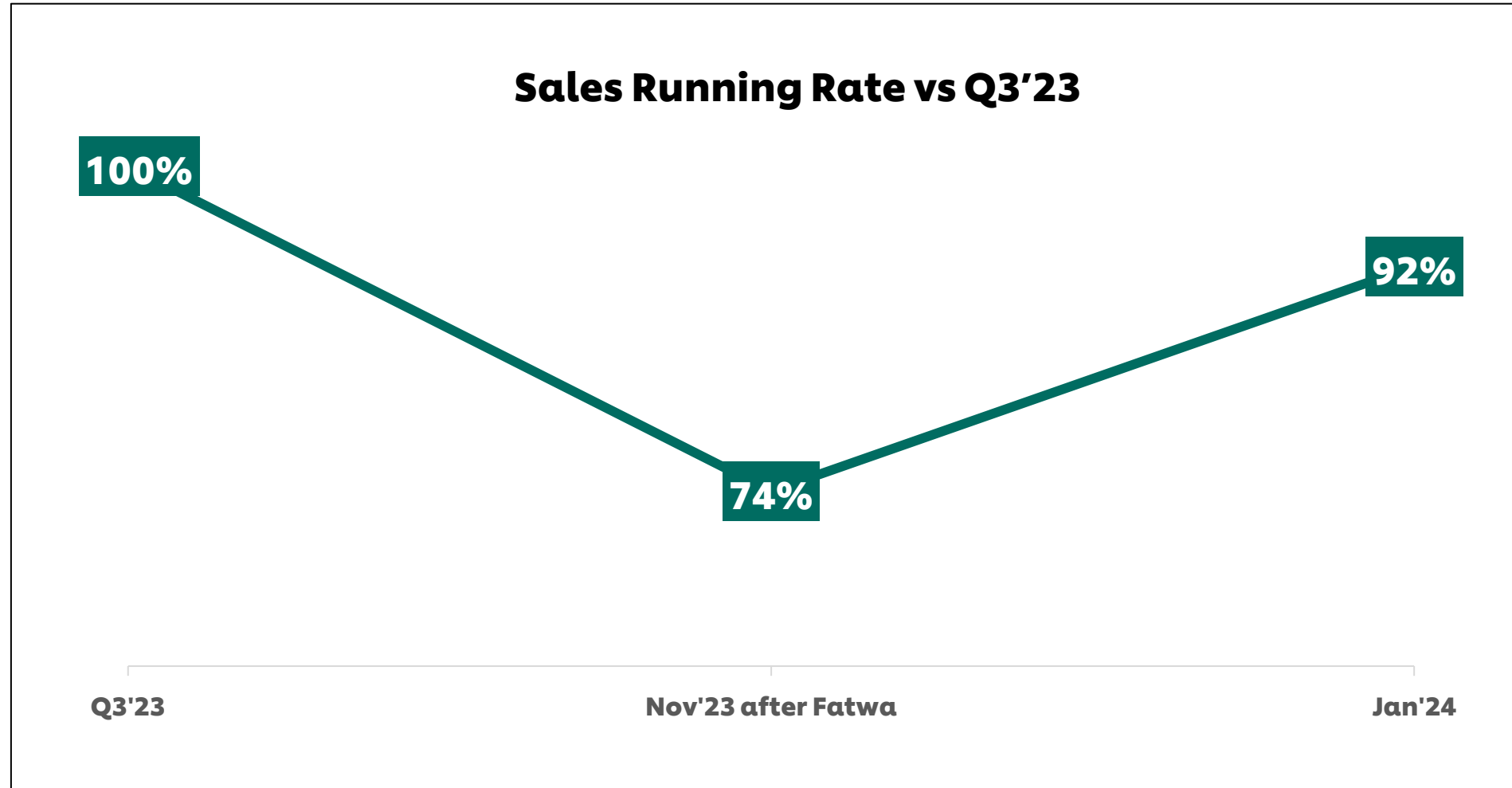


Collaboration on Health and Hygiene, Community Empowerment, and Environment with **Masjid Istiqlal**



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

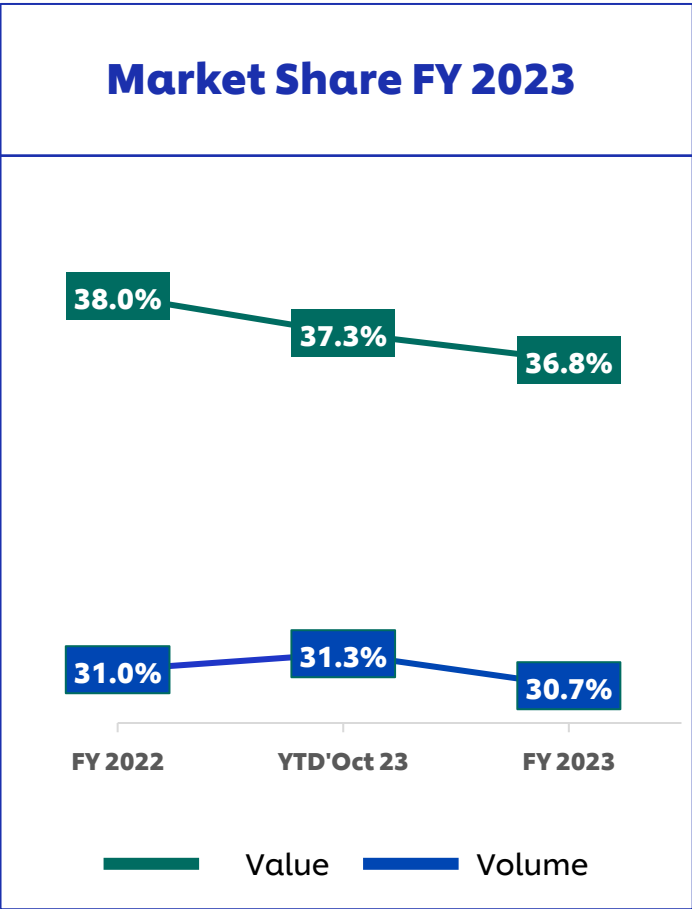
IDR 4.8 T

EPS 126 / share, -10.5% vs LY

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

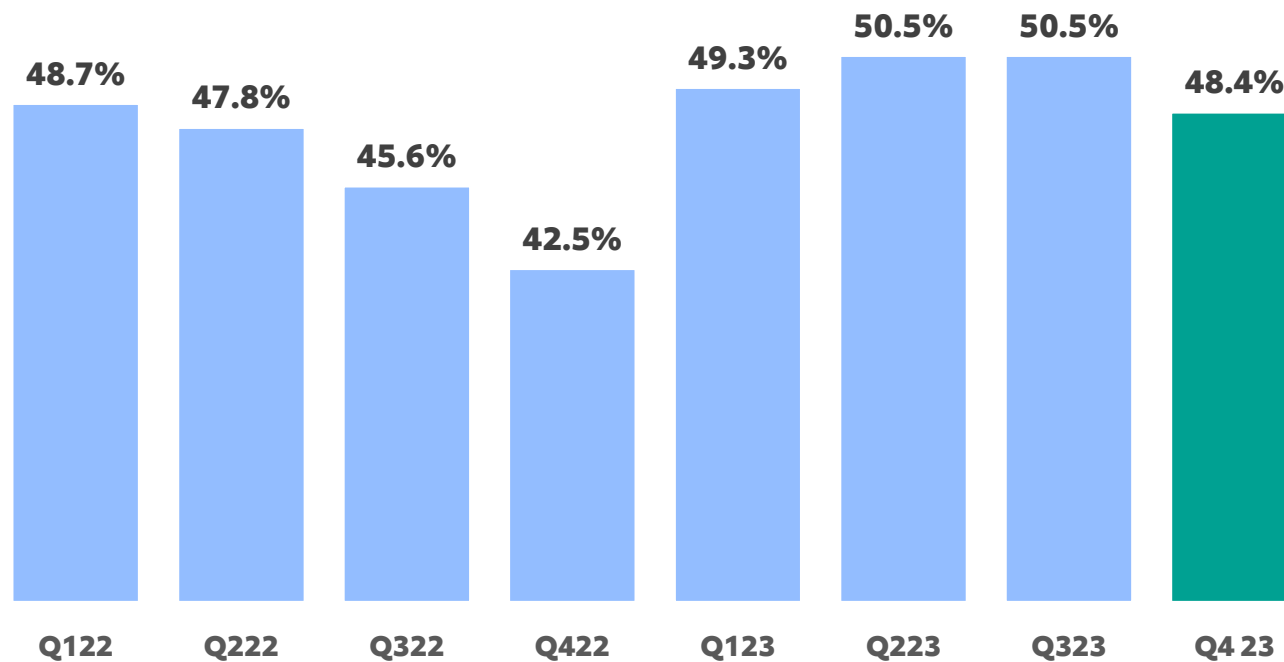
| Market Growth and ULI Growth FY 2023 | | | | |
|--------------------------------------|---------------|--------------|---------------|--------------|
| | VALUE | | VOLUME | |
| Business Unit | Market Growth | ULI Growth | Market Growth | ULI Growth |
| Personal Care | 3.3% | 2.9% | -1.4% | -1.0% |
| 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% |
| Total exclude Ice Cream** | 2.9% | -0.4% | -0.1% | -0.7% |

Rank based on sales contribution



* Nutrition with Tea within Tea Bag only
 ** Market data information for Ice Cream is not completed (only available for MT)

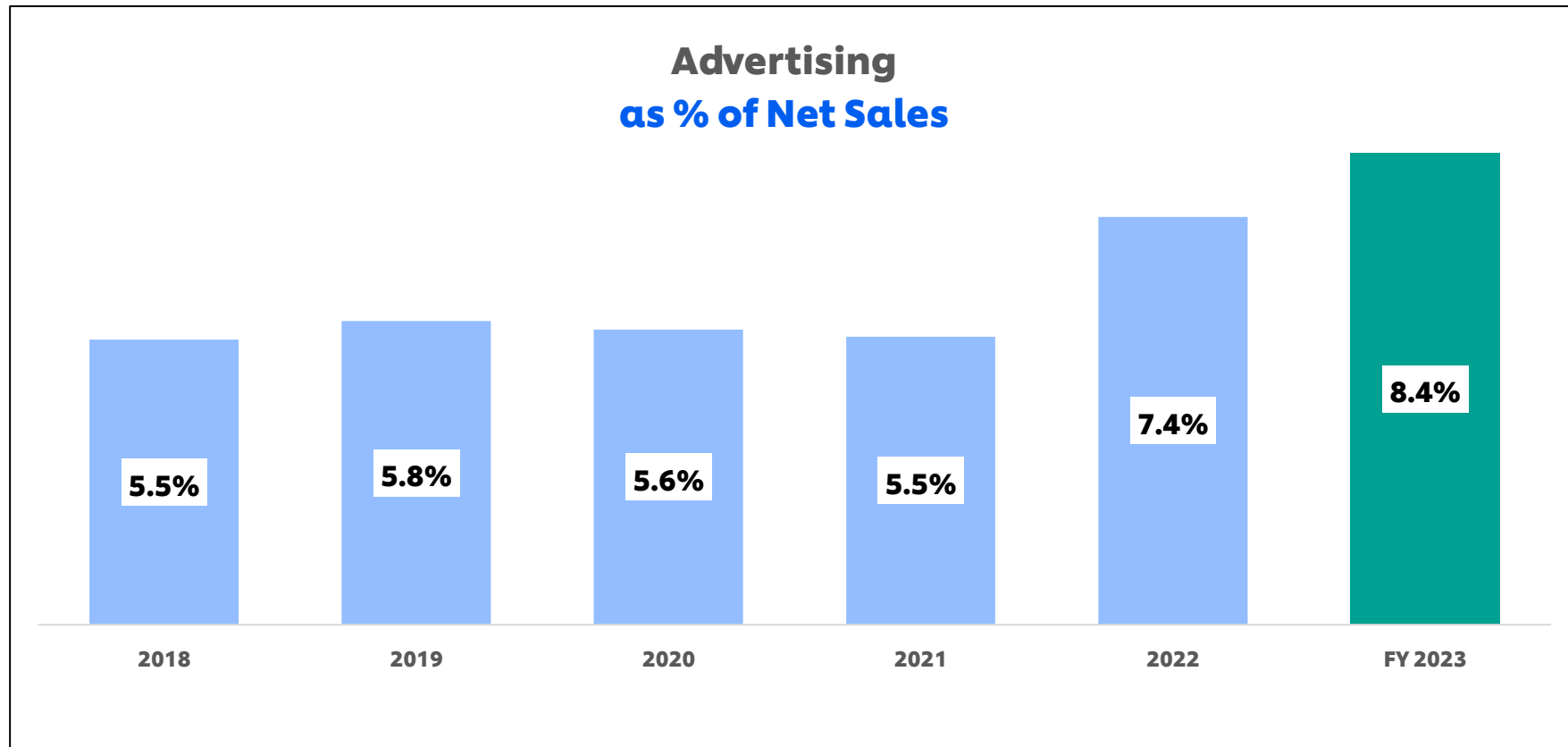
Recovery in Gross Margin vs FY 2022



Strong Saving Initiatives as key drivers of margin improvement

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

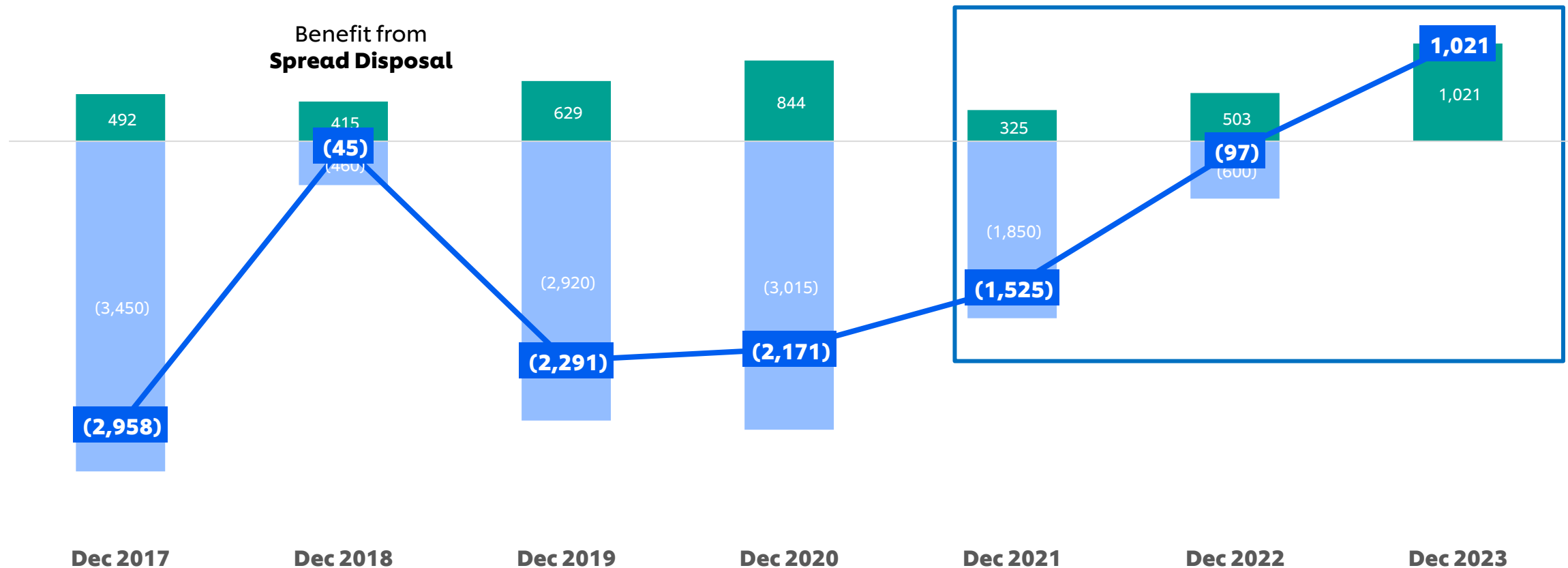
Increased level of investment behind the brands



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

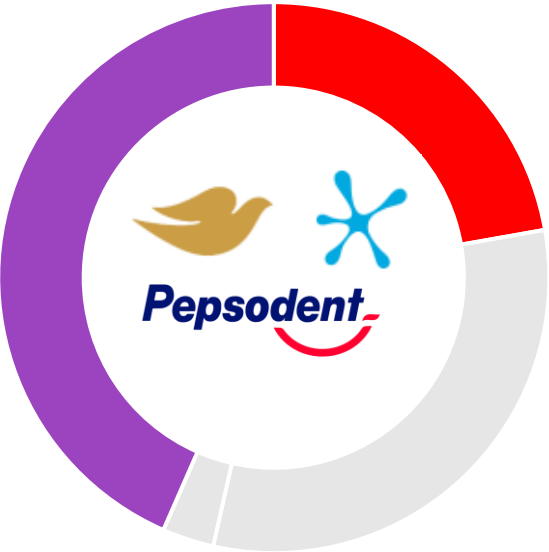
In IDR billion

Loan Bank Balance Net Cash / (Net Loan)



2023 Domestic Sales Growth by Division

Home and Personal Care

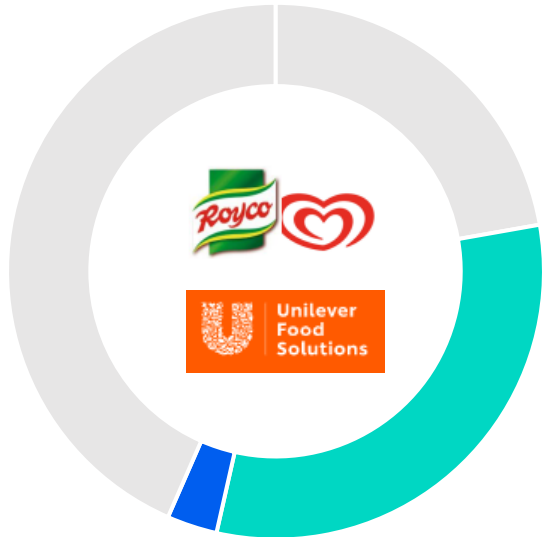


FY 2023 | -7.4%

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.



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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

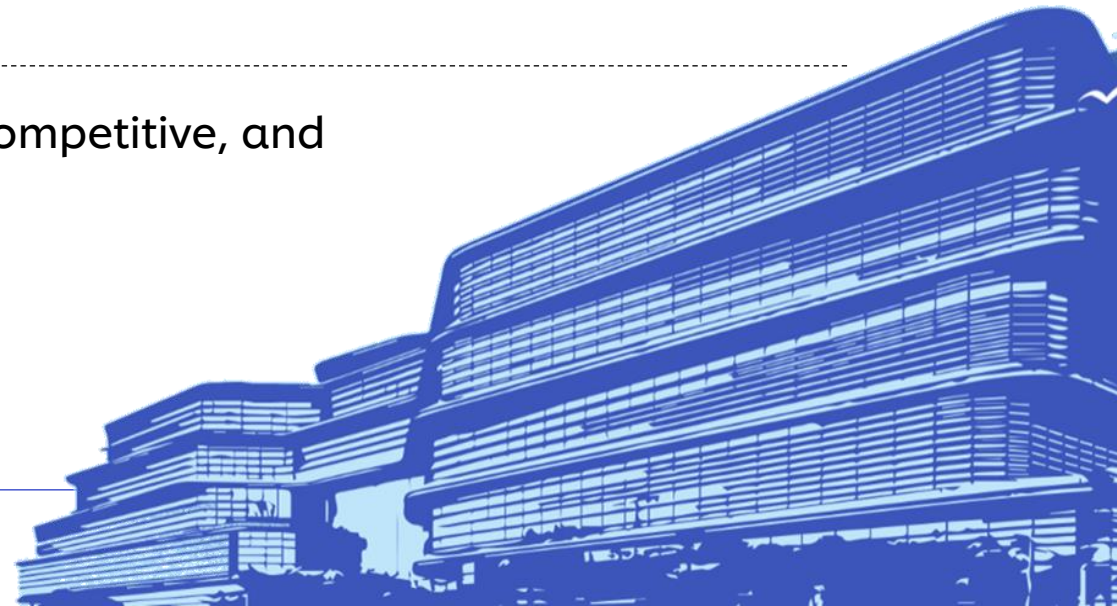
2024 Priorities

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)

