



Unilever

PT Unilever Indonesia Tbk

Q3 2024
Earnings Call
Oct 23rd, 2024

BARU

TEKNOLOGI BARU

RHAMNO clean™
100% BAHAN AKTIF ALAMI*

Sunlight

POWER MANDAR
24 JAM
Perlu baki
TANGGUH ANGKAT LEMAK
CAIRAN PIRING

ANTISEPTIK LIME
Basm
TANGGUH ANGKAT LEMAK
CAIRAN PIRING

TEKNOLOGI BARU

RHAMNO clean™
100% BAHAN AKTIF ALAMI*

Sunlight

BIOCARE NATURE BLUEBERRIES
Cocok untuk Peralatan Bayi
TANGGUH ANGKAT LEMAK
CAIRAN PENCUCI PIRING

RHAMNO clean™
100% BAHAN AKTIF ALAMI*

Sunlight

LEMBUT
TANGGUH ANGKAT LEMAK
INSPIRASI DARI SKIN CARE
PENCUCI PIRING

RHAMNO clean™
100% BAHAN AKTIF ALAMI*

Sunlight

KEAN BERRY
TANGGUH ANGKAT LEMAK
PENCUCI PIRING

Pencuci Piring
NO.1
di Indonesia

*100% bahan aktif alami dari Rahmnolipid
^Dibandingkan produk sejenis dari produsen yang sama

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 Q3 2024

Benjie Yap
Chief Executive Officer



External

- Softening demands

Internal

- Price instability across channels
- Need for:
 - further operational improvements
 - greater digitization
- Continue portfolio expansion

GROWTH ACTION PLAN (GAP)

Disappointing delivery in Q3 2024

1

Pronounced decline in sales from price instability and customer stock reduction.

2

Lower Net Profit due to deleveraging and higher restructuring costs.

3

Market share recovery from December 2023 low but remain well below YTD Oct 2023 levels.

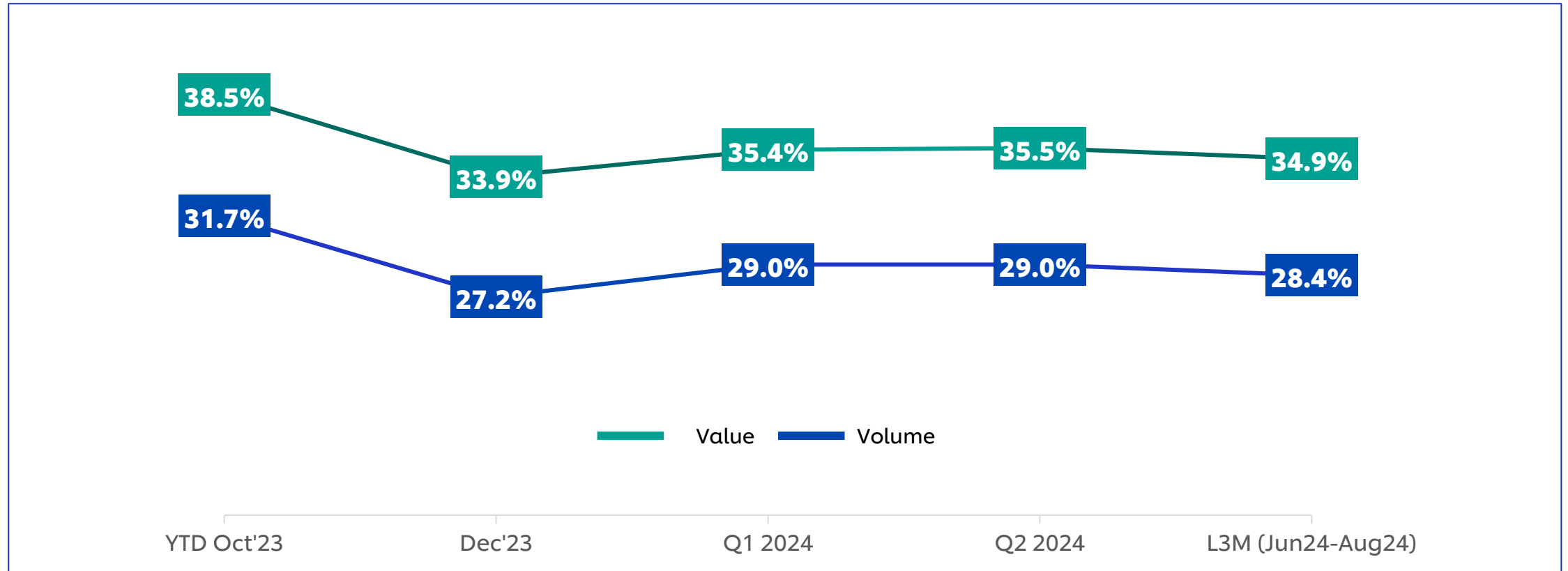
4

Progress on strengthening brands and portfolio – more to do.

5

Addressing internal challenges through operational improvement, greater digitalization and portfolio expansion.

Relatively stable market share in 2024 but still below YTD Oct 2023



* Nutrition include Juice and Tea (within Tea Bag market only)

** Ice Cream in MT only

Sales YTD Sep 2024

IDR 27.4 T

(-10.1% YoY)

Domestic: -9.9%

UPG -4.1% | UVG -5.8%

Export: -17.5%

Sales Q3 2024

IDR 8.4 T

(-18.0% YoY)

Domestic: -18.2%

UPG -2.0% | UVG -16.1%

Export: -13.4%

Net Profit YTD Sep 2024

IDR 3.0 T

(-28.1% YoY)

Net Profit Q3 2024

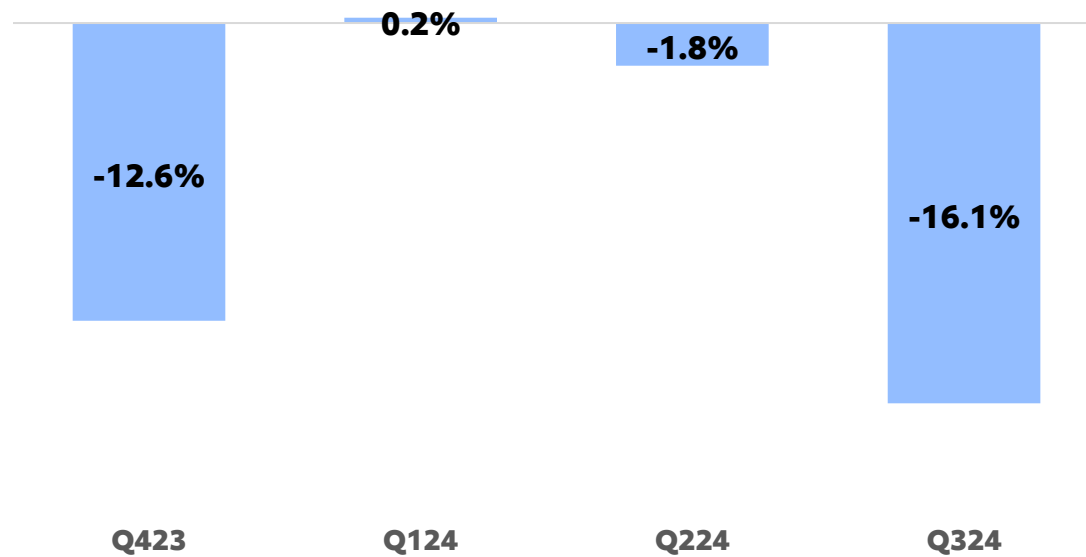
IDR 0.5 T

(-62.0% YoY)

From sales deleverage and
transformation costs

Significant UVG decline in Q3 2024

Underlying Volume Growth (UVG) Trend



UVG
-16.1%

Price instability
impacting sales from
our distributors

Customer stock
reduction



Get more from the core

Unmissable brand superiority

Breakthrough
multi-years innovations



Be market makers

Market development

Drive premiumization

Build tier-2 portfolio
in selected categories

Execute brilliantly in market



Step up our impact

Deliver our big 4 sustainable
priorities

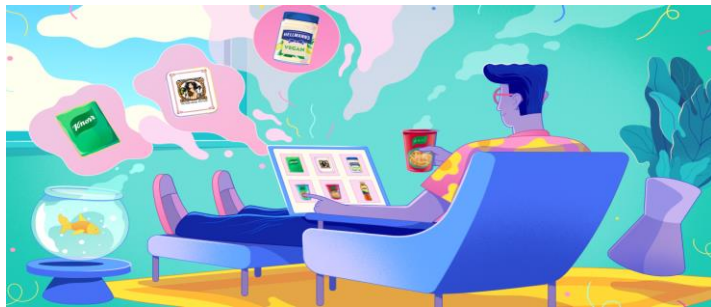
Build back Gross Margin

Digital transformation

Growth Action Plan (GAP)

Get more from the core

Category



Stronger Brands and Portfolios

Be market makers

Go-To-Market



Distributive Trade & Minimarket

Pricing & Promotion

Step up our impact

Cost



Cost Reset

Go-To-Market





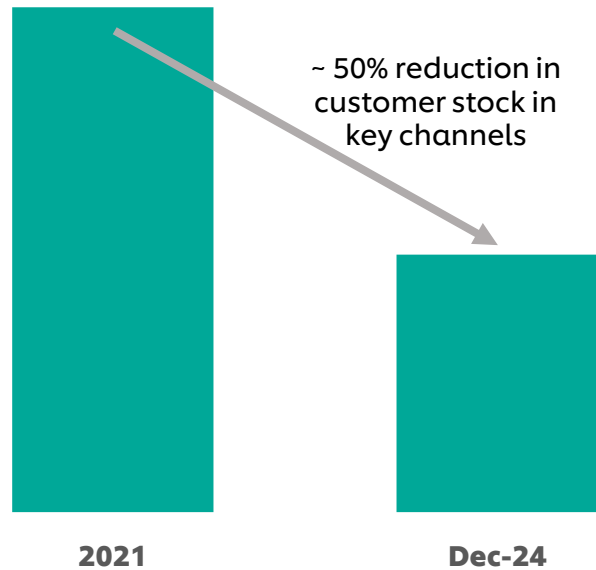
Unilever Indonesia Strategy Update

Go-To-Market Transformation Journey

2024				2025			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	More stores, better stores: increase coverage and optimize quality of direct coverage						
		Distributive Trade (DT) Digital Transformation					
		Customer Stock Reduction					
			Price Harmonization				

Go-To-Market Transformation

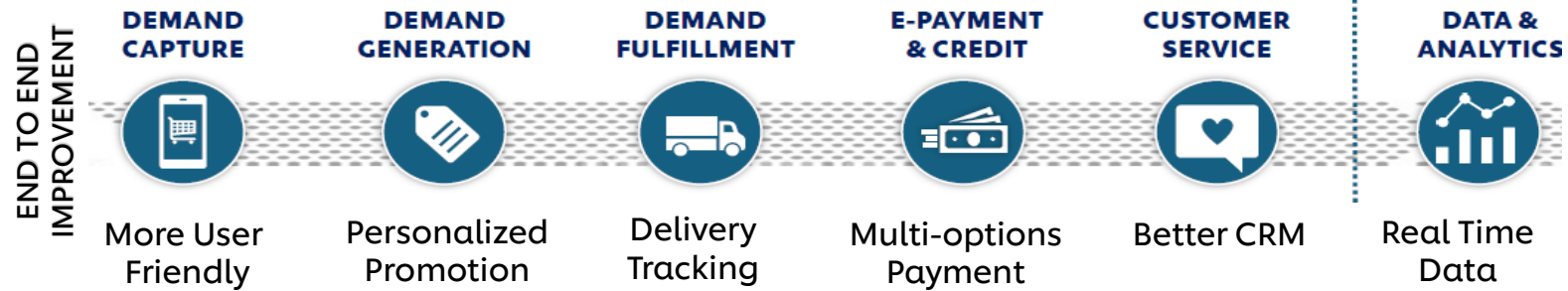
Stock Reduction



Period: Q3 2024 – Q1 2025

- Building frequent replenishment capability
- Future Fitting DT Channels
- Higher focus on driving competitive sell-out growth
- Improve distributor's profitability

DT Digital Transformation



Updates

- ✓ Loyalty Program
- ✓ Real Time Tracking
- ✓ Personalized Promo
- ✓ Multi-options Payment

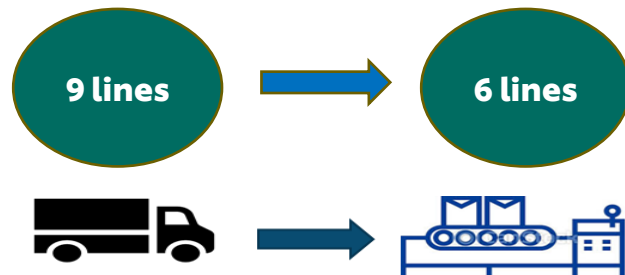


Cost Reset



Cost Reset: Automation in the factory

#1: Asset Lean Soap Bar Factory



#2: Oral Care Factory Optimization



- Replacing slow-speed lines with high-speed lines
- Automation and Digitalization Oral Care Warehouse
- Internal logistic FG Oral Care and Soap Bar
- FTE Reduction

Stronger Brand and Portfolio

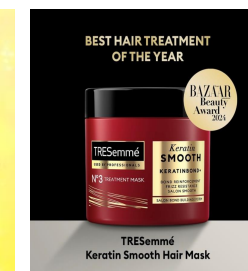
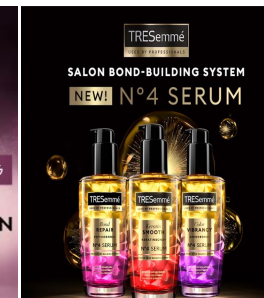
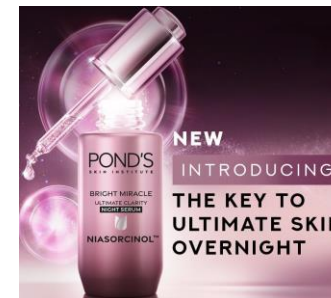


Portfolio expansion with launch of innovations

PC Innovation



BW Innovation



Portfolio expansion with launch of innovations

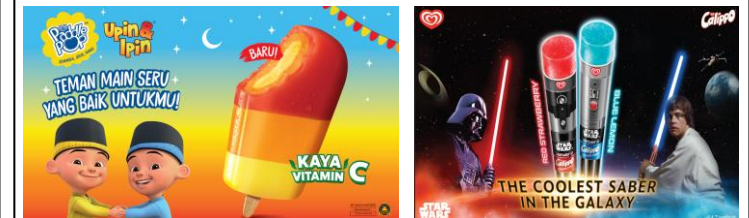
HC Innovation



Nutrition Innovation



Ice Cream Innovation



And tapping into relevant growing segments

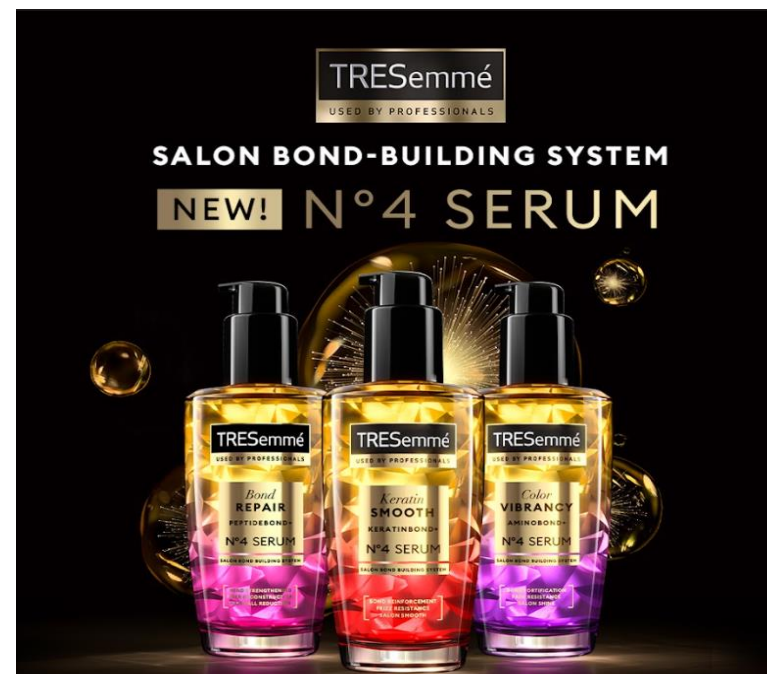
Sun Care



+383 bps

Increment in market share

Post Wash



+95 bps

Increment in market share



+96 bps

Increment in market share

Continue our effort to strengthen our brand and portfolio expansion – more to do

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Vivek Agarwal
Chief Finance Officer



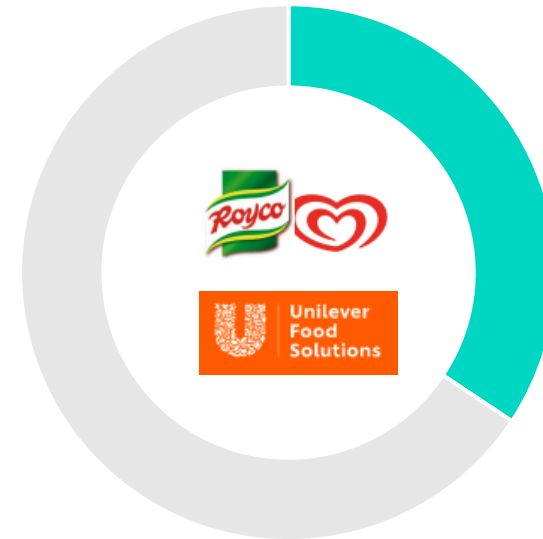
2024 Domestic Sales Growth by Division

Home and Personal Care



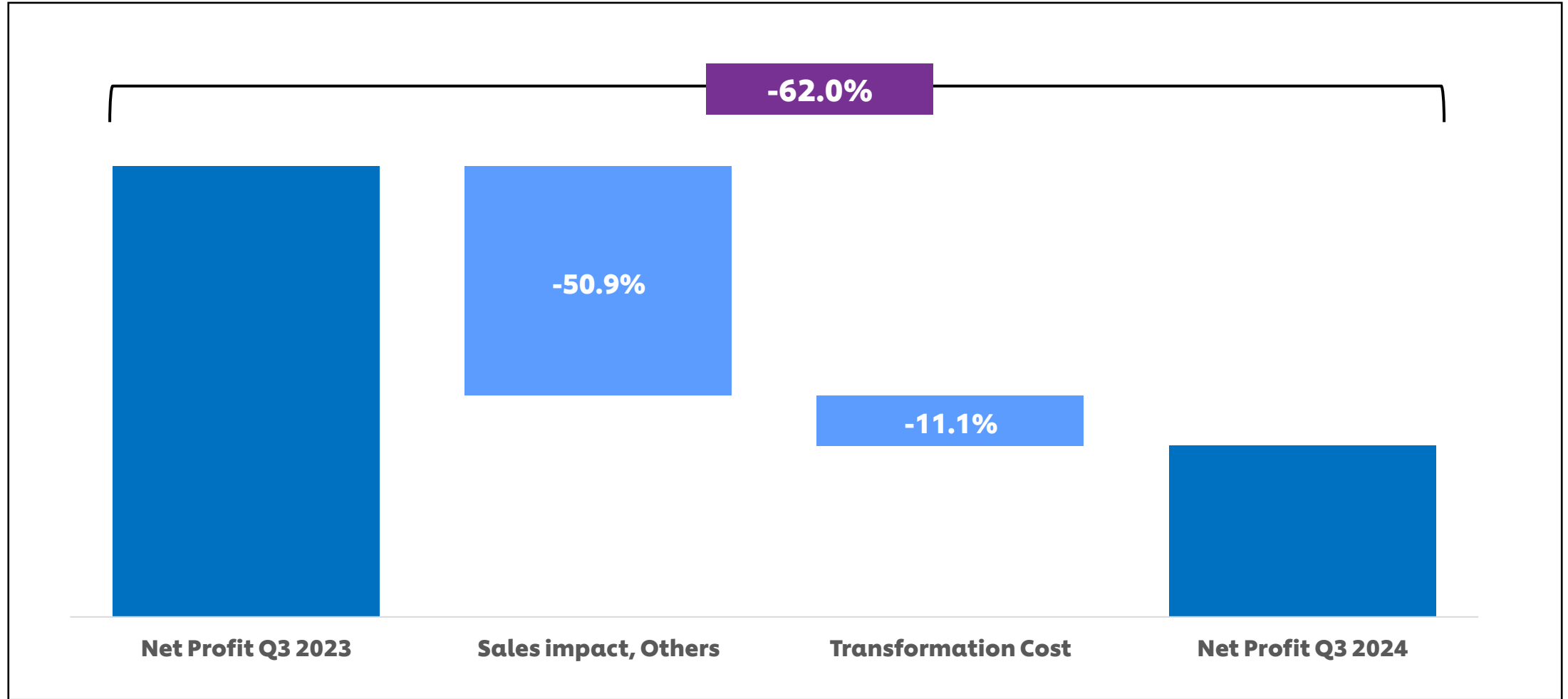
YTD Sep 2024 -11.9% | Q3 -20.8%

Food and Refreshment

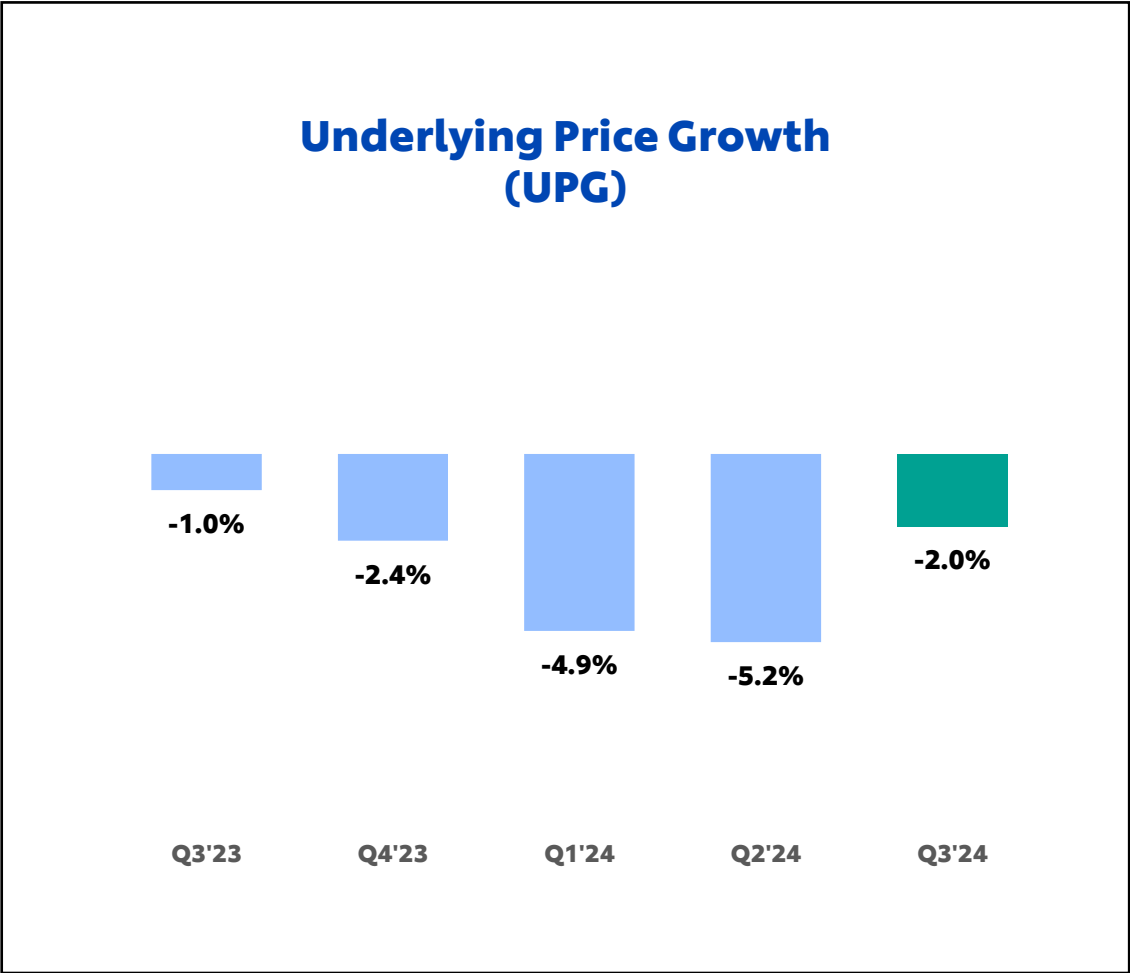
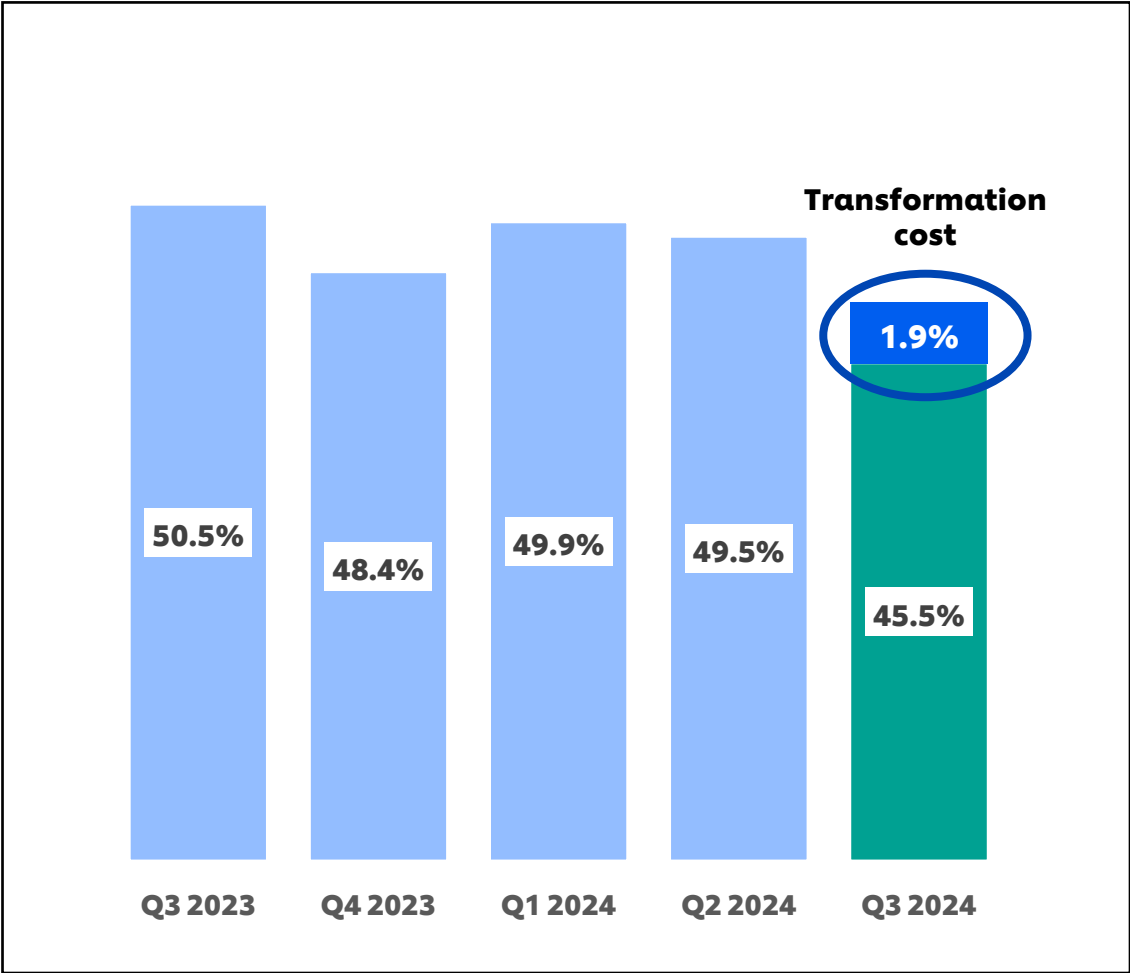


YTD Sep 2024 -6.1% | Q3 -13.3%

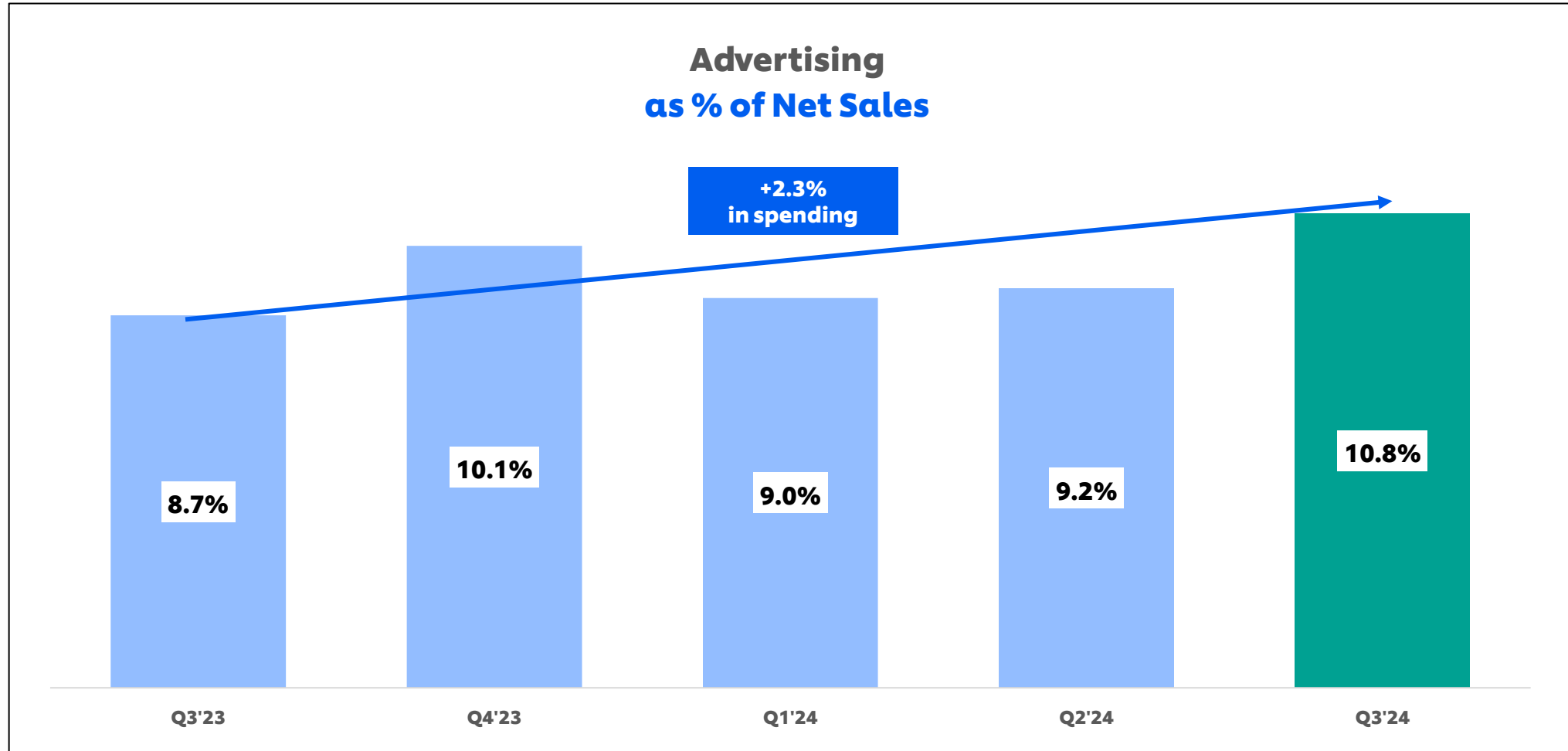
Significant decline in Net Profit from sales deleverage and transformation costs



Lower Gross Margin from sales deleverage and transformation costs



Increase in advertising spend, shifting from traditional to digital media



Highlights

Home & Personal Care

- Maintained leadership in all categories in Beauty & Personal Care
- Launched of Pepsodent Gum Expert and Dove Deo Serum with initial results exceeding target.
- Launched new variant Glow & Lovely body wash, focusing on Glow+ benefit with the science of skincare.
- Launched Sunlight Dishwash Biocare Nature with 100% Food Grade Technology.

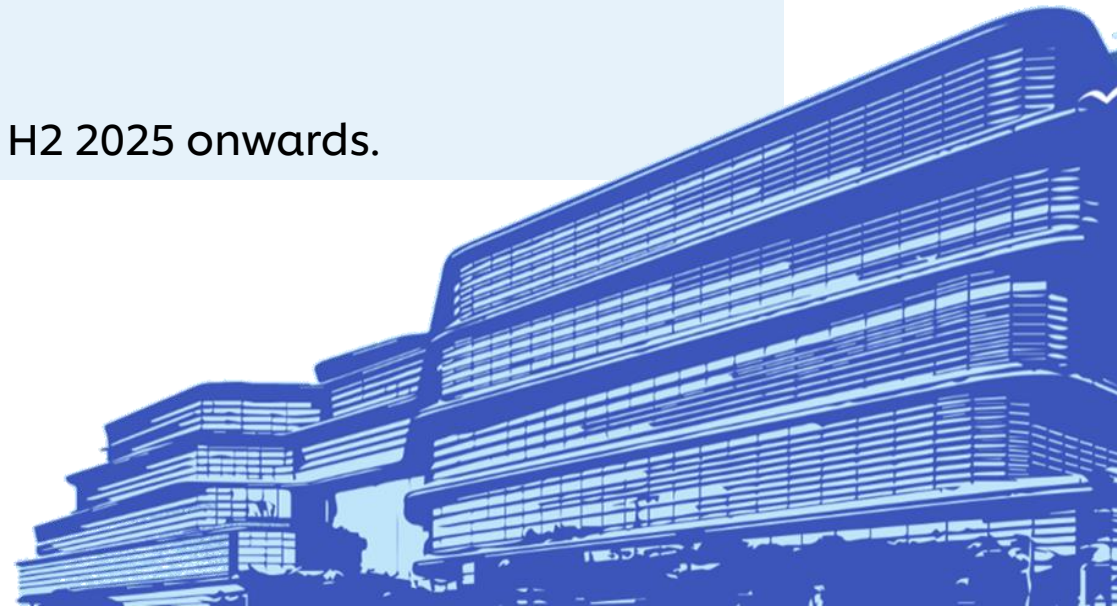
Foods & Refreshment

- Maintained leadership in all categories.
- Increased Penetration through launch of Sariwangi Jasmine and Royco Oyster Sauce in sachet.



1. Go-To-Market (GTM) Transformation.
2. Implement frequent replenishment and reduce inventory in trade.
3. Harmonizing price across channels.
4. Structurally improving gross margins through cost reset program.
5. Continue strengthening brands and portfolio.

The above actions should start reflecting the benefits from H2 2025 onwards.





Q&A Session

Benjie Yap (CEO)

Vivek Agarwal (CFO)



1st EVER

SERUM BURST BODY SUNSCREEN

Dengan Tekstur Seringan Air