

UNVR

PT Unilever Indonesia Tbk.

Turning the Corner

- 4Q25 sales rebounded strongly to Rp7.9tn (+17.5% YoY), led by domestic recovery, robust exports, and double-digit volume growth, confirming a clear inflection from 2023–2024.
- Profitability improved despite transformation costs, with FY2025 PBT margin expanding to 14.1% and net profit from continuing operations rising 21.8% YoY, supported by lower SG&A and solid cash generation.
- Power brands drove growth, contributing 75% of sales and 9.1% underlying growth, while Ice Cream divestment and SariWangi exit sharpened portfolio focus and improved mix quality.
- BUY maintained with TP Rp2,600 (21.3x 2026F P/E); 100% FY2025 dividend payout implies final DPS ~Rp126 and ~5.5% yield, supported by divestment gains.

Sales Momentum Re-established

UNVR reported quarterly sales from continuing operations of Rp7.9tn in 4Q25 (+17.5% YoY), driven by domestic growth of 17.2% and export growth of 30.5%, alongside underlying volume growth of 12.4% and pricing of 4.8%. For FY2025, sales increased to Rp31.9tn (+4.3% YoY), with domestic sales up 4.0% and exports up 16.5%, reflecting a more balanced contribution from volume (1.2%) and pricing (2.8%). Domestic performance showed an inflection relative to the declines recorded in 2023–2024. By segment, Home & Personal Care sales increased 20.2% YoY in 4Q25, while Foods & Refreshment recorded underlying sales growth of 9.9%, primarily driven by volume. Including discontinued operations, total sales amounted to Rp36.4tn (+3.5% YoY; +4.2% like-for-like).

Margins Turning the Corner

In 4Q25, gross margin declined to 41.1% (–337 bps YoY) due to inflationary pressures, a low-base effect, and transformation costs; excluding transformation expenses, gross margin improved by 281 bps. PBT margin rose to 7.5% (+129 bps YoY), resulting in quarterly net profit of Rp538bn (–51.4% QoQ; +75.3% YoY). Excluding transformation costs, quarterly profit amounted to Rp998bn (–9.9% QoQ; +225.1% YoY). For FY2025, gross margin stood at 46.9% (–60 bps YoY), while PBT margin expanded to 14.1% (+183 bps YoY), supporting net profit from continuing operations of Rp3.5tn (+21.8% YoY). Including divestment gains, reported net profit increased to Rp7.6tn (+127% YoY). SG&A expenses (excluding transformation) declined to Rp3.9tn (–5.9% YoY). Management expects transformation initiatives to continue, with related costs projected to be 30–40% lower than in 2025, when such expenses totaled approximately Rp700bn.

Brands in Control, Portfolio Sharpened

Power brands accounted for 75% of total sales and recorded 9.1% underlying sales growth in FY2025. Performance reflected continued brand execution focused on product upgrades, clearer communication, and higher digital activation, supported by selective pricing actions, refreshed packaging, and faster rollout (e.g., Royco reaching over 70% direct store coverage within one month). Portfolio actions further shifted the sales mix toward higher-growth segments, which increased their contribution to 9.8% of sales (+26.5% YoY). The divestment of the Ice Cream business in December 2025 and the planned exit from the SariWangi tea business in March 2026 reduced portfolio complexity and sharpened focus on core categories. Management plans a 100% dividend payout for FY2025, including gains from the Ice Cream divestment (Rp3.8tn) and SariWangi (Rp800bn). After deducting the interim dividend of Rp87 per share, this implies an estimated final DPS of ~Rp126 and a dividend yield of ~5.5% based on the closing price as of 18 February 2026. Advertising spend remained stable at 8.5% of net sales, with a higher allocation to digital channels.

Valuation Backed by Yield

We maintain a **BUY** on UNVR with a revised target price of **Rp2,600** (from Rp3,100), implying 21.3x 2026F P/E, reflecting the continuation of transformation costs into 2026. The Rp7tn Ice Cream divestment improves margin quality and balance-sheet flexibility, while a 100% dividend payout (including divestment gains) supports an attractive ~5.5% yield. **Key risks:** slower consumption recovery, raw material and FX volatility, execution risk, and competitive intensity.

Key Financial Highlights

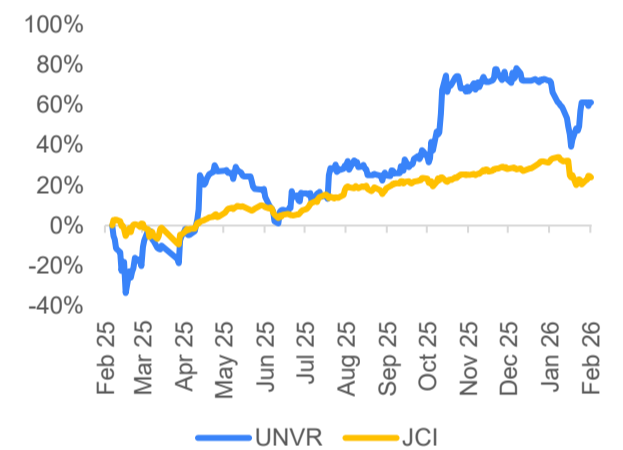
Key Metrics	2023	2024	2025	2026F	2027F
Revenue (Rp bn)	38,611	30,623	31,943	32,988	34,548
EBITDA (Rp bn)	7,233	5,292	9,545	11,088	12,117
Net Profit (Rp bn)	4,801	3,369	7,641	4,605	5,386
EPS Growth (%)	-10.5	-29.8	126.8	-39.7	17.0
P/E (x)	28.0	21.4	12.9	21.5	18.4
Dividend Yield (%)	4.0	7.4	3.4	8.2	4.2

BUY

Stock Information (as of February 18, 2026)

Last Price (Rp)	2,260
Target Price (Rp)	2,600
Potential Upside	15.0%
Previous TP (Rp)	3,100
Market Cap (Rp tn)	86.2
52 Week Range (Rp)	2,840 - 985
Free Float	14.1%
Share Out. (bn)	38.2

1-Year Stock Performance Comparison vs JCI



Shareholders

UNVR's Shareholders	%
Unilever Indonesia Holding	84.99
Public	14.06
Others	0.95

Company Description

UNVR's Company Profile

PT Unilever Indonesia Tbk is a leading fast-moving consumer goods (FMCG) company in Indonesia and a key subsidiary of Unilever. It manufactures, markets, and distributes a wide range of home, personal care, and food & refreshment products that reach the majority of Indonesian households.

Analyst

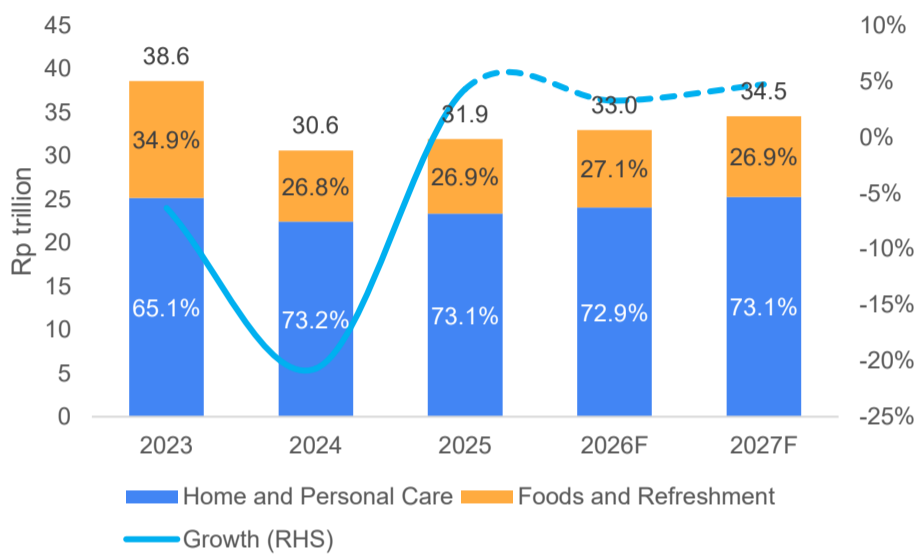
Rizal Rafly
rizal.rafly@ajaib.co.id

Figure 1. UNVR's 12M25 Performance

Key Metrics (Rp bn)	12M25	12M24	YoY	4Q25	3Q25	QoQ
Revenue	31,943	30,623	4.3%	4,330	9,409	-54.0%
Gross Profit	14,997	14,560	3.0%	1,611	4,628	-65.2%
Gross Margin	46.9%	47.5%		37.2%	49.2%	
Operating Profit	4,592	3,807	20.6%	137	1,558	-91.2%
Operating Margin	14.4%	12.4%		3.2%	16.6%	
Net Profit	7,641	3,369	126.8%	4,306	1,180	264.9%
Net Margin	23.9%	11.0%		99.4%	12.5%	
Profit from Continued Operation	3,537	2,905	21.8%	538	1,108	-51.4%
Profit Margin	11.1%	9.5%		12.4%	11.8%	

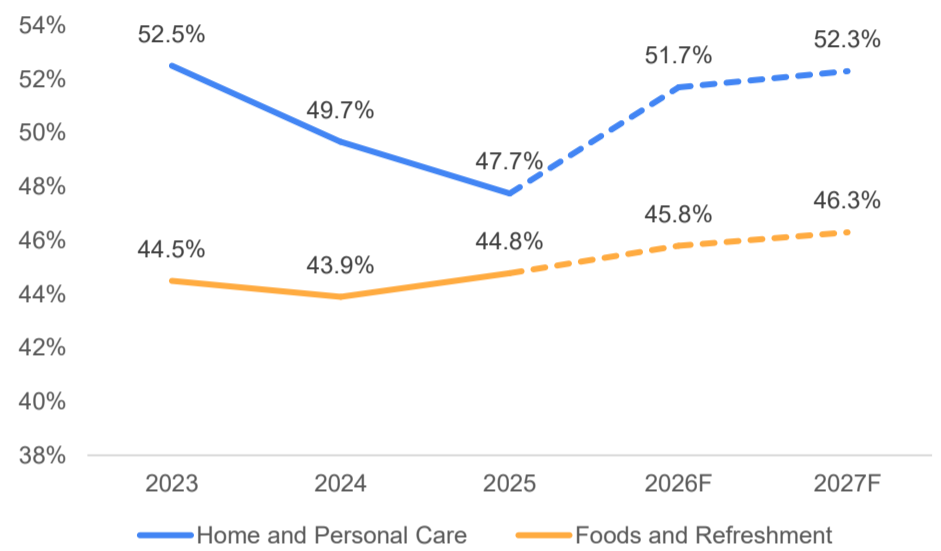
Source: Company, Ajaib Research

Figure 2. UNVR's Revenue Breakdown Projection



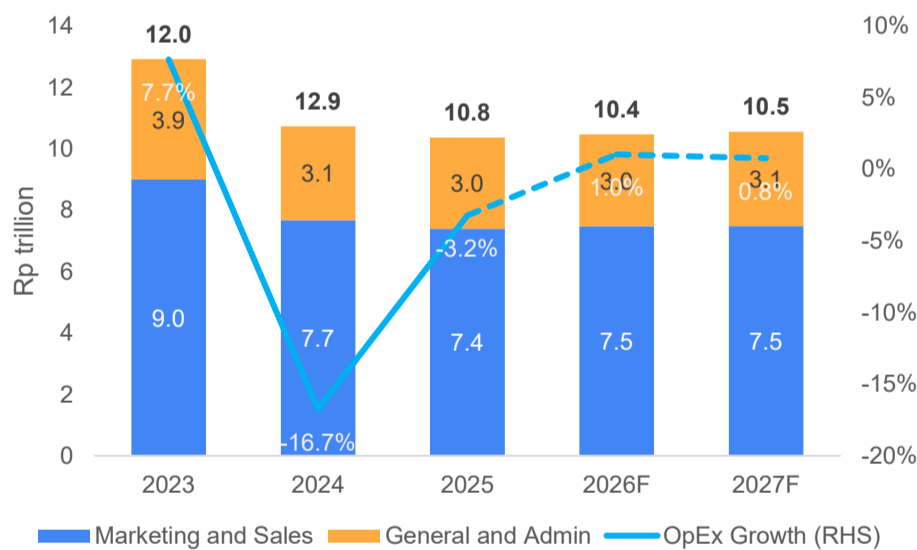
Source: Company, Ajaib Research

Figure 3. UNVR's Segment Gross Margin



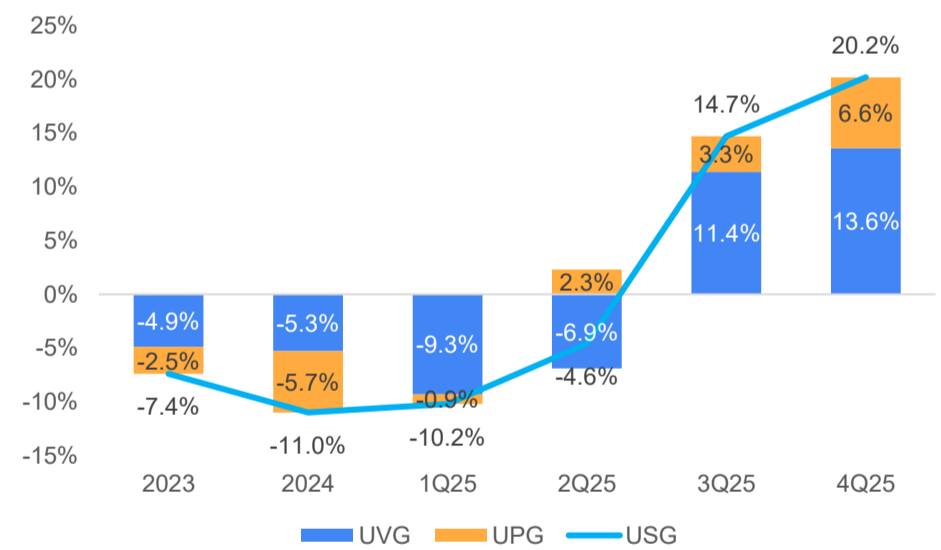
Source: Company, Ajaib Research

Figure 4. UNVR's Operational Expenses Breakdown Projection



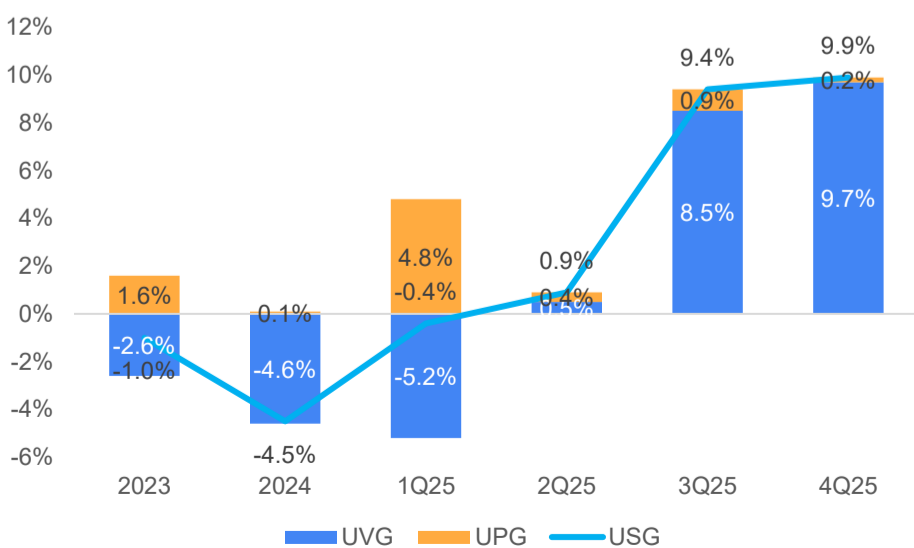
Source: Company, Ajaib Research

Figure 5. HPC's Volume and Price Growth



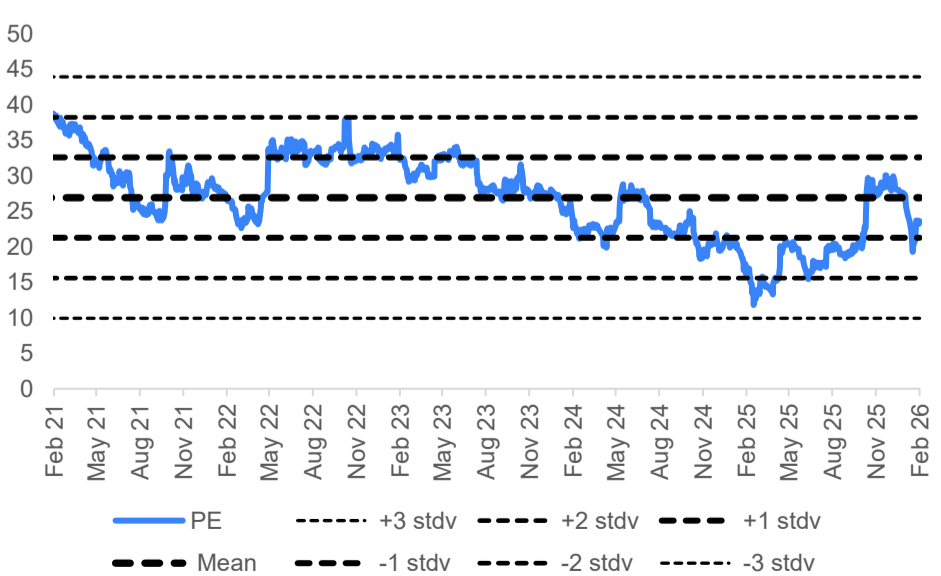
Source: Company, Ajaib Research

Figure 6. F&R's Volume and Price Growth



Source: Company, Ajaib Research

Figure 7. UNVR's Forward PE Band



Source: Bloomberg, Ajaib Research

Financial Statement

Income Statement (Rp bn)	2023	2024	2025	2026F	2027F
Revenue	38,611	30,623	31,943	32,988	34,548
Cost of revenue	-19,417	-16,063	-16,946	-16,460	-17,036
Gross Profit	19,195	14,560	14,997	16,528	17,511
OpEx	-12,915	-10,752	-10,405	-10,513	-10,593
Operating Profit	6,279	3,807	4,592	6,015	6,918
EBITDA	7,233	4,439	5,261	11,096	12,133
Net Interest Expense	-77	-56	-94	-159	-69
Pre-tax profit	6,202	3,751	4,498	5,856	6,849
Income Tax	-1,401	-846	-961	-1,251	-1,463
NPAT	4,801	2,905	3,537	4,605	5,386
Other Profit	0	464	4,104	0	0
Net Profit	4,801	3,369	7,641	4,605	5,386
EPS (Rp)	126	88	200	121	141

Cashflow Statement (Rp bn)	2023	2024	2025	2026F	2027F
Net Profit	4,801	3,369	7,641	4,605	5,386
D&A	954	632	669	5,081	5,215
Changes in Working Capital	1,148	298	968	182	-13
Others	109	184	-486	71	64
Operating Cash Flow	7,012	4,482	8,792	9,938	10,653
Capital Expenditure	-728	-643	1,507	-5,914	-5,426
Changes in other assets	53	-283	-883	135	118
Investing Cash Flow	-676	-925	624	-5,779	-5,308
Net - Borrowing	-533	1,230	-1,336	400	-496
Dividend	-5,341	-5,341	-3,357	-8,141	-4,144
Other Financing	56	205	311	242	-526
Financing Cash Flow	-5,819	-3,906	-4,382	-7,499	-5,165
Net - Cash Flow	518	-349	5,034	-3,341	179
Cash at beginning	503	1,021	671	5,706	2,365
Cash at ending	1,021	671	5,706	2,365	2,544

Balance Sheet (Rp bn)	2023	2024	2025	2026F	2027F
Cash & equivalents	1,021	671	5,706	2,365	2,544
Receivables	2,343	1,881	1,678	1,584	1,593
Inventories	2,422	2,506	2,453	2,338	2,373
Others	406	223	708	637	574
Total Current Assets	6,192	5,281	10,545	6,924	7,084
Fixed Assets	9,311	9,322	7,146	7,979	8,190
Other Non-Current Assets	1,162	1,444	2,327	2,192	2,073
Total Non-Current Assets	10,472	10,766	9,473	10,171	10,264
Total Assets	16,664	16,046	20,017	17,095	17,347
ST Debt	210	1,488	291	726	262
Payables	4,064	3,983	4,695	4,668	4,700
Other Current Liability	6,951	6,359	9,237	8,775	8,336
Total Current Liability	11,224	11,830	14,223	14,169	13,298
LT Debt	541	493	354	319	287
Other LT Liabilities	1,518	1,574	966	869	782
Total Non-Current Liability	2,059	2,067	1,320	1,188	1,069
Total Liability	13,283	13,897	15,542	15,357	14,367
Total Equity	3,381	2,149	4,475	1,739	2,981
Total LiabilitiesEquity	16,664	16,046	20,017	17,095	17,347

Key Ratios (%)	2023	2024	2025	2026F	2027F
Gross Profit Margin	49.7	47.5	46.9	50.1	50.7
EBITDA Margin	18.7	14.5	16.5	33.6	35.1
Net Profit Margin	12.4	11.0	23.9	14.0	15.6
Revenue Growth	-6.3	-20.7	4.3	3.3	4.7
Net Profit Growth	-10.5	-29.8	126.8	-39.7	17.0
EBITDA Growth	-11.0	-38.6	18.5	110.9	9.3
Return on Equity	142.0	156.7	170.7	264.8	180.7
Dividend Yield	4.0	7.4	3.4	8.2	4.2
Net Gearing	-8.0	60.9	-113.1	-75.9	-66.9

Source: Company, Ajaib Research

Rating for Sectors:

Overweight : We expect the industry to perform better than the primary market index (JCI) over the next 12 months.

Neutral : We expect the industry to perform in line with the primary market index (JCI) over the next 12 months.

Underweight : We expect the industry to underperform the primary market index (JCI) over the next 12 months.

Rating for Stocks:

Buy : The stock is expected to give total return (price appreciation + dividend yield) of > +10% over the next 12 months.

Hold : The stock is expected to give total return of > 0% to ≤ +10% over the next 12 months.

Sell : The stock is expected to give total return of < 0% over the next 12 months.

Outperform : The stock is expected to do slightly better than the market return. Equal to “moderate buy”

Underperform : The stock is expected to do slightly worse than the market return. Equal to “moderate sell”

Analyst Certification:

The lead analyst(s) who prepared this equity research report confirm that the opinions stated herein genuinely represent their personal perspectives regarding all the securities or issuers discussed. Additionally, the analyst(s) assert that their remuneration was not, is not, and will not be tied, either directly or indirectly, to any specific recommendations or viewpoints presented in this report.

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