

# PT Cisarua Mountain Dairy Tbk

9M 2024 Results Presentation

October 2024



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## Our Presenters Today

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**Farell Sutantio**

*President Director*  
*Group Chief Executive Officer*



**Axel Sutantio**

*Director*  
*MP Chief Executive Officer*



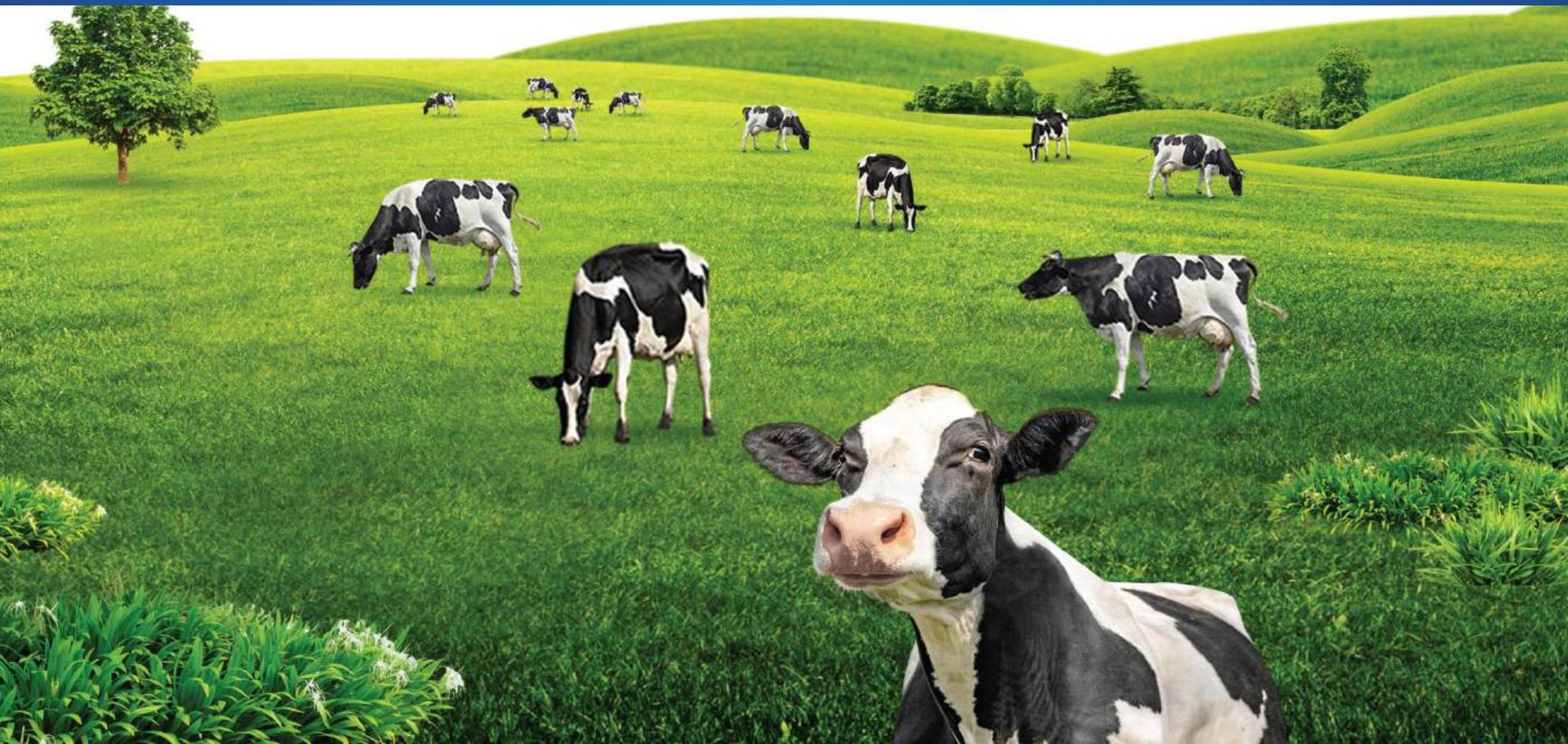
**Bharat Joshi**

*Director*  
*Chief Financial Officer*

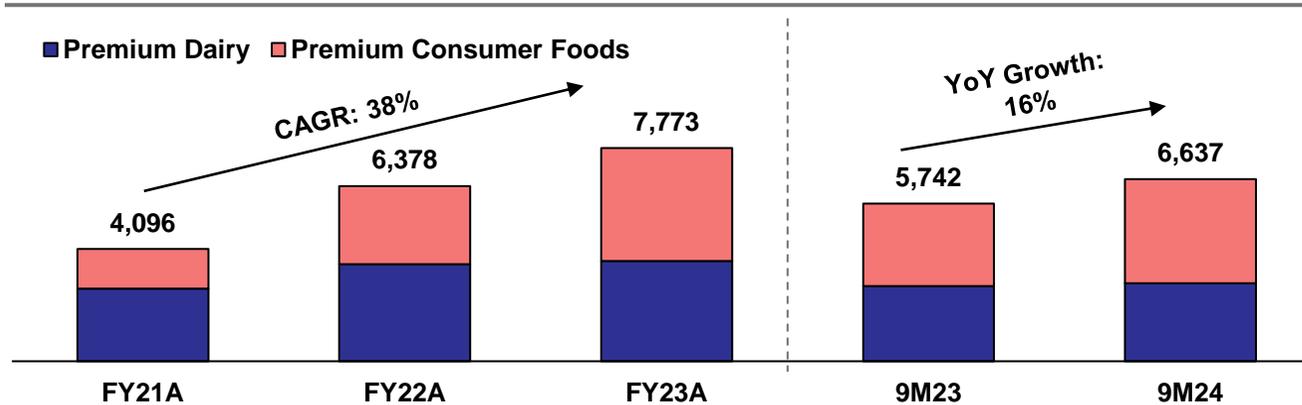


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# 1 | Financial Results



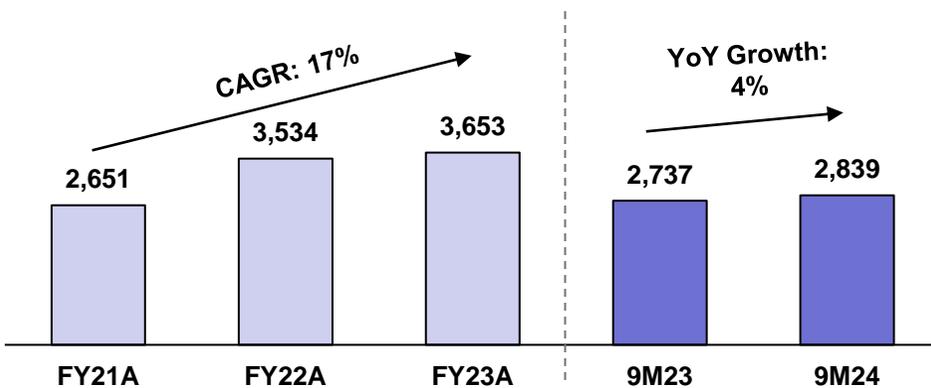
### Total Net Sales (Rp bn)



### Commentary

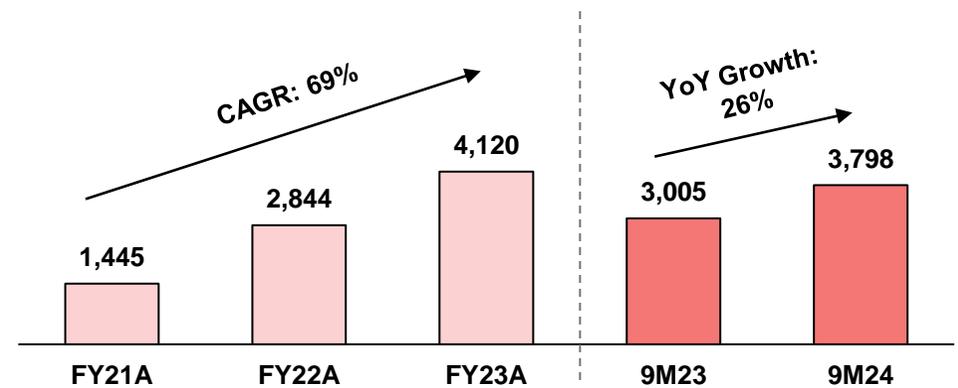
- Continued YoY expansion of Total Net Sales, primarily driven by **healthy growth in both Premium Consumer Foods and UHT Milk**.

### Premium Dairy Net Sales (Rp bn)



- Healthy YoY** growth in the **UHT milk** category.
- Despite a challenging backdrop, we are starting to see a **gradual recovery of the yogurt category**

### Premium Consumer Foods Net Sales (Rp bn)

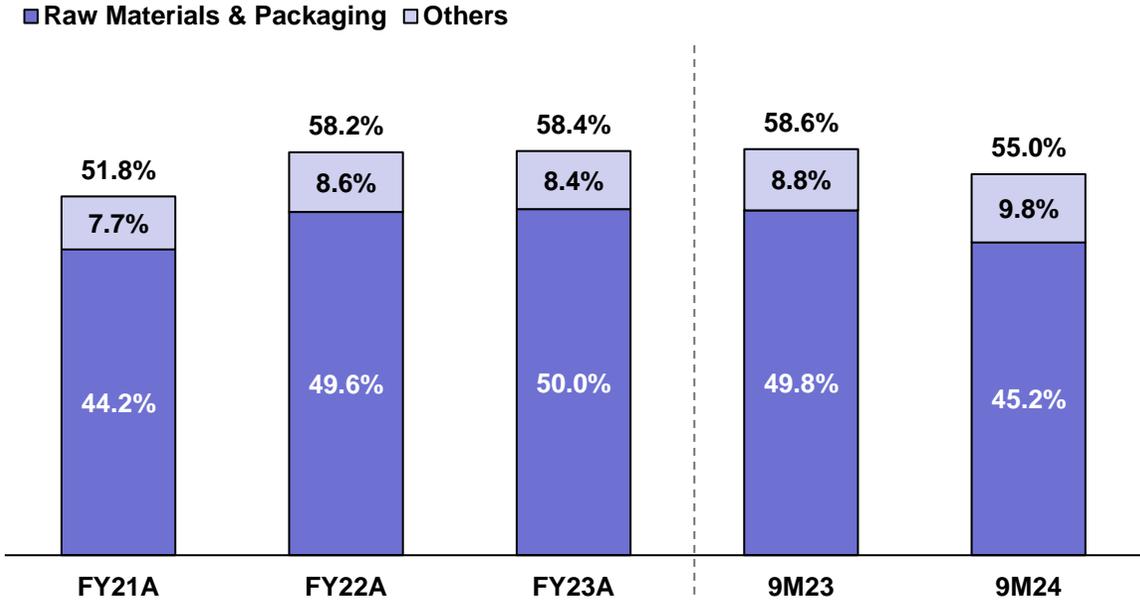


- Continual growth across all product categories** within the Premium Consumer Foods on the back of **new launches** and **healthy marketing spend**.

# Gross profit



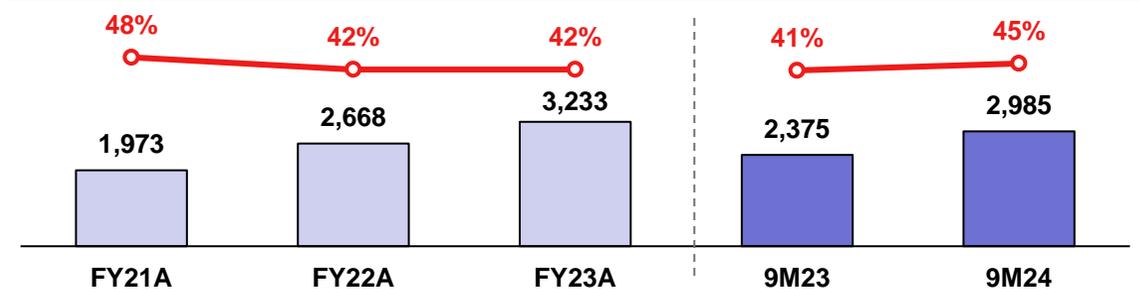
Cost of Sales % Net Sales (Rp bn)



Commentary

- Benefited from **reduced raw material costs**, while also eliminated previous year costly inventory reserves.
- Increase in Other Cost of Sales partially attributable to **wage growth and increased depreciation of fixed assets**.

Gross Profit & Margin (Rp bn)



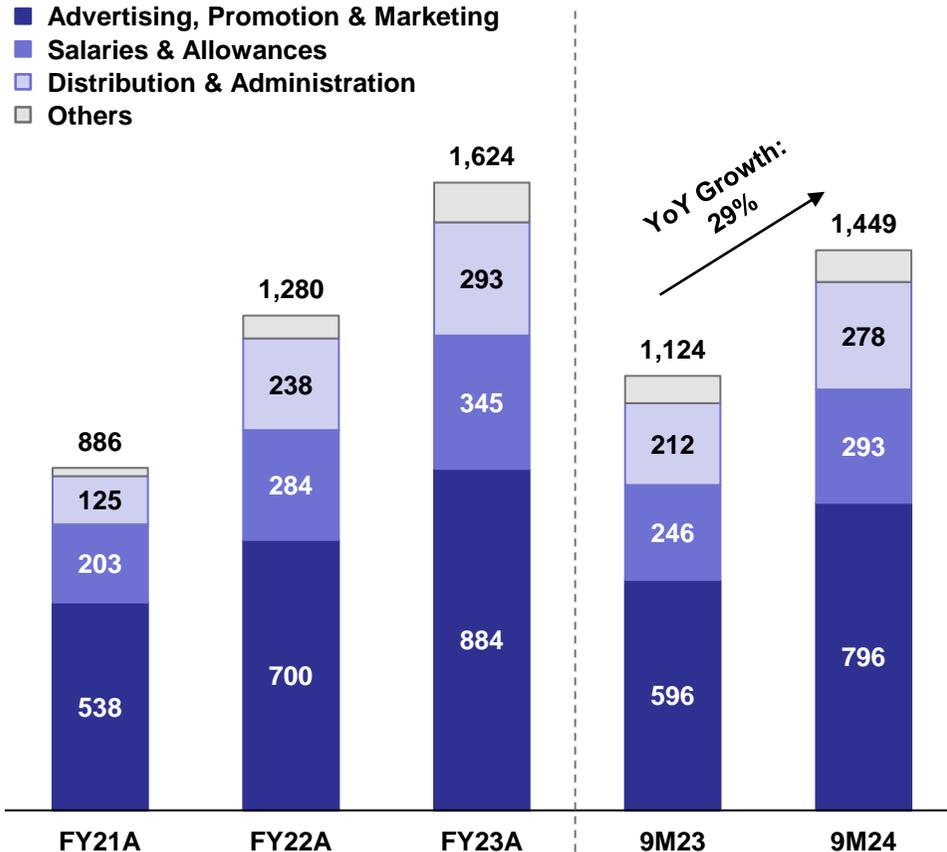
Commentary

- Increase in Gross Margins from **normalised raw material prices**

# Selling & marketing expenses

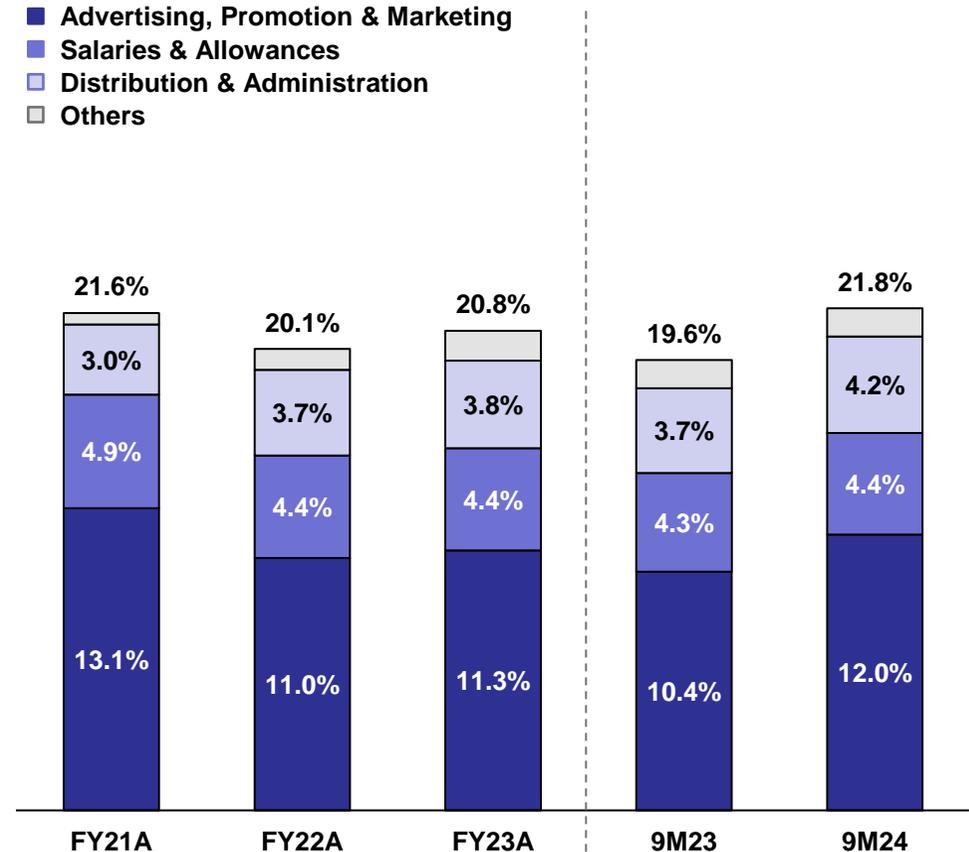


Selling & Marketing Expenses (Rp bn)



- **Increased Advertising, Promotion & Marketing in 9M24** capitalizing on the newly launched products and marketing support for our core products.

Selling & Marketing Expenses % Net Sales (Rp bn)



In FY 23, we adopted a cautious approach to advertising and promotions. This year, with an **enhanced margins, we have shifted to a more aggressive strategy** for marketing expenditures.

# New Product Launch: Cimory Yoghurt Squeeze Bites



# New Product Launch: Crispy Nugget Spicy



**KANZLER**  
KAWAN WISATA BERSAMA SUDARA

**NEW SPICY NUGGET**

Nuggetnya Warga +62   
**Lebih nagih  
Lebih ngabisin nasi**

SPICY NUGGET EXTRA DAGING

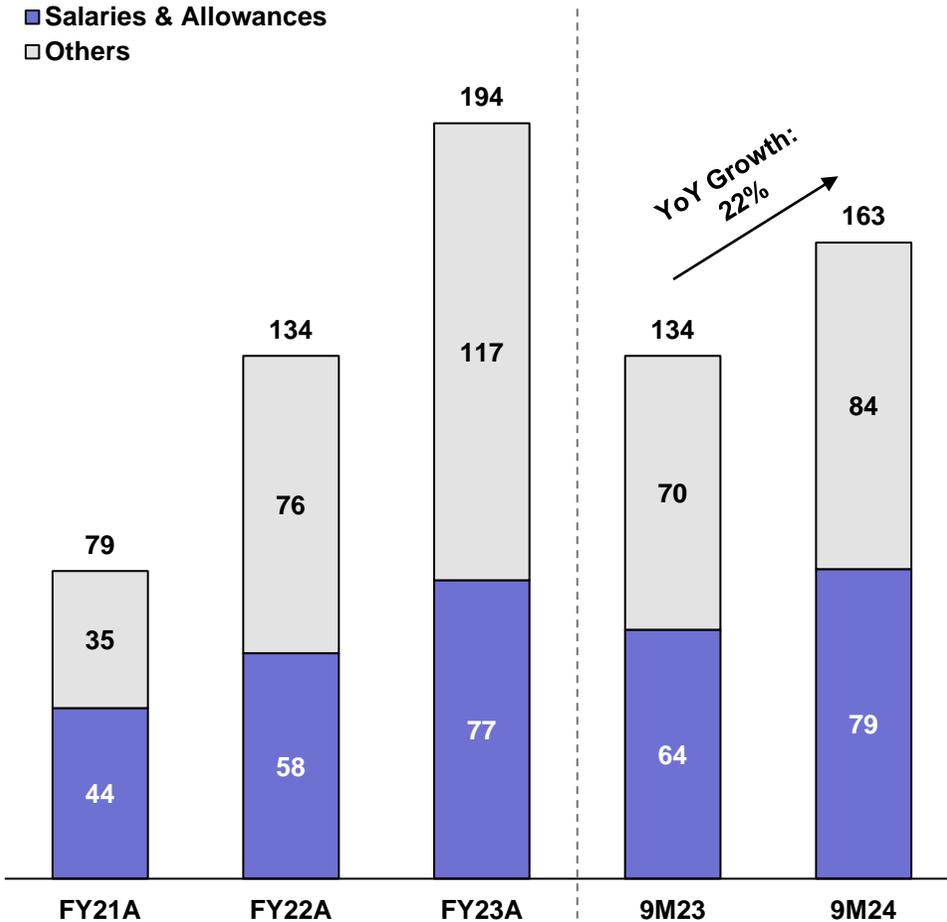
# Kanzler : Visualizing Our Healthy Brand Presence



# General & administrative expenses

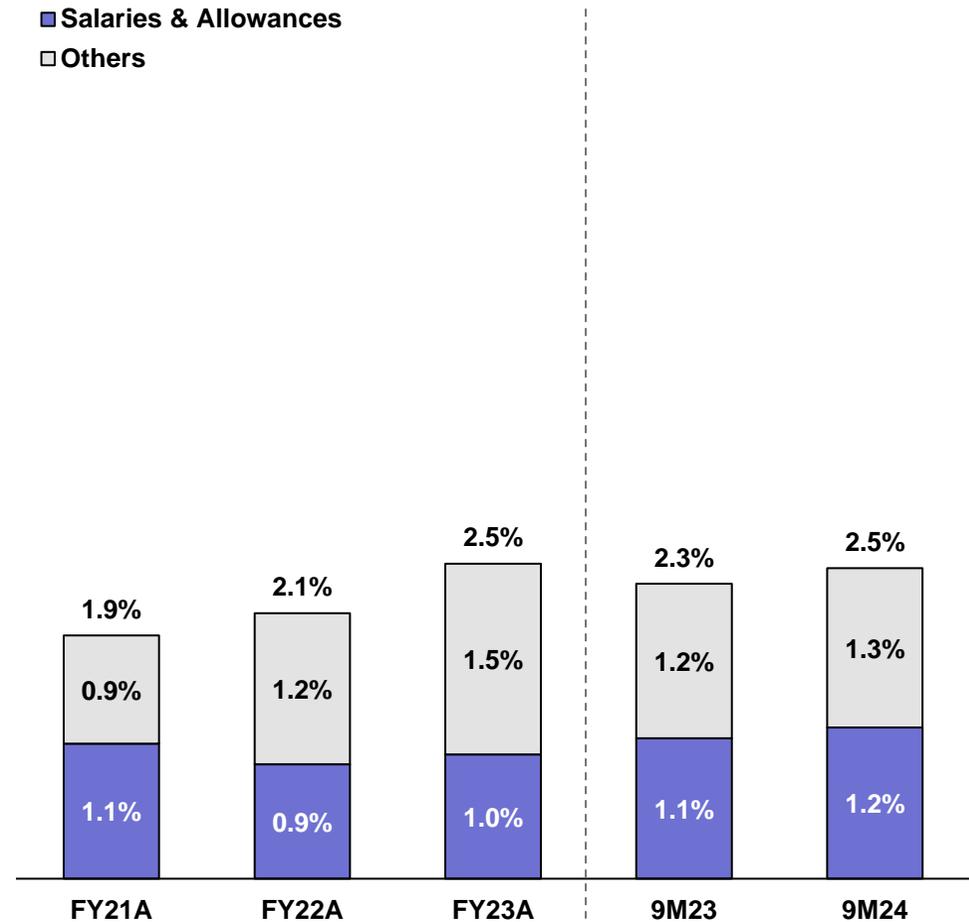


General & Administrative Expenses (Rp bn)



■ YoY growth in Salaries & Allowances expenses due to **expanding operations to support top-line growth**

General & Administrative Expenses % Net Sales (Rp bn)

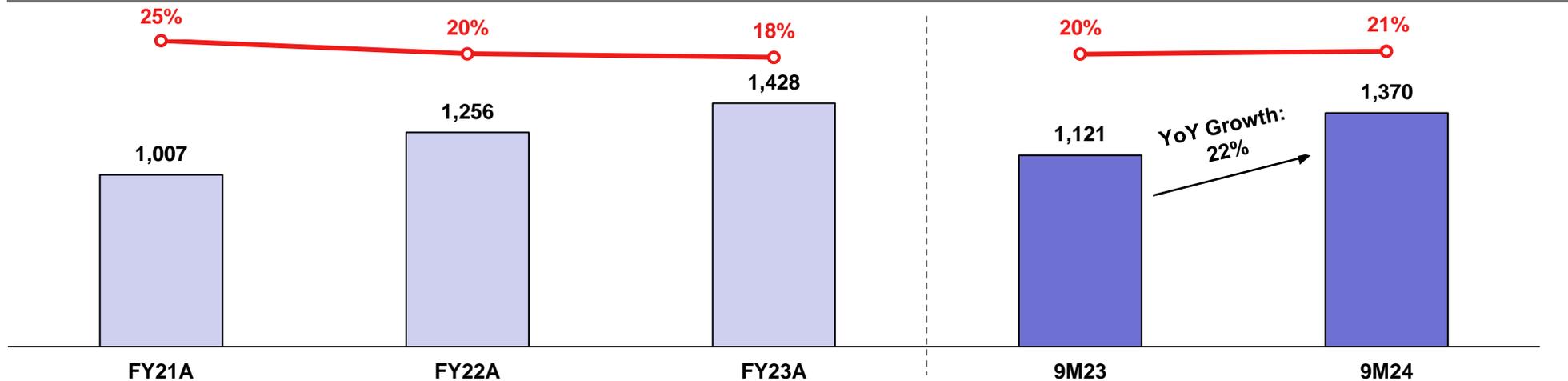


■ Actively recruiting and developing talent **in-line with the company's growth expansion**

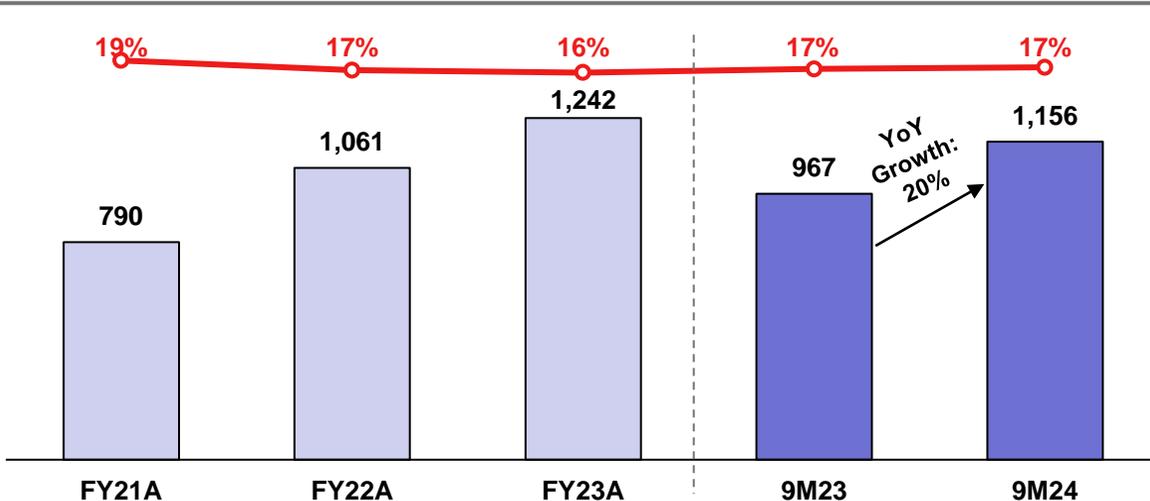
# Operating & net profit



### Operating Profit & Margin (Rp bn)



### Net Profit & Margin (Rp bn)



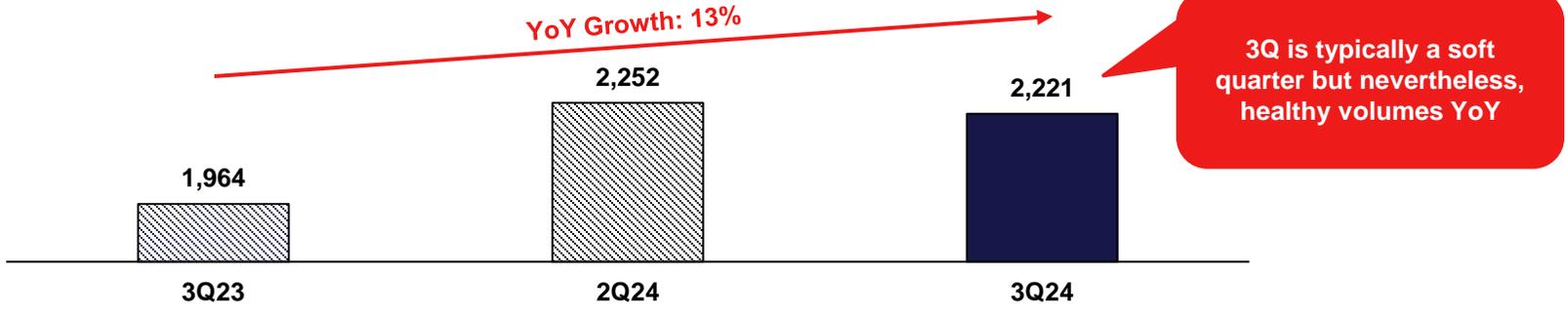
### Commentary

- **Strong topline growth, and better gross margins**, drove a significant boost in operating profits
- Notably stable operating and net margins

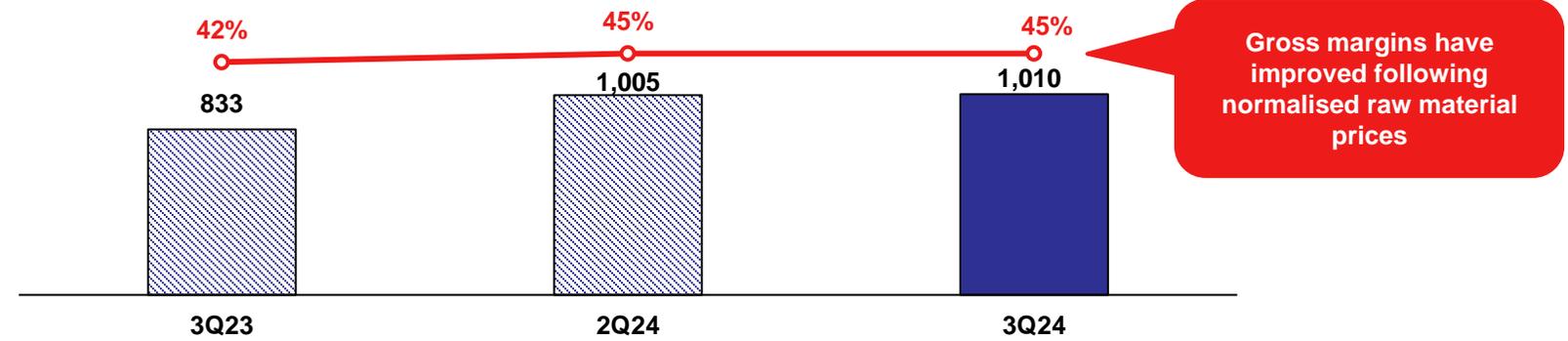
# Quarterly performance



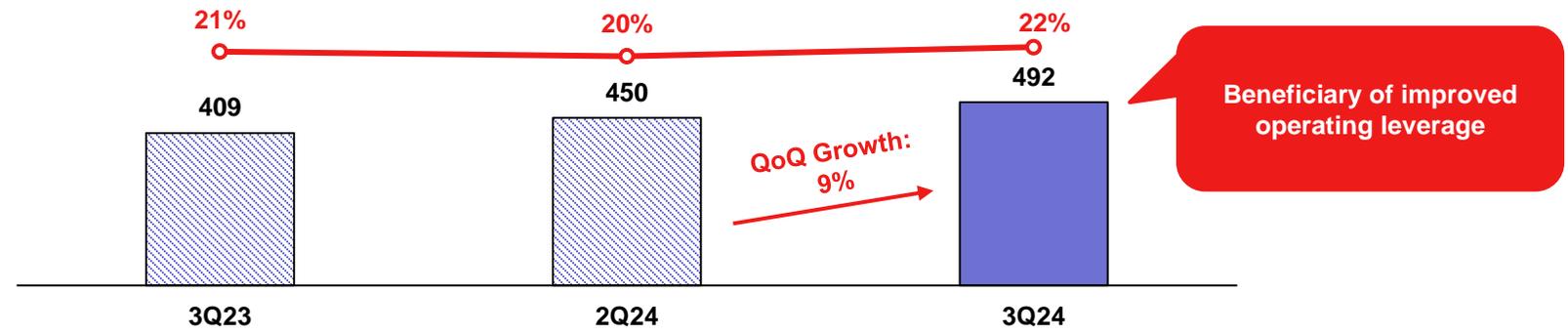
## Net Sales



## Gross Profit & Margin



## Operating Profit & Margin

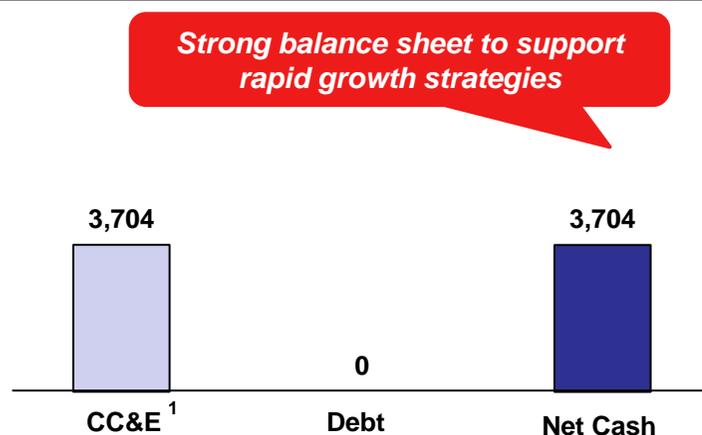


Note: Figures shown in RP bn.

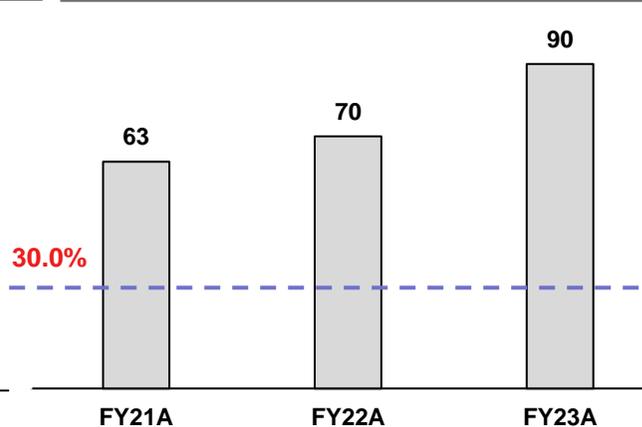
# Balance sheet & cash flows



## Net Cash (Debt) Position (Rp bn)



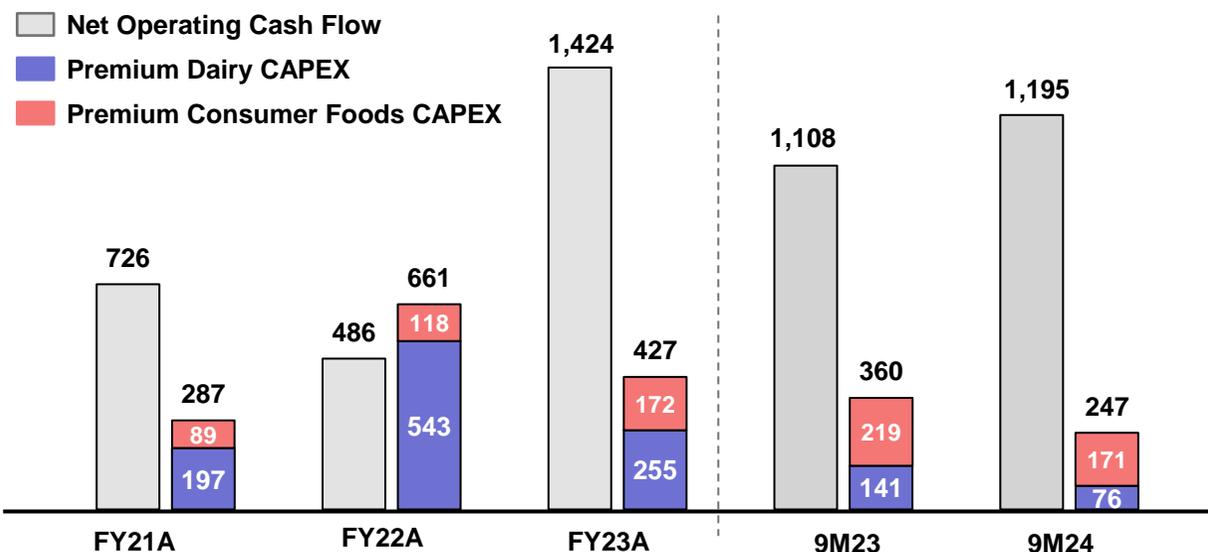
## Dividend per Share (Rp)



## Commentary

- **Strong net cash position** to continue to drive growth initiatives
- Well-positioned to **continue delivering healthy dividends to shareholders**
- Minimum **Dividend Pay Out Ratio target of 30%**

## Net Operating Cash Flows vs Capital Expenditure (Rp bn)

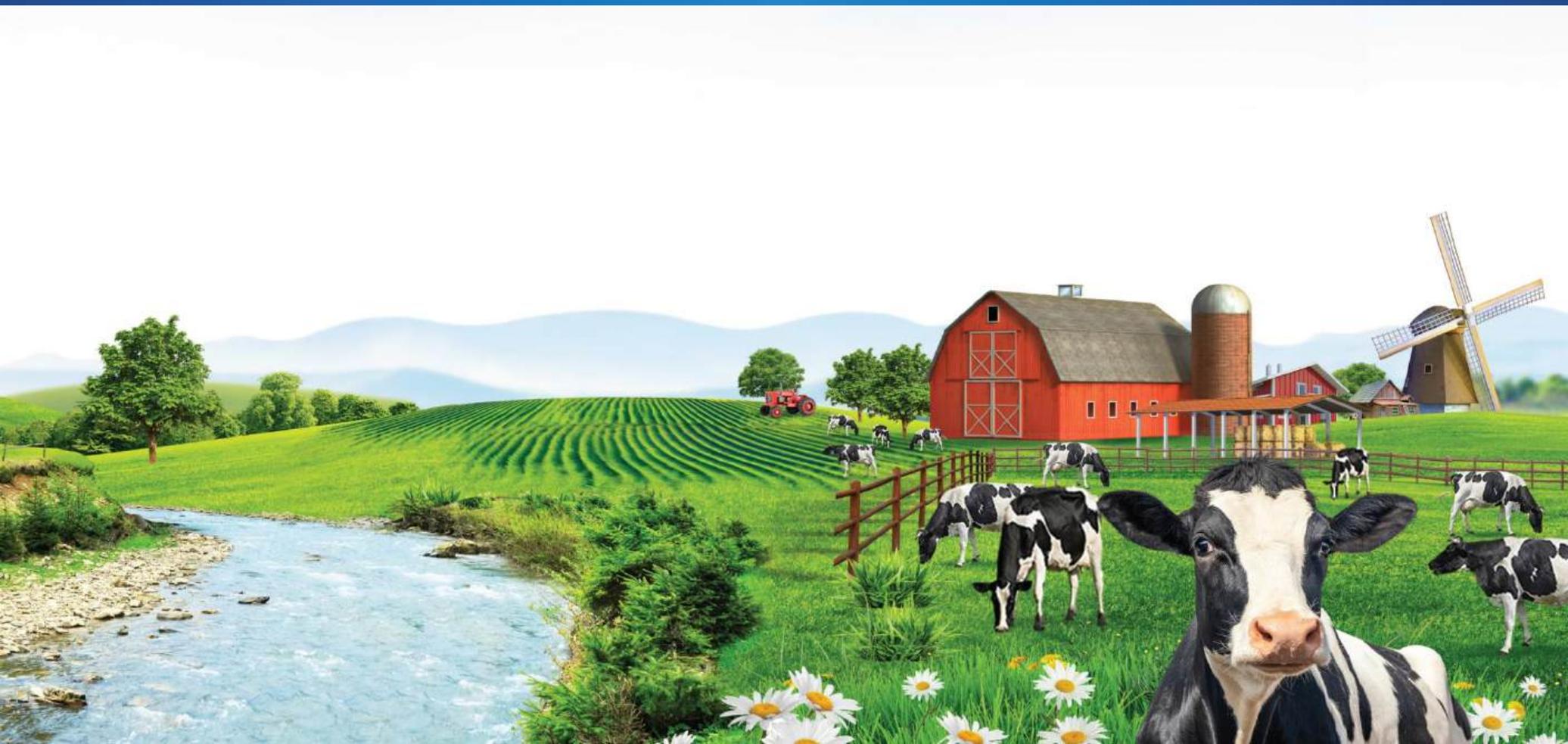


## Commentary

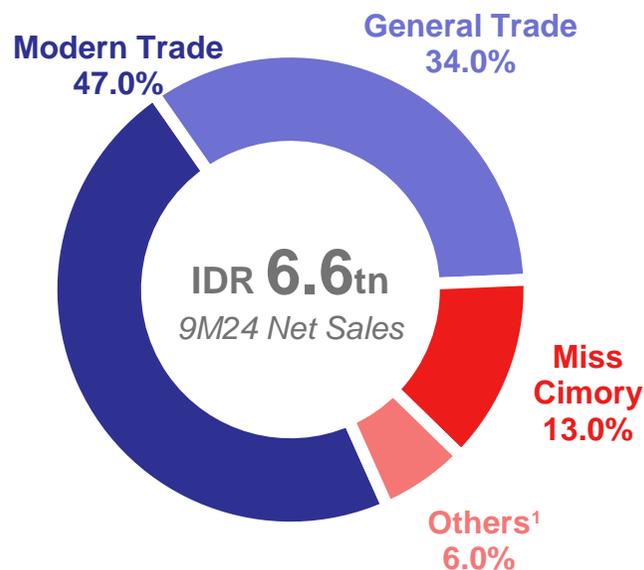
- Strong Net Operating Cash Flows in 9M24 driven by **improvements in working capital requirements**
- Lower capex in 9M24 following the high CAPEX invested in FY22. Focus is on driving up utilization across the categories

Note: 1) Includes IDR809bn of current and non-current Investment in Marketable Securities (i.e. government bonds).

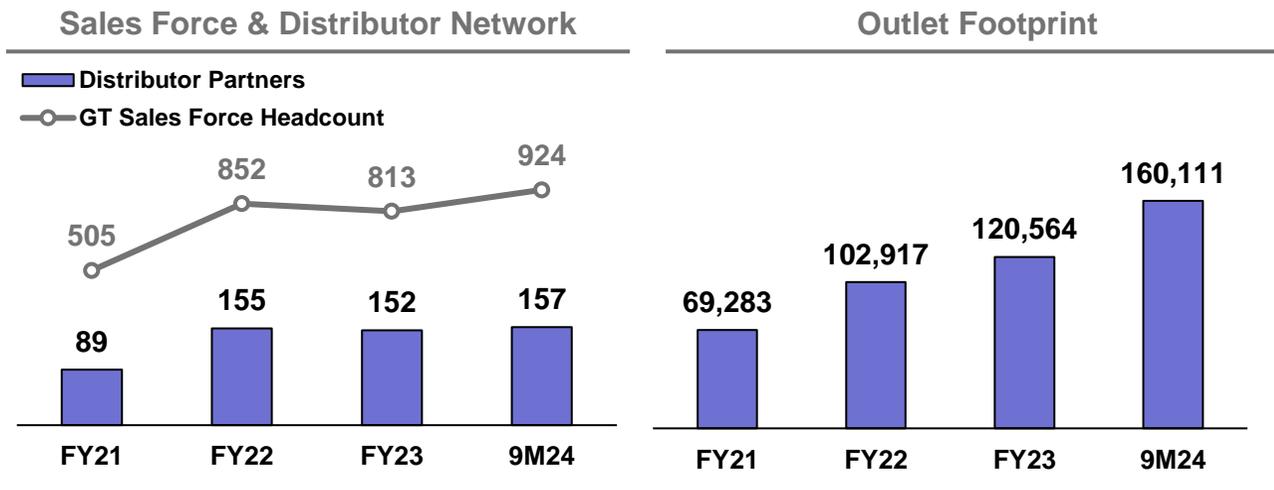
## 2 | Operational Performance



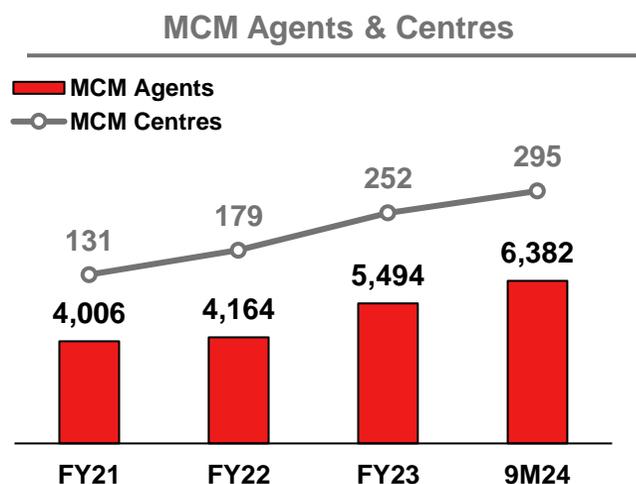
# Successful execution of our channel penetration strategies, with an emphasis on improving productivity per MCM agent



## General Trade (“GT”)



## Miss Cimory (“MCM”)



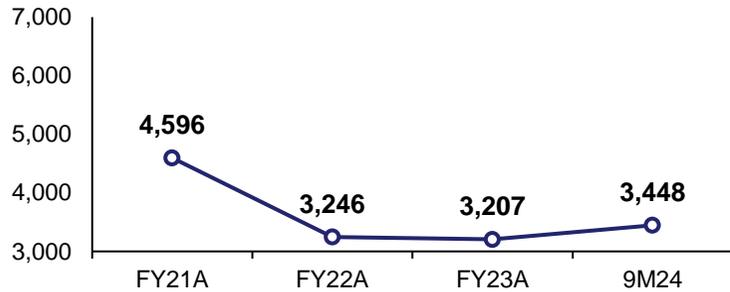
Note: 1) Others includes Food Service Industry, E-Commerce and Export segments; 2) Shown on an annualised basis.

# Relatively Stable Raw Material Prices



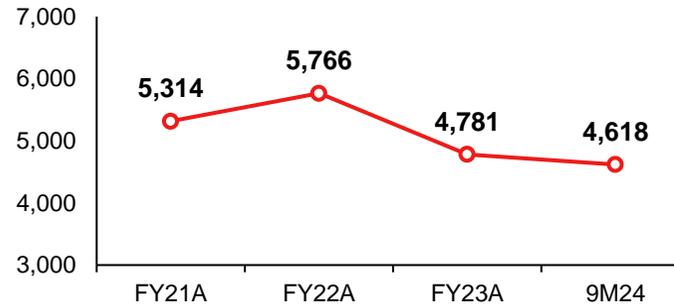
## Premium Dairy

Whole Milk Powder Prices (US\$/MT)<sup>1</sup>



## Premium Consumer Foods

Annual Average Beef Purchase Price (US\$/MT)<sup>2</sup>



**6 months supply of milk powder & raw beef purchased in advance**

Exchange Rate (USD / IDR)<sup>2</sup>



# We will maintain our focus on investing in channel growth and new product launches to capture rising consumer demand



## Channel Growth

*Well-positioned to increase our shelf space while continuing to invest heavily across our fast-growing MCM and GT channels*

### New Product Squeeze Bites



### Affordable size Kanzler Singles



### New Product Crispy Nugget Spicy



## Launch of New Products

- Launch of Yogurt Squeeze Bites (with Nata De Coco) in 3Q24.
- Launch more affordable and smaller size of Ready-to-Eat products in General Trade and Chicken Nugget Spicy.



**Continued Top-Line Growth**



## Organic Topline Growth

*Volume growth through trialship and repeatability of consumption*

*Market share gains and category growth expansion*



*Leverage production facilities and drive cost efficiencies*

## Investment

*Continuous marketing investments and channel expansion*

# Growth supported by launch of new products and SKU extensions



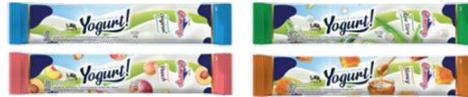
## Premium Dairy



**UHT Milk**  
Flavour Extensions

2Q 2023

3Q 2023



**Yoghurt Stick**  
Flavour Extensions

4Q 2023

1Q 2024



**Squeeze Bites**  
New Product

2Q 2024

3Q 2024



**Frutas Jelly**  
New Product

4Q 2024

## Premium Consumer Food

**Crispy Chicken Nuggets**  
New Product



**Crispy Nugget Sticks**  
New Product



**Crispy Nugget Spicy**  
New Product



**Kanzler Singles**  
Affordable Size



# 3 | Key Takeaways



# Key takeaways



1

**Strong 9M24 top-line expansion of 16% YoY, driven primarily by volume-based growth.**

2

**Consumer Foods exhibited exceptional performance of 26% YoY Net Sales growth in 9M24, driven by contributions from all product categories.**

3

**Sustained Gross Profit Margins following normalizing raw material prices and improved sales mix.**

4

**Healthy Operating Cash Flows attributable to improved working capital requirements, coupled with a strong balance sheet to support growth initiatives.**

5

**Product innovation capabilities places Cimory in a prime position to capitalize on Indonesia's continuing consumption growth story, driven by a rapidly expanding middle class.**





1

The dairy segment has started to show a modest recovery, what are the plans here to drive further growth ?

2

Consumer foods seems to be performing well despite a higher base now, what are the future growth drivers and how has competition been in the category ?

3

The call for a sugar tax is gaining momentum. What would its impact be on Cimory if implemented, and are there any updates on the government's milk program ?

