BINA ARTHA SEKURITAS

Equity Research

PT. Homeco Victoria Makmur Tbk.

NOT RATED

Consumer Cyclical
12 February 2025

Price	**IDR.**	**200**
JKSE Index		**6,531.990**



Stock code

Bloomberg code	LIVE IJ
Market cap (in Bn)	886.45
52-week high	286
52-week low	112
Free Float (%)	21.31%

Major Share Holders (%)

PT Homeco Global Investasi	78.69%
Public	21.31%

USD/IDR-YE

2024	16,193
2025F (6m-avg)	16,287

Analyst:
Eka Rahmawati Rahman

Source: Company and Binaartha

Investment Considerations

Increased Product Launches at Inspired Home & Living Show

- LIVE hosted the Inspired Home & Living Show (IHLS) in October 2024, a bazaar and private expo featuring household products. During IHLS 2024, the company launched several new products across different categories, including:
  - Klen – Dustbin collections
  - Big Block – Lunch sets
  - t+ Active – Water bottle tumblers
  - Maamo – Cutlery and children's blankets
  - KEI Living – Cutlery supplies
  - Lungo – Lunch kits, bags, and luggage
- This event boosted LIVE's sales, contributing up to 15% of total revenue.
- Moving forward, the company plans to expand through acquisitions and explore potential joint ventures.
- Additionally, LIVE will increase the frequency of events like IHLS to strengthen brand awareness, maintain relationships with partners, and drive sales growth.

Sustained Top-Line Growth

- LIVE reported positive sales growth in Q3 2024, with revenue increasing 8.8% YoY and 3.1% QoQ to IDR 59.27 billion.
- The trading segment grew significantly by 47.0% YoY to IDR 38.7 billion, remaining the largest revenue contributor at 60.1% of total revenue in Q3 2024.
- The manufacturing segment declined by 22.3% YoY to IDR 25.62 billion in the same period.
- For the first nine months of 2024 (9M2024), LIVE's total revenue increased by 17.0% YoY to IDR 184.9 billion:
- Manufacturing segment revenue surged by 80% YoY to IDR 76 billion.
- Trading segment revenue grew by 5.1% YoY to IDR 127.4 billion.

Live also reported strong margin Improvements:

- The EBIT margin for the trading segment improved to 17.6% in 9M2024, up from 13.3% in 9M2023.
- The manufacturing segment's EBIT margin improved from -5.6% to -1.6%. We anticipate higher Q4 2024 sales, driven by the IHLS event in October, and moderate growth in 2025, with revenue projected to reach IDR 326 billion.

Margin Expansion

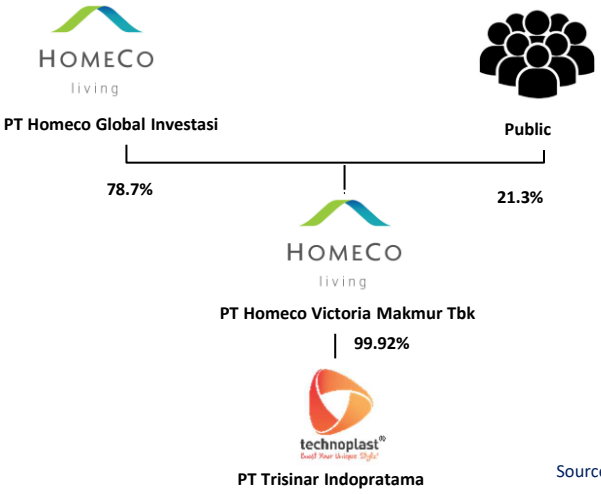
- LIVE's bottom-line performance showed substantial improvement:
  - Q3 2024 net profit reached IDR 1.46 billion.
  - 9M2024 net profit surged 48.8% YoY to IDR 21.2 billion, with a net profit margin of 11.5%.
- Cost of goods sold (COGS) decreased 1.0% YoY to IDR 92.7 billion in 9M2024, resulting in:
  - Gross profit growth of 43.1% YoY to IDR 92.2 billion.
  - Gross margin expansion to 49.9% in 9M2024.
  - Operating profit growth of 61.8% YoY to IDR 35.5 billion, with an operating margin of 19.2%.

Valuation

- LIVE is currently trading at 9M2024 PER and PBV ratio of 37.8x and 2,59x compared to the industry average of 37x.

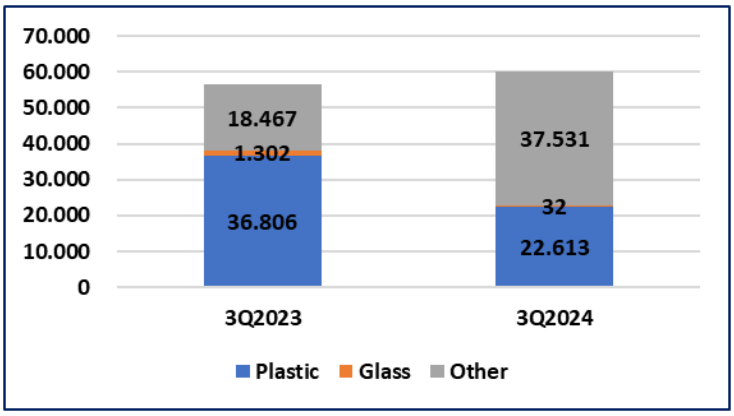
	2021A	2022A	2023A	2024P	2025P	2026P
Revenue (IDR Million)	162.182	302.520	269.071	313.093	326.480	349.823
Net Profit (IDR Million)	4.027	22.478	31.954	40.784	42.527	45.568
GPM (%)	34,3%	37,1%	39,4%	50,0%	50,0%	50,0%
EBITDA Margin (%)	15,5%	15,4%	20,0%	23,8%	23,7%	23,5%
PER (x)	-	-	-	20,4	24,8	23,2
PBV (x)	-	-	-	2,5	2,9	2,7
Debt to Equity (x)	0,9	0,7	0,7	0,4	0,3	0,2
Current Ratio (x)	1,6	1,8	2,7	3,3	4,3	5,3

Company Structure



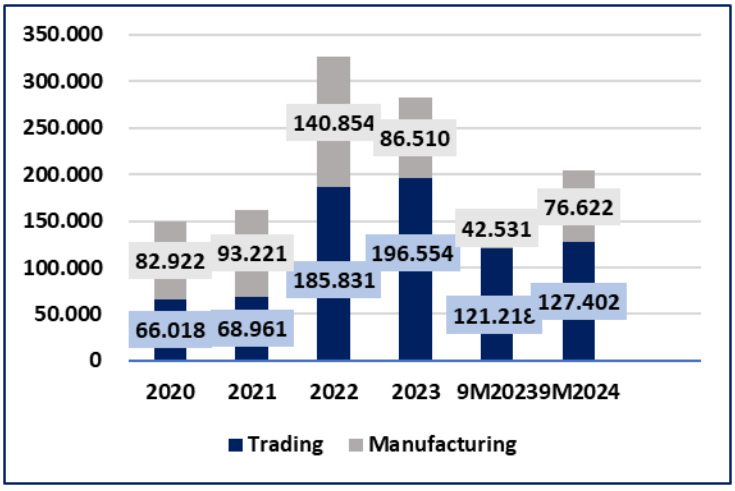
Source: Company

Revenue Per Segment In IDR Million YoY



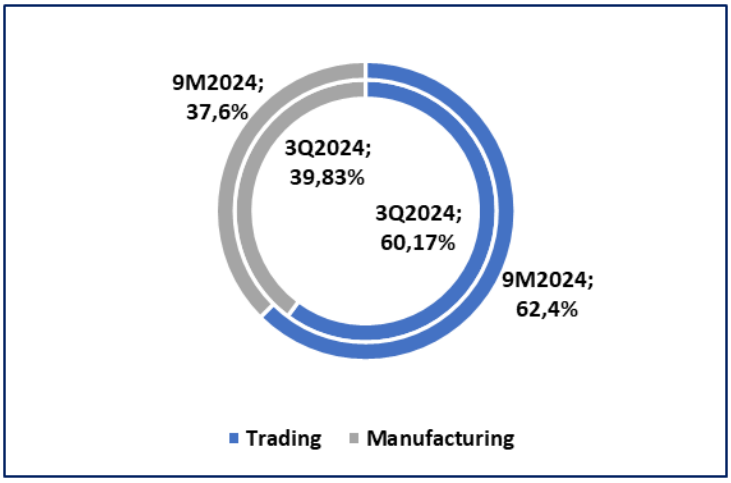
Source: Company

Revenue Per Segment In IDR Million YoY



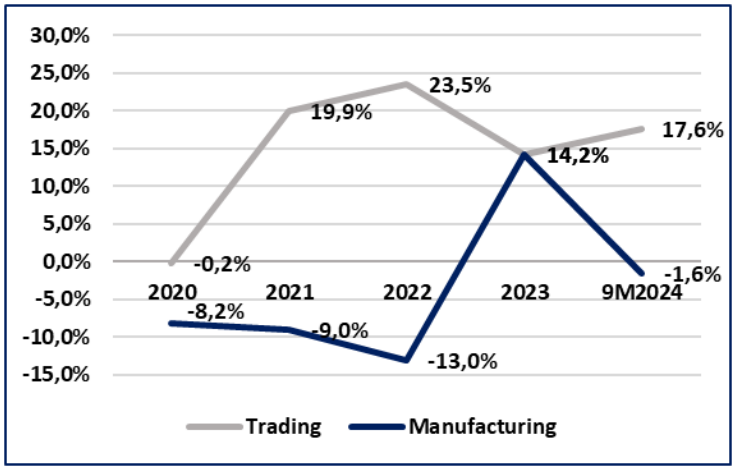
Source: Company

Revenue Contribution in 3Q2024



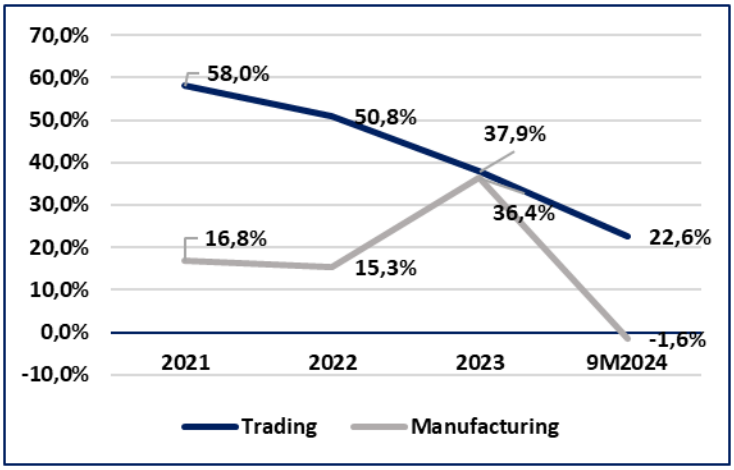
Source: Company

EBIT Margin Per Segment



Source: Company

GPM Margin Per Segment

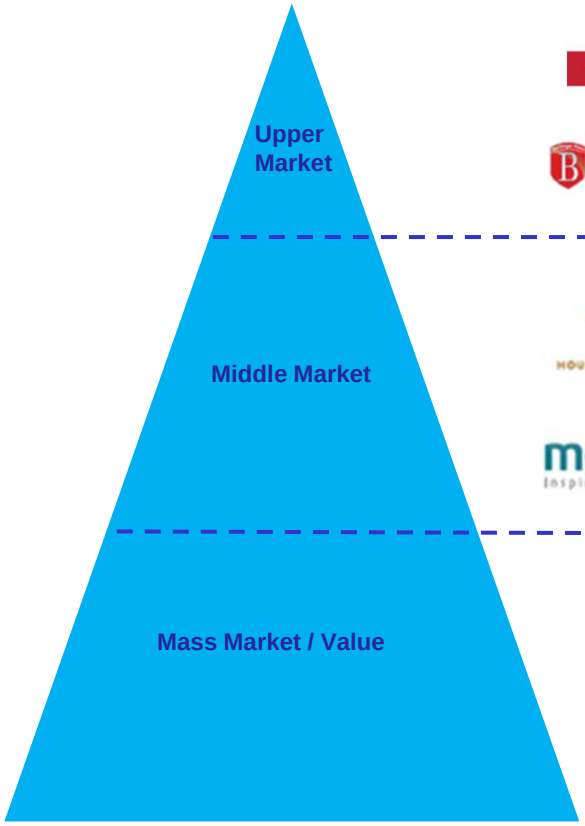


Source: Company

Ratio of Public Listed Companies in The Household Goods Industry

Company	Period	Code	EPS (IDR)	BVPS (IDR)	PER (x)	PBV (x)	Prices (30 Sept 2024)
PT Chitose Internasional Tbk	9M2024	CINT	5,24	292,57	35,88	0,64	188
PT Gema Grahasarana Tbk	9M2024	GEMA	3,01	247,1	87,04	1,06	262
PT Kedaung Indah Can Tbk	9M2024	KICI	-17	382	-8,99	0,39	150
PT Langgeng Makmur Industri Tbk	9M2024	LMPI	-16	159	-4,82	0,49	78
PT Homeco Victoria Makmur Tbk	**9M2024**	**LIVE**	**5**	**73**	**37,80**	**2,59**	**189**
PT Multi Indocitra Tbk	9M2024	MICE	58	1.532	8,54	0,32	494
PT Selaras Citra Nusantara Perkasa Tbk	9M2024	SCNP	4,67	146	40,04	1,28	187
PT Integra Indocabinet Tbk	9M2024	WOOD	16,43	685	14,49	0,35	238
Mean*)			**15,30**		**37,30**	**0,89**	
Min					**8,54**	**0,32**	
Max					**87,04**	**2,59**	

Homeco Brand Portofolio

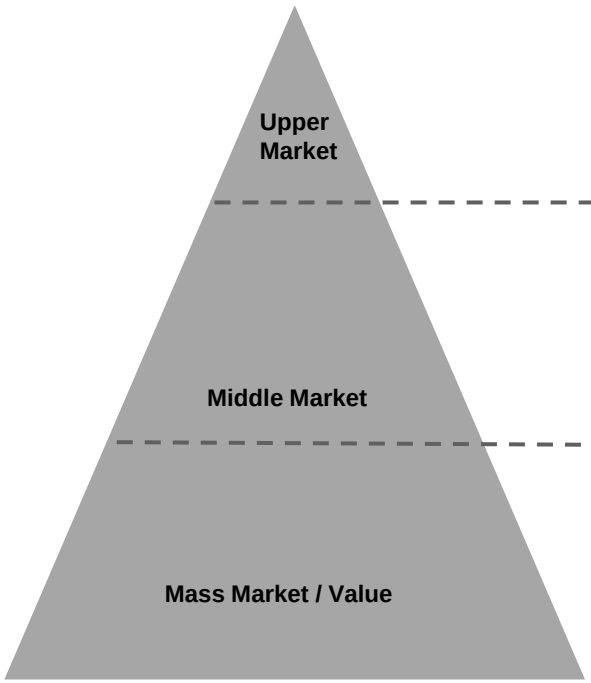


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Techoplast Brand Portofolio



MONO CHRO ME · LOVELO Food Keeper & Serving Collection · lugo · BIG BLOCK Lunch Set · RCYCLO · biotechplast

schoolbites · TINY Treasure · t+ · klēn Dustbin Collection · TLOCK · KATA KITCHEN & TABLEWARE 말하다 · techno home · ON THE GO

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Homeco Brand and Product Variant Launch in Inspired Home Living Show (IHLS) 2024

klēn
Dustbin Collection



BIG BLOCK
Lunch Set





t+ Active
by technoplast







KEI



lugo



Income Statement in IDR. Million QoQ & YoY

Description	1Q2024	2Q2024	3Q2024	QoQ	3Q2023	YoY	9M2023	9M2024	YoY
Sales	**68.145**	**57.515**	**59.277**	**3,1%**	**54.496**	**8,8%**	**158.079**	**184.937**	**17,0%**
COGS	-28.357	-32.494	-31.872	-1,9%	-33.553	-5,0%	-93.622	-92.723	-1,0%
Gross Profit	**39.788**	**25.021**	**27.405**	**9,5%**	**20.943**	**30,9%**	**64.457**	**92.214**	**43,1%**
Operating Expense	-22.991	-11.567	-22.113	91,2%	-17.559	25,9%	-42.491	-56.671	33,4%
Operating Income	**16.797**	**13.454**	**5.292**	**-60,7%**	**3.384**	**56,4%**	**21.966**	**35.542**	**61,8%**
Other (Expense) Income	-2.542	-2.422	-3.003	24,0%	-1.880	59,8%	-3.666	-7.967	117,3%
Earning Before Tax	**14.255**	**11.032**	**2.289**	**-79,3%**	**1.504**	**52,2%**	**18.300**	**27.576**	**50,7%**
Tax	-3.138	-2.373	-827	-65,2%	-39	2020,5%	-4.026	-6.338	57,4%
Net Income	**11.117**	**8.659**	**1.462**	**-83,1%**	**1.465**	**-0,2%**	**14.274**	**21.238**	**48,8%**
EPS (IDR)	**2,4**	**1,9**	**0,33**	**-82,5%**	**1**	**-67,8%**	**6**	**5**	**-16,7%**
GPM	**58,4%**	**43,5%**	**46,2%**		**38,4%**		**40,8%**	**49,9%**	
OPM	**24,6%**	**23,4%**	**8,9%**		**6,2%**		**13,9%**	**19,2%**	
NPM	**16,3%**	**15,1%**	**2,5%**		**2,7%**		**9,0%**	**11,5%**	

Source: Company

Income Statement in IDR Billion YoY

Description	2020A	2021A	2022A	2023A	2024P	2025P	2026P
Sales	**148.939,30**	**162.182,30**	**302.520,40**	**269.070,67**	**313.093,45**	**326.480,13**	**349.823,30**
COGS	-92.783,60	-106.513,60	-190.347,90	-163.103,82	-156.546,73	-163.240,06	-174.911,65
Gross Profit	**56.155,70**	**55.668,70**	**112.172,50**	**105.966,85**	**156.546,73**	**163.240,06**	**174.911,65**
Operating Expense	-55.541,60	-41.947,50	-75.161,61	-59.485,75	-90.797,10	-94.679,24	-101.448,76
Operating Income	**614,10**	**13.721,20**	**37.010,89**	**46.481,10**	**65.749,63**	**68.560,83**	**73.462,89**
Other (Expense) Income	-7.529,20	-8.407,10	-8.616,49	-6.237,76	-13.463,02	-14.038,65	-15.042,40
Earning Before Tax	**-6.915,10**	**5.314,10**	**28.394,40**	**40.243,34**	**52.286,61**	**54.522,18**	**58.420,49**
Tax	-1.143,64	-1.286,89	-5.915,94	-8.289,39	-11.503,05	-11.994,88	-12.852,51
Net Income	**-8.058,74**	**4.027,21**	**22.478,46**	**31.953,96**	**40.783,55**	**42.527,30**	**45.567,98**
EPS (IDR)	**-7,00**	**4,00**	**20,00**	**23,46**	**8,88**	**9,26**	**9,92**
Depreciation & Amortization	14.359,40	11.345,50	9.562,70	7.427,50	8.835,98	8.835,98	8.835,98
EBITDA	**14.973,50**	**25.066,70**	**46.573,59**	**53.908,60**	**74.585,61**	**77.396,81**	**82.298,87**

Source: Company & Binaartha

Cash Flow in IDR. Billion YoY

Cash Flow (in IDR.Mn)	2021A	2022A	2023A	2024P	2025P	2026P
+ Net Income	4.027	22.478	31.954	40.784	42.527	45.568
+Depreciation	11.346	9.563	7.428	8.836	8.836	8.836
- Change in WC	-23.580	-15.949	-94.972	-97.392	-32.492	-29.667
Cash From Operating Activities	**-8.207**	**16.092**	**-55.591**	**-47.773**	**18.871**	**24.737**
Change on Non-current Asset	-8.154	-6.100	-9.275	-25.316	-10.778	-13.135
cash from investing activities	**-8.154**	**-6.100**	**-9.275**	**-25.316**	**-10.778**	**-13.135**
Long-term debt	16.115	6.189	26.106	-32.755	669	1.167
Other Long term liabilities	-777	1.419	230	777	811	1.311
Equity	985	-486	27.422	103.791	-9.297	-11.546
cash from financing activities	**16.323**	**7.122**	**53.757**	**71.814**	**-7.817**	**-9.068**
Net Changes in Cash	**-38**	**17.114**	**-11.108**	**-1.275**	**276**	**2.534**
Beginning Balance	1.136	1.098	18.212	7.104	5.829	6.104
Ending balance	**1.098**	**18.212**	**7.104**	**5.829**	**6.104**	**8.638**

Source: Company & Binaartha

Statement of Financial Position in IDR. Billion YoY

	2020A	2021A	2022A	2023A	2024P	2025P	2026P
Assets							
Cash and Cash Equivalents	1.136,20	1.098	18.212	7.104	5.829	6.104	8.638
Trade Receivables	50.711,90	66.393	81.613	167.640	231.603	241.506	258.773
Inventory	90.230,80	99.257	108.940	92.329	119.083	115.531	113.991
Other Current Assets	11.552,00	19.306,38	19.281	24.322	46.964	45.707	45.477
Total Current Assets	**153.630,90**	**186.054**	**228.045**	**291.396**	**403.479**	**408.849**	**426.879**
Investment	3.300,00	3.300	3.300	0	0	0	0
Fixed Assets	58.206,06	55.694	51.889	57.251	73.289	75.070	79.087
Deffered Tax Assets	3.887,71	3.209	2.355	2.362	2.593	2.704	2.897
Other Non Current Assets	0,00	0	1.195	974	1.185	1.236	1.324
Total Non Current Assets	**65.393,77**	**62.203**	**58.740**	**60.587**	**77.067**	**79.009**	**83.308**
TOTAL ASSETS	**219.024,67**	**248.256,94**	**286.785**	**351.982**	**480.546**	**487.858**	**510.188**
LIABILITIES							
Short Term Liabilities							
Trade Payables	7.044,30	14.960	29.476	9.184	10.686	11.143	11.940
Bank Loans	71.286,69	71.547	66.917	82.450	109.583	81.620	66.466
Other Short Term Liabilities	31.180,11	31.886,24	30.928	15.173	2.505	2.612	2.799
Total Short Term Liabilities	**109.511,10**	**118.393**	**127.321**	**106.807**	**122.774**	**95.375**	**81.205**
Long Term Liabilities							
Long Term Bank Loan	0	16.115	22.304	48.409	15.655	16.324	17.491
Employee Benefit Liabilities	11658,3	10.456	10.293	11.110	11.790	12.294	13.597
Lease Liabilities	0	425	2.007	1.420	1.517	1.823	1.831
Total Long Term Liabilities	**11.658,30**	**26.996**	**34.604**	**60.939**	**28.961**	**30.442**	**32.919**
TOTAL LIABILITIES	**121.169,40**	**145.389**	**161.924**	**167.746**	**151.735**	**125.817**	**114.125**
EQUITY							
Share Capital	28.000,00	28.000	28.000	94.616	114.825	114.825	114.825
Additional Paid In Capital	5.211	5.211	5.211	27.379	27.379	27.379	27.379
Retained Earnings	15775,79	13.163	30.033	32.998	58.561	91.188	125.210
Other Equity Components			61.617	29.161	127.965	128.568	128.568
TOTAL EQUITY	**97.855,19**	**102.867**	**124.860**	**184.155**	**328.730**	**361.960**	**395.982**
Non-controling Interest	**0,00**	**1**	**0**	**81**	**81**	**81**	**81**
TOTAL LIABILITIES & EQUITY	**219.024,59**	**248.257**	**286.784**	**351.982**	**480.546**	**487.858**	**510.188**

Source: Company & Binaartha

Ratio Highlights YoY

	2021A	2022A	2023A	2024P	2025P	2026P
Profitability						
GPM	34,3%	37,1%	39,4%	50,0%	50,0%	50,0%
OPM	8,5%	12,2%	17,3%	21,0%	21,0%	21,0%
EBITDA Margin	15,5%	15,4%	20,0%	23,8%	23,7%	23,5%
NPM	2,5%	7,4%	11,9%	13,0%	13,0%	13,0%
ROA	1,6%	7,8%	9,1%	8,5%	8,7%	8,9%
ROE	3,9%	18,0%	17,4%	12,4%	11,7%	11,5%
Solvability						
Debt to Equity	0,9	0,7	0,7	0,4	0,3	0,2
Debt to Assets	0,4	0,3	0,4	0,3	0,2	0,2
Debt to EBITDA	3,5	1,9	2,4	1,7	1,3	1,0
Liquidity						
Current Ratio	1,6	1,8	2,7	3,3	4,3	5,3
Quick Ratio	0,7	0,9	1,9	2,3	3,1	3,9
Cash Ratio	0,0	0,1	0,1	0,0	0,1	0,1

Source: Company & Binaartha

Stock Ratings:
Buy : a recommendation to purchase the security with upside potential of **11.5% or greater**
Hold : a recommendation to neither buy nor sell a security with upside potential of 5.75%**-11.49%.**
Sell : a recommendation to close out a long position in a security with upside potential **below 5.74% or negative.**

RESEARCH TEAM
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