

# PT GUDANG GARAM – 2024 Financial Statement Analytics

(note: all figures in million IDR)

## 1. Overview

- **Revenue:** 98.66M (down 17.06%)  
The sharp decline in 2024 revenue indicates significant pressure on sales, likely driven by volume contraction or price competition in the market.
- **Net Income:** 980.80K (down 81.58%), Net Profit Margin: 0.99%  
The steep drop in net income suggests rising operational and non-operational expenses relative to revenue.
- **Total Assets:** 84.94M (down 8.12%)  
This indicates potential asset divestment or a strategic decision to halt expansion
- **ROE:** 1.58%
- **DAR:** 27.10%  
The company remains financially sound, with liabilities only 27% of assets, indicating low leverage and minimal financial risk.
- **Asset Composition:** Current Assets 56.03%, Non-Current Assets 43.97%.  
A balanced asset structure supporting healthy liquidity.
- **Capital Structure:** Equity 72.9%, Liabilities 27.1%  
This shows the company is under-leveraged and relies primarily on equity financing.

Profitability deteriorated faster than the decline in revenue, signaling margin compression or rising operating costs. The capital structure is conservative, reducing financial risk but also indicating limited aggressiveness in expansion. Low profitability despite a strong balance sheet suggests a need for operational efficiency improvements or revenue enhancement. The company is liquid, but potential idle assets or excessive cash holdings may not be generating optimal returns.

## 2. Profitability

- **Revenue:** 98.66M (down 17.06%)  
Indicates strong pressure on sales performance.
- **COGS** declined, but the reduction was insufficient to offset the revenue drop.
- **Gross Profit:** 9.38M (down 35.74%), Margin: 9.51%  
The 35.7% YoY drop indicates issues beyond production costs—likely significant volume declines or reduced pricing power.
- **Operating Profit:** 1.90M (down 74.41%), Margin: 1.93%
- **Net Profit:** 980.80K (down 81.58%), Margin: 0.99%
- **GPM** (down from 12.27% to 9.51%)  
Pricing could not keep pace with rising costs; volumes also likely decreased.
- **OPM** (down from 6.25% to 1.93%)  
Operating expenses remained elevated despite falling revenue.
- **NPM** (down from 4.48% to 0.99%)  
Non-operational expenses likely increased.
- **ROE, ROA, and Asset Turnover** declined sharply. ROE: 8.75% → 1.58%, ROA: 5.76% → 1.15%, Asset Turnover: 1.29 → 1.16. This reflects a notable decline in the effectiveness of asset utilization.

### 3. Liquidity & Solvency

- **Total Assets:** 84.94M (down 8.12%)  
The decline is driven primarily by lower current assets, possibly reflecting weaker operational activity and lower receivables as sales fall.
- **Total Liabilities:** 23.02M  
Liabilities decreased, indicating a shift toward equity-based financing.
- **Total Equity:** 61.92M  
Equity continues to grow consistently.
- **Current Ratio:** 2.29
- **Quick Ratio:** 0.34  
Extremely low quick ratio indicates liquid assets excluding inventory are insufficient to cover short-term obligations. Heavy reliance on inventory poses aging-stock risks.
- **DAR:** 27.10%, DER: 0.37  
The company has reduced its debt levels and strengthened solvency.
- **Asset Composition:** Current 56%, Non-current 44%  
Healthy and balanced for a consumer goods manufacturer.
- **Liability Composition:** 90% short-term  
This creates liquidity pressure despite low overall debt levels.

The company has strong solvency but fragile short-term liquidity.

A conservative capital structure limits financial risk but indicates inefficiency in working capital management.

### 4. Cash Flow

- **CFO:** 6.53M (up 48.03%), Margin 6.62%  
The sharp improvement in CFO indicates stronger operating cash generation, improved collections, and overall better earnings quality. The business recovered from the CFO decline in 2023.
- **CFI:** -3.1M  
Continuous investment in fixed assets reflects ongoing capacity and long-term investment. However, lower CFI in 2024 suggests the company is pausing expansion or consolidating cash.
- **CFF:** -3.8M  
Indicates repayment activities and shareholder payouts, with no new borrowings.
- **Free Cash Flow (FCF):** 9.71M
- **Cash Conversion Ratio:** 665.48%  
Exceptionally high due to declining net income while CFO improved. This unusual ratio could be a red flag, indicating: extended delays in payment of payables (inflated CFO), large-scale liquidation of operating assets or inventory, or abnormal working capital contraction.
- **CF to Debt:** 0.28  
Cash position is not strong enough to accelerate debt repayment.
- **FCF to Revenue:** 9.84%  
Strong FCF provides room for debt paydown or targeted reinvestment.
- **Ending Cash:** 3.33M (down 7.76%)  
Despite strong CFO, cash declined due to investments and financing outflows.

The company generates strong operating cash flow but loses ground in net profits. Ending cash continues to decline, indicating CFO is insufficient to fully fund investment and financing needs.

## 5. Findings & Recommendations

### Key Findings

PT Gudang Garam faced substantial pressure in 2024: Revenue declined sharply (-17%), Net Income collapsed (-81%), Margins fell at all levels—GPM, OPM, and NPM—indicating loss of pricing power and rising costs.

Despite this, the company remains very strong in solvency with DAR at only 27% and a very low DER. However, short-term liquidity is weak due to a low quick ratio of 0.34x. CFO improved significantly (+48%), signaling better earnings quality, but ending cash continued to fall due to CFI and CFF outflows.

Overall, the company is experiencing a profitability crisis, not a cash crisis. The business is undergoing margin compression, but its strong financial foundation provides room for recovery through efficiency improvements and better cost management.

### Recommendations

#### Revenue & Market Strategy

- ✓ Reposition pricing strategies to counter excise and market pressures.
- ✓ Strengthen product categories showing growth potential.
- ✓ Optimize distribution channel performance and modern trade penetration.

#### Margin Improvement

- ✓ Rationalize operational costs across all business units (OPEX).
- ✓ Automate production processes to reduce long-term manufacturing costs.
- ✓ Conduct SKU-level profitability analysis to discontinue unprofitable products.

#### Working Capital Optimization

- ✓ Accelerate inventory turnover to mitigate aging risks.
- ✓ Improve collection efficiency to stabilize CFO.
- ✓ Evaluate raw material purchasing cycles to prevent overstocking.

#### Capital Allocation

- ✓ Deploy strong CFO toward efficiency-driven reinvestments rather than large capacity expansions.
- ✓ Maintain low leverage but consider selective financing for high-return projects.

### Final Conclusion

PT Gudang Garam is experiencing significant profitability pressure, but the company is not in financial distress due to strong solvency and resilient operating cash flow. With disciplined cost management, enhanced product strategy, and improved working capital efficiency, the company is well-positioned for recovery.

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## 1. Overview

- **Revenue:** 98.66M (turun 17.06%)  
Revenue turun signifikan di 2024 menunjukkan penurunan penjualan cukup besar, bisa karena penurunan volume atau tekanan harga pasar.
- **Net Income:** 980.80K (turun 81.58%), Net Profit Margin: 0.99%  
Net income turun tajam menandakan beban operasional dan non-operasional meningkat drastis dibandingkan pendapatan.
- **Total Assets:** 84.94M (turun 8.12%)  
Ada indikasi perusahaan menjual aset atau menahan ekspansi.
- **ROE:** 1.58%
- **DAR:** 27.10%  
Termasuk sangat sehat karena liabilitas hanya 27% dari asset, leverage rendah, risiko finansial kecil.
- **Aset Lancar** 56.03%, **Aset Tetap** 43.97% menandakan struktur aset cukup seimbang, mendukung likuiditas yang sehat.
- **Equity** 72.9%, **Liabilitas** 27.1% menandakan perusahaan tergolong under-leveraged (utang rendah).

Profitability memburuk lebih cepat daripada penurunan penjualan, kemungkinan margin menipis atau ada kenaikan biaya signifikan.

Struktur modal lebih banyak dibiayai modal sendiri. Positif dari sisi risiko finansial, tetapi bisa berarti perusahaan kurang agresif untuk ekspansi.

Profit rendah meskipun struktur modal kuat. Perlu efisiensi operasional atau peningkatan revenue untuk memulihkan profitabilitas. Kondisi keuangan sangat likuid, namun kemungkinan dana banyak mengendap (idle asset atau kas besar) tanpa menghasilkan return optimal.

## 2. Profitability

- **Revenue:** 98.66M (turun 17.06%)  
Revenue turun tajam menunjukkan tekanan kuat pada penjualan.
- **COGS** turun, tapi tidak cukup kompensasi penurunan revenue.
- **Gross Profit:** 9.38M (turun 35.74%), Margin 9.51%  
Gross Profit jatuh 35.7% YoY. Artinya masalah bukan hanya di biaya produksi saja, tapi volume penjualan atau pricing menurun lebih besar daripada perbaikan biaya.
- **Operating Profit:** 1.90M (turun 74.41%), Margin 1.93%
- **Net Profit:** 980.80K (turun 81.58%), Margin 0.99%
- **GPM** (turun dari 12.27% ke 9.51%)  
Pricing tidak mampu mengikuti kenaikan biaya, penurunan volume
- **OPM** (turun dari 6.25% ke 1.93%)  
Biaya operasional tetap tinggi meski pendapatan menurun.
- **NPM** (turun dari 4.48% ke 0.99%).  
Beban non-operasional kemungkinan meningkat

- **ROE** jatuh signifikan (dari 8.75% ke 1.58%), **ROA** (dari 5.76% ke 1.15%) dan **Asset Turnover** (dari 1.29 ke 1.16) ikut jatuh. Indikasi kuat penurunan efektivitas penggunaan asset

### 3. Liquidity & Solvency

- **Total Assets:** 84.94M (turun 8.12%)  
Penurunan total assets terutama disebabkan oleh melemahnya current asset. Bisa jadi menunjukkan lemahnya aktivitas operasional (penjualan turun, sehingga piutang turun, akibatnya persediaan tidak bertambah).
- **Total Liabilities:** 23.02M  
Liabilities turun. Perusahaan beralih dari utang ke modal sendiri.
- **Total Equity:** 61.92M  
Equity tumbuh konsisten
- **Current Ratio:** 2.29
- **Quick Ratio:** 0.34  
Quick Ratio sangat rendah (0.34x). Aset likuid tanpa persediaan tidak cukup menutupi utang jangka pendek. Perusahaan sangat bergantung pada inventory untuk menjaga likuiditas, resiko aging stock.
- **DAR:** 27.10%, **DER:** 0.37  
Perusahaan mengurangi utang dan makin kuat secara solvency.
- **Komposisi asset** sehat (current 56%, non current 44%), seimbang untuk industri konsumsi.
- **Komposisi liabilities** sangat condong ke jangka pendek (90%) menyebabkan tekanan likuiditas meskipun total utangnya kecil

Secara solvabilitas perusahaan sangat kuat, tetapi likuiditas jangka pendek rapuh. Struktur modal konservatif, namun working capital tidak efisien.

### 4. Cash Flow

- **CFO:** 6.53M (naik 48.03%), Margin 6.62%  
CFO cukup kuat (naik 48%), menunjukkan bahwa bisnis inti menghasilkan kas yang lebih baik, ada perbaikan collection, kualitas laba meningkat. Perusahaan kembali pulih dari penurunan CFO 2023.
- **CFI** negative (-3.1M), artinya perusahaan rutin membeli aset tetap, ekspansi kapasitas, investasi jangka panjang. Meskipun pada tahun 2024 nilainya lebih kecil dari sebelumnya. Kemungkinan Perusahaan menahan ekspansi, mengurangi capital expenditure, atau dalam fase consolidating cash.
- **CFF** negative (-3.8M), menunjukkan bahwa perusahaan banyak melakukan repayment, tidak menambah utang baru, dan payout ke pemegang saham.
- **Free Cash Flow (FCF):** 9.71M
- **Cash Conversion Ratio:** 665.48%  
Cash Conversion Ratio tinggi sekali karena net income turun, tapi CFO naik. Ini angka yang tidak umum, bahkan bisa menjadi sinyal merah karena ada beberapa kemungkinan: perusahaan menunda pembayaran utang usaha secara terus-menerus sehingga kas naik tapi tidak berkelanjutan, perusahaan menjual asset operasi atau inventory secara besar-besaran, atau turunnya modal kerja secara tidak wajar

- **CF to Debt:** 0.28  
Perusahaan tidak berada di posisi kas yang kuat untuk mempercepat pelunasan utang
- **FCF to Revenue:** 9.84%  
FCF sangat bagus. Perusahaan punya ruang untuk bayar utang atau reinvestasi
- **Ending Cash Balance:** 3.33M (turun 7.76%)  
Ending cash cenderung turun dari tahun ke tahun. Bisnis menghasilkan kas tetapi tidak cukup untuk menutup investasi dan pembayaran kewajiban.

## 5. Findings & Recommendations

PT Gudang Garam mengalami tekanan berat pada tahun 2024: Revenue turun tajam (-17%), sementara Net Income anjlok hingga -81%. Margin laba menyusut di semua level: GPM, OPM, hingga NPM. Menandakan hilangnya pricing power dan meningkatnya beban operasional. Meskipun demikian, perusahaan sangat sehat secara solvabilitas, dengan DAR hanya 27% dan DER sangat rendah. Namun, likuiditas jangka pendek lemah karena quick ratio hanya 0.34x. CFO naik signifikan (+48%), menunjukkan kualitas laba yang membaik, tetapi ending cash tetap menurun akibat investasi (CFI) dan pembayaran utang/dividen (CFF). Secara keseluruhan, perusahaan memasuki fase margin compression, namun masih memiliki fondasi kuat untuk pemulihannya bila fokus pada efisiensi dan perbaikan struktur biaya. PT Gudang Garam mengalami “Profitability Crisis”, bukan “Cash Crisis”.

### Recommendations:

#### Revenue & Market Strategy

- ✓ Reposition pricing untuk merespons tekanan cukai dan harga pasar.
- ✓ Perkuat kategori produk yang masih bertumbuh.
- ✓ Optimalkan strategi distribusi & channel modern trade.

#### Margin Improvement

- ✓ Rasionalisasi biaya operasional di seluruh lini (OPEX).
- ✓ Automasi produksi untuk menekan biaya jangka panjang.
- ✓ Lakukan analisis profitabilitas produk untuk menghentikan SKU yang tidak menguntungkan.

#### Working Capital

- ✓ Percepat perputaran persediaan (inventory aging risk).
- ✓ Optimalkan collection untuk menjaga kestabilan CFO.
- ✓ Evaluasi pembelian bahan baku agar tidak overstock.

#### Capital Allocation

- ✓ Karena CFO kuat maka bisa dialokasikan ke reinvestasi efisiensi, bukan ekspansi kapasitas besar.
- ✓ Pertahankan leverage rendah tetapi pertimbangkan pendanaan kecil untuk proyek high-return.

PT Gudang Garam berada dalam fase tekanan profitabilitas yang berat. Namun, perusahaan tidak dalam bahaya keuangan karena kas dan solvabilitas sangat kuat. Dengan manajemen biaya dan strategi produk yang tepat, perusahaan berpeluang rebound, terutama karena arus kas operasional masih solid.