



## Kinerja Keuangan Selama Pandemi Covid 19 dan Valuasi Saham Saat ini di PT Kino Indonesia Tbk

### ***Financial Performance Thorugh Covid 19 Pandemic and Current Stock Valuation of PT Kino Indonesia Tbk***

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#### **Abstrak**

Penelitian ini mengkaji kinerja keuangan dan valuasi saham PT Kino Indonesia Tbk selama masa pandemi COVID-19, dengan fokus pada evaluasi kesehatan keuangan dan nilai saham intrinsik. Penelitian ini menggunakan analisis rasio keuangan, Discounted Cash Flow (DCF), dan metode penilaian relatif. Variabel utama meliputi rasio likuiditas, profitabilitas, solvabilitas, dan aktivitas, yang dianalisis dari laporan keuangan antara tahun 2020 dan 2023 dengan menggunakan metode purposive sampling. Metode DCF memperkirakan nilai saham intrinsik, sementara penilaian relatif membandingkan PT Kino dengan perusahaan lain di sektor FMCG. Hasilnya menunjukkan tantangan keuangan yang signifikan selama pandemi, terutama dalam penurunan rasio profitabilitas, dengan tanda-tanda pemulihan pada tahun 2023. Valuasi intrinsik menunjukkan bahwa saham ini mungkin undervalued dalam skenario optimis, yang menunjukkan adanya potensi pertumbuhan. Studi ini menawarkan wawasan bagi investor dan manajemen perusahaan untuk meningkatkan strategi keuangan dan pengambilan keputusan dalam menghadapi gangguan ekonomi.

**Kata Kunci:** Kinerja Keuangan; Valuasi Saham; Pandemi COVID-19; Arus Kas yang Didiskon; Sektor FMCG.

#### **Abstract**

*This study examines the financial performance and stock valuation of PT Kino Indonesia Tbk during the COVID-19 pandemic, focusing on evaluating financial health and intrinsic stock value. The research applies financial ratio analysis, Discounted Cash Flow (DCF), and relative valuation methods. Key variables include liquidity, profitability, solvency, and activity ratios, analyzed from financial reports between 2020 and 2023 using a purposive sampling method. The DCF method estimates the intrinsic stock value, while relative valuation compares PT Kino to other companies in the FMCG sector. Results indicate significant financial challenges during the pandemic, particularly in declining profitability ratios, with signs of recovery by 2023. The intrinsic valuation shows the stock may be undervalued in optimistic scenarios, suggesting potential growth. This study offers insights for investors and company management to enhance financial strategies and decision-making in navigating economic disruptions.*

**Keywords:** Financial Performance; Stock Valuation; COVID-19 Pandemic; Discounted Cash Flow; FMCG Sector.

**How to Cite:** Harijanto, S. M. & Darmansyah, A. (2024), Kinerja Keuangan Selama Pandemi Covid 19 dan Valuasi Saham Saat ini di PT Kino Indonesia TBK, *Jurnal Social Library*, 4 (3): 960-974.

## INTRODUCTION

The financial performance and stock valuation of companies in the Fast-Moving Consumer Goods (FMCG) sector, especially during economic uncertainty, are key indicators of resilience. PT Kino Indonesia Tbk (KINO), a major player in Indonesia's FMCG market, faced significant challenges during the COVID-19 pandemic, including declining sales and profitability. Understanding its financial health and stock value is essential for investors, analysts, and policymakers.

The pandemic led to changes in consumer behavior and supply chain disruptions (Wang et al., 2021), but also presented opportunities for companies that adapted by enhancing their digital presence and optimizing supply chains (Rahman & Sari, 2022). PT Kino Indonesia's net sales in 2023 were IDR 4.1 trillion, a decrease from pre-pandemic levels, with profitability ratios, such as the net profit margin and return on equity (ROE), showing fluctuations. The company's debt-to-equity ratio stood at 115.85%, indicating high financial leverage.

Financial ratios such as liquidity, profitability, and solvency provide insight into a company's stability and efficiency (Brigham & Houston, 2019), while models like Discounted Cash Flow (DCF) and Weighted Average Cost of Capital (WACC) are commonly used to estimate intrinsic stock value (Damodaran, 2020). However, there is limited research on how these models apply to mid-sized companies like PT Kino Indonesia in the post-pandemic context.

Several studies highlight the significance of intrinsic valuation in volatile markets (Smith & Jones, 2018), and the

unique characteristics of Indonesia's FMCG sector must be considered in financial analysis (Wijaya et al., 2021). Research comparing PT Kino Indonesia to competitors such as Unilever and Indofood suggest that PT Kino's financial ratios were stronger during the pandemic, though its liquidity and solvency ratios showed room for improvement (Fitriyani et al., 2022; Jati et al., 2023). Despite mixed results, PT Kino's gross profit margin was higher than Unilever's, reflecting effective cost management.

This study aims to fill the research gap by analyzing PT Kino Indonesia's financial performance using financial ratios and valuation models, comparing it to other FMCG companies in Indonesia. By using the DCF method and considering external factors like economic conditions, this research explores PT Kino's market position and resilience, offering valuable insights into its future prospects. The research objectives are to evaluate PT Kino's financial health, calculate its intrinsic stock value, and provide recommendations for improving its performance and market position in the FMCG sector.

Based on the above description, this study attempts to answer (1). Which financial ratios best reflect PT Kino Indonesia's financial stability and operational efficiency? (2).What is the intrinsic value of PT Kino Indonesia's shares based on the DCF method? (3).How does PT Kino Indonesia's valuation compare to its peers in the FMCG industry?

## METHOD

This research focuses on analyzing the financial performance and stock valuation of PT Kino Indonesia Tbk during

the Covid-19 pandemic. A quantitative research approach will be utilized to assess numerical data, specifically financial ratios and stock performance, to evaluate the company's overall financial health and valuation.

The research methodology involves several key steps: (1). Business Issue. This study focuses on evaluating PT Kino Indonesia Tbk's financial performance and stock valuation during the Covid-19 pandemic from its internal and external factors. (2). Business Situation Analysis. A comprehensive analysis of internal and external factors affecting PT Kino Indonesia Tbk will be conducted: (a). Internal Analysis: The internal analysis will evaluate PT Kino Indonesia Tbk's financial performance using solvency and profitability ratios, along with stock valuation through absolute and relative valuation methods. (b). Absolute valuation: Weighted Average Cost of Capital (WACC) and Free Cash Flow (FCF) method. (c). Relative valuation: Price-to-Earnings Ratio (P/E), Price-to-Book Value Ratio (P/BV), and Price-to-Cash Flow Ratio (PCFR). These methods will be compared with the industry's average ratios and its comparable peers to determine if PT Kino Indonesia Tbk's stock price is overvalued or undervalued.

The external analysis will evaluate PT Kino Indonesia Tbk's competitiveness in the FMCG industry using Porter's Five Forces analysis and PESTEL analysis.

For this thesis, secondary data sources will be utilized to evaluate the financial performance and valuation of PT Kino Indonesia Tbk during the Covid-19 pandemic. The data will be primarily gathered from PT Kino Indonesia Tbk's official financial reports, such as annual

and quarterly audited reports and financial statements. The sources of data include: (a). Company Website (b). Indonesia Stock Exchange (IDX) (c). Third-party Financial Databases: Databases like Bloomberg, Yahoo Finance, and others may provide additional stock prices and market data. The collected data will cover a period of five years, from 2019 to 2023, to ensure comprehensive analysis and identify both short-term and long-term financial trends. Data reliability will be ensured by using audited financial statements and verified third-party sources. This approach will provide objective, consistent data necessary for accurate analysis and valuation.

The analysis will involve both quantitative financial performance evaluation and stock valuation of PT Kino Indonesia Tbk, following the collection of secondary data.

Key techniques will include: (1). Ratio Analysis: Key financial ratios such as profitability, liquidity, solvency, and efficiency will be calculated to assess the company's financial health. (2). Trend Analysis: A trend analysis will identify financial patterns and growth trends over the past years. (3). Comparative Analysis: PT Kino Indonesia Tbk's financial ratios will be benchmarked against industry standards and competitors for a relative performance assessment.

## RESULTS AND DISCUSSION

The external analysis of PT Kino Indonesia Tbk examines the macroeconomic and industry-specific factors influencing the company's performance. This section utilizes PESTEL and Porter's Five Forces frameworks to identify opportunities and threats in the external environment.

Table 1. PESTEL analysis of PT Kino Indonesia Tbk

Factor	Description	Impact on PT Kino
Political	Government regulations on FMCG products, import tariffs, and health policies.	Potential compliance costs and market expansion restrictions.
Economic	Inflation rates, currency fluctuations, and changes in consumer purchasing power.	Direct impact on raw material costs and consumer demand.
Social	Shifting consumer preferences towards healthier and eco-friendly products.	Opportunity to launch health-oriented product lines.
Technological	Rise of e-commerce platforms and digital marketing.	Necessitates digital transformation and omnichannel strategies.
Environmental	Increasing focus on sustainability and waste reduction.	Need to adopt eco-friendly practices and packaging.
Legal	Regulations on product safety, labor laws, and taxation.	Compliance is mandatory to avoid legal penalties.

Table 2. Porter's Five Forces Analysis of PT Kino Indonesia Tbk

Force	Description	Impact on PT Kino
Threat of New Entrants	Medium - Entry barriers are moderate due to brand loyalty and capital requirements.	Kino's established brands provide an edge.
Bargaining Power of Suppliers	Low - Multiple suppliers reduce their power.	Kino can negotiate favorable terms.
Bargaining Power of Buyers	High - Customers can easily switch to competitors.	Kino must focus on brand differentiation.
Threat of Substitutes	Medium - Substitute products exist, but differentiation matters.	Kino needs to innovate to retain customers.
Industry Rivalry	High - The FMCG industry is highly competitive.	Kino faces competition from giants like Unilever and Indofood.

The internal analysis evaluates PT Kino Indonesia Tbk's resources, capabilities, and core competencies to identify its strengths and weaknesses.

The analysis of PT Kino Indonesia Tbk's liquidity ratios, as shown in Table 3, reveals significant fluctuations in the company's financial liquidity over the period from 2019 to 2023. The current ratio, which measures the company's ability to cover its short-term liabilities with its current assets, exhibited a volatile trend. Starting at 1.35 in 2019, the current ratio declined to 1.19 in 2020, reflecting an 11.40 per cent decrease. This drop coincided with the onset of the COVID-19 pandemic, which impacted the company's operational efficiency and short-term liquidity. However, in 2021, the current ratio rebounded to 1.51, marking a

significant 26.24 per cent growth, indicating improved management of current assets during the early recovery phase post-pandemic.

A sharp decline followed in 2022, with the current ratio dropping to 0.87, representing a 42.11 per cent decrease. This decline suggests challenges in maintaining liquidity, possibly due to increased operational costs and constrained cash flow. By 2023, the ratio further decreased slightly to 0.83, reflecting a continued 5.38 per cent contraction in liquidity management.

Table 3. Result of Liquidity Ratios of PT Kino Indonesia Analysis

Year	Current Ratio	Growth Current Ratio	Quick Ratio	Growth Quick Ratio
2019	1.35	0.00	1.03	0.00
2020	1.19	-11.40	0.87	-14.99
2021	1.51	26.24	1.13	29.15
2022	0.87	-42.11	0.64	-43.19
2023	0.83	-5.38	0.62	-3.57

The quick ratio, which excludes inventory from current assets to provide a more stringent measure of liquidity, displayed a similar trend. The results highlight PT Kino Indonesia Tbk's challenges in maintaining consistent liquidity, particularly during periods of economic uncertainty and increased operating pressures. The significant recovery in 2021 demonstrates the company's ability to adapt to short-term improvements post-pandemic, while the subsequent declines in 2022 and 2023 underscore the need for more robust liquidity management strategies to navigate market volatility effectively. These findings emphasize the importance of optimizing working capital and enhancing operational efficiency to stabilize liquidity over time.

The profitability analysis of PT Kino Indonesia Tbk, as illustrated in Figure 2 and detailed in the table of profitability ratios from 2019 to 2023, highlights significant variations in the company's financial performance over the years, particularly in the wake of the COVID-19 pandemic and subsequent recovery efforts. PT Kino Indonesia's gross profit margin (GPM), reflecting the company's ability to manage production costs relative to revenue, started at 46.82 per cent in 2019 and increased slightly to 47.92 per cent in 2020, indicating resilience during the initial pandemic phase. However, the margin declined to 45.18 per cent in 2021 and further dropped to 36.04 per cent in 2022 due to rising operational

inefficiencies and higher input costs. By 2023, the GPM improved to 41.68 per cent, signaling progress in cost management and revenue generation. The net profit margin (NPM), a key profitability indicator, dropped sharply from 11.02 per cent in 2019 to 2.82 per cent in 2020, and further to 2.46 per cent in 2021. The most significant decline occurred in 2022, where the company recorded a negative NPM of -26.17 per cent, attributed to reduced sales, increased expenses, and one-time costs. A modest recovery was seen in 2023, with the NPM rising to 1.87 per cent, indicating improvement in net profitability. The return on assets (ROA), measuring asset utilization efficiency, declined from 10.98 per cent in 2019 to 2.16 per cent in 2020, and further to 1.83 per cent in 2021. The ROA turned negative in 2022, reaching -20.32 per cent, reflecting asset inefficiencies during a challenging period. However, it slightly improved to 1.66 per cent in 2023, signaling efforts to enhance operational efficiency.

Similarly, the return on equity (ROE), indicating profitability relative to shareholder equity, dropped from 19.08 per cent in 2019 to 4.41 per cent in 2020, and further to 3.64 per cent in 2021. A dramatic decline occurred in 2022 with an ROE of -61.96 per cent, indicating severe profitability challenges and potential equity erosion. However, the ROE rebounded to 4.77 per cent in 2023, showing recovery and improved profitability.

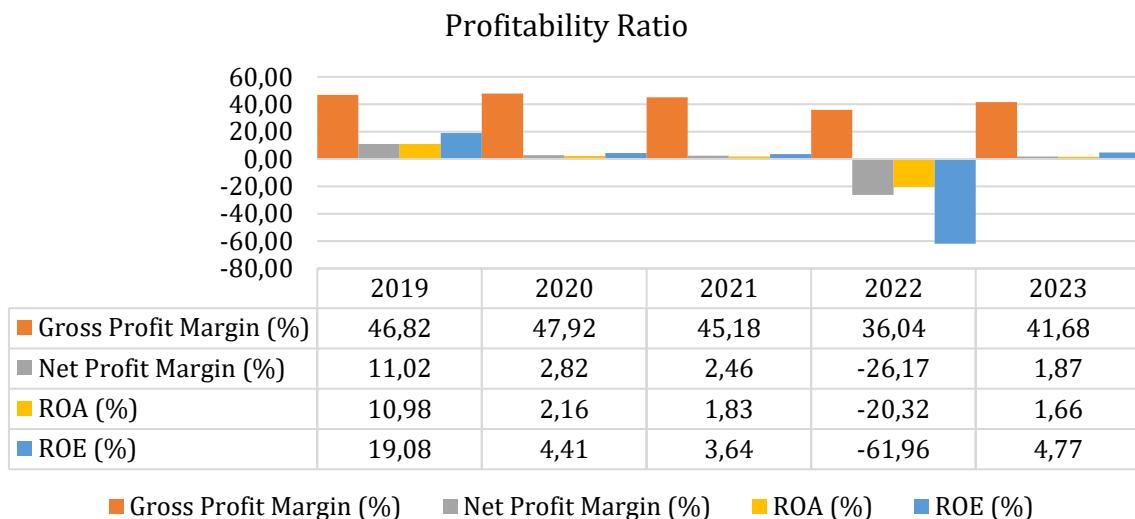


Figure 2. PT Kino Indonesia Tbk's Profitability Ratios (2019-2023)

(Source: Author's Analysis)

These trends highlight PT Kino Indonesia's significant financial pressures during the pandemic, with a gradual recovery observed in 2023. The improvements in GPM, NPM, ROA, and ROE reflect the company's adaptation to external challenges. However, the overall performance emphasizes the need for continued cost optimization, revenue growth, and strategic financial management to achieve sustainable profitability.

The analysis of PT Kino Indonesia Tbk's activity ratios, as illustrated in Figure 3, provides insights into the company's operational efficiency and management of assets, inventory, and receivables over the period from 2019 to 2023. These ratios highlight how effectively the company utilized its resources to generate sales and manage its working capital during challenging market conditions. PT Kino Indonesia's asset turnover ratio, which measures asset utilization efficiency in generating revenue, declined from 1.00 in 2019 to 0.74 in 2021 due to reduced operational efficiency during the pandemic. The ratio showed signs of

recovery, reaching 0.78 in 2022 and improving further to 0.89 in 2023, reflecting better asset utilization as sales rebounded post-pandemic. The inventory turnover ratio, which measures how often inventory is sold and replaced, dropped from 4.47 in 2019 to 3.36 in 2020, remaining stable in 2021 due to slower inventory movement during the pandemic. However, it recovered to 4.4 in 2022 and rose to 5.43 in 2023, signaling improved inventory management and better response to market demand. The receivables turnover ratio, indicating how efficiently the company collects payments from customers, decreased from 3.42 in 2019 to 2.73 in 2021, reflecting slower collections amid the pandemic. The ratio improved significantly to 4.19 in 2022 and 4.36 in 2023, highlighting better credit policies and improved cash flow management. Similarly, the average collection period, which measures the number of days to collect receivables, increased from 106.73 days in 2019 to 133.55 days in 2021, reflecting delays in payment collections during the pandemic. However, it improved to 87.11 days in



dependence on debt financing. Interestingly, the interest coverage ratio improved to 6.37 in 2022, indicating better ability to cover interest payments. However, by 2023, the ratio dropped to 0.33, suggesting a weakened capacity to meet interest obligations. These findings highlight PT Kino's evolving financial health, with rising debt levels and fluctuating ability to cover interest expenses. The detailed debt and interest coverage ratios in Figure 4 underscore

both the risks of increasing debt and the challenges of maintaining sufficient income to cover interest payments. Regarding solvency ratios, PT Kino's debt ratio growth surged by 51.0 per cent in 2020, indicating a significant increase in debt compared to assets. However, the growth rate slowed in 2021 (1.02 per cent) and declined in 2023 (-18.40 per cent), signaling a more stable or reduced reliance on debt in those years, as illustrated in Table 4.

Table 4. Growth of Solvency Ratio Assessed

Year	Debt Ratio	Growth of debt ratio	Debt-to-Equity Ratio	Growth of Debt-to-Equity Ratio	Interest Coverage Ratio	Growth of Interest Coverage Ratio
2019	23.44		40.72		-6.64	
2020	35.41	51.08	72.21	77.33	0.02	-100.30
2021	35.77	1.02	71.13	-1.49	0.21	951.44
2022	49.46	38.27	150.80	112.00	6.37	2934.59
2023	40.36	-18.40	115.85	-23.18	0.33	-94.88

(Source: Author's Analysis)

Similarly, the growth of the debt-to-equity ratio followed an upward trend in 2020 with a 77.33per cent increase, signaling a sharp rise in the company's use of debt compared to equity. This growth continued in 2022, albeit at a slower pace of 112.00per cent . However, in 2023, the ratio decreased by 23.18per cent , suggesting a reduction in the company's debt relative to its equity base. The growth of the interest coverage ratio displayed more dramatic shifts, with a substantial drop of 100.30per cent in 2020, indicating that the company's ability to cover interest expenses had sharply declined. In 2021, however, the growth surged to an impressive 951.44per cent , reflecting a recovery in interest coverage. This was followed by an extraordinary increase of 2934.59per cent in 2022, showing a substantial improvement in the company's ability to meet interest obligations. Unfortunately, in 2023, the growth rate fell drastically by 94.88per cent , suggesting a significant deterioration in the company's

ability to cover interest payments once again, as indicated in Table 4.

The analysis refers to Table 5, which presents the DuPont analysis of PT Kino Indonesia Tbk's financial performance from 2019 to 2023, covering key metrics such as profit margin, asset turnover, financial leverage, and return on equity (ROE).

Table 5. DuPont Analysis of PT Kino Indonesia Tbk's

Year	Profit Margin (per cent)	Asset Turnover	Financial Leverage	ROE (per cent)
2019	11.02	1	1.74	19.07
2020	2.82	0.77	2.04	4.41
2021	2.46	0.74	1.99	3.64
2022	-26.17	0.78	3.05	-61.95
2023	1.87	0.89	2.87	4.77

(Source: Author's Analysis)

In 2019, the company had a profit margin of 11.02per cent, supported by an asset turnover of 1 and financial leverage of 1.74, leading to a strong ROE of 19.07 per cent. However, in 2020, the profit margin sharply dropped to 2.82per cent, and asset turnover decreased to 0.77, while financial leverage rose to 2.04. As a result, the ROE fell significantly to 4.41 per

cent. In 2021, the profit margin further declined to 2.46 per cent, and asset turnover remained stable at 0.74, while financial leverage decreased slightly to 1.99, leading to a further reduction in ROE to 3.64 per cent. The most drastic change occurred in 2022, when PT Kino experienced a negative profit margin of -26.17 per cent. Despite a relatively stable asset turnover of 0.78 and a significant increase in financial leverage (3.05), the ROE plummeted to -61.95 per cent. This sharp decline suggests that the company's negative profitability and high financial leverage had a detrimental impact on its overall returns. In 2023, the company saw

a slight recovery, with the profit margin improving to 1.87 per cent, asset turnover increasing to 0.89, and financial leverage stabilizing at 2.87. These factors led to a modest recovery in ROE to 4.77 per cent. The figures in Table 5 highlight the volatility in PT Kino's financial performance over the period, with significant challenges in profitability and returns, particularly in 2022.

The cash conversion cycle (CCC) of PT Kino Indonesia Tbk from 2019 to 2023, as shown in Table 6, demonstrates the company's efficiency in managing its working capital over the years.

Table 6. Cash Conversion Cycle Calculation

Year	2019	2020	2021	2022	2023
Days Inventory Outstanding (DIO)	66.31	70.72	101.40	120.21	81.72
Days Sales Outstanding (DSO)	83.73	87.10	133.79	129.55	106.85
Days Payables Outstanding (DPO)	91.07	70.04	78.68	83.27	82.91
Components of Cash Conversion Cycle (CCC)	58.97	87.78	156.51	166.48	105.65

(Source: Author's Analysis)

Components of Cash Conversion Cycle (CCC)

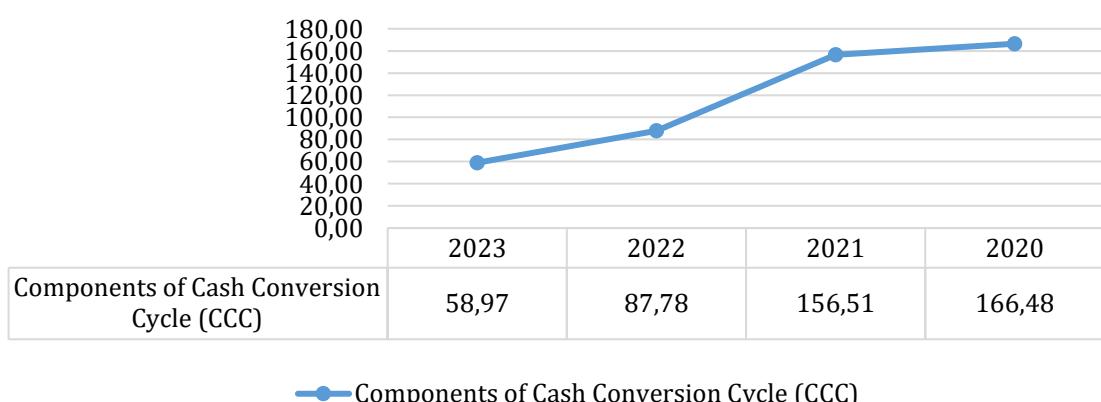


Figure 5. Cash conversion cycle of PT Kino Indonesia Tbk  
(Source: Author's Analysis)

The Days Inventory Outstanding (DIO) steadily increased from 66.31 days in 2019 to 120.21 days in 2022, indicating that the company took longer to sell its inventory. In 2023, however, DIO decreased to 81.72 days, suggesting an

improvement in inventory management. Similarly, the Days Sales Outstanding (DSO), which measures the average time taken to collect receivables, rose from 83.73 days in 2019 to 133.79 days in 2021, reflecting delays in receiving payments. In

2022, DSO slightly decreased to 129.55 days, and further improved in 2023 to 106.85 days, showing progress in managing accounts receivable. On the other hand, the Days Payables Outstanding (DPO), which tracks the time taken to pay suppliers, decreased from 91.07 days in 2019 to 70.04 days in 2020, before rising to 83.27 days in 2022 and stabilizing at 82.91 days in 2023. As a result, the overall Cash Conversion Cycle (CCC), which combines these factors, saw a significant increase from 58.97 days in 2019 to 166.48 days in 2022, indicating that the company

took longer to convert its investments in inventory and receivables back into cash. However, in 2023, CCC improved to 105.65 days, reflecting a positive shift in working capital management, as illustrated in Figure 5. This indicates that PT Kino managed to shorten its cash conversion cycle, enhancing liquidity and operational efficiency.

The projected income statement for PT Kino Indonesia Tbk from 2024 to 2028, as shown in Table 7, illustrates expected financial performance over the next five years.

Table 7. Projected Income Statement (2024-2028)

Year	Projected Net Sales (Rp Million)	Projected COGS (Rp Million)	Projected Gross Profit (Rp Million)	Projected Net Profit (Rp Million)
2024	4,711,065	524,550	7,545,450	4,854,383
2025	5,365,850	564,416	8,118,904	5,223,317
2026	6,111,643	607,311	8,735,941	5,620,289
2027	6,961,093	653,467	9,399,872	6,047,431
2028	7,928,607	703,131	10,114,263	6,507,035

(Source: Author's Analysis)

Net sales are projected to increase steadily, starting from Rp 4,711,065 million in 2024 and reaching Rp 7,928,607 million by 2028, reflecting strong growth in revenue. Similarly, Cost of Goods Sold (COGS) is expected to rise gradually from Rp 524,550 million in 2024 to Rp 703,131 million in 2028, in line with increased sales and production. Despite this increase in COGS, the company is projected to maintain positive gross profit growth, with gross profit increasing from Rp 7,545,450 million in 2024 to Rp 10,114,263 million in

2028. As a result, net profit is also expected to grow, rising from Rp 4,854,383 million in 2024 to Rp 6,507,035 million by 2028, indicating an overall positive trend in profitability. This projection reflects PT Kino's optimistic outlook for revenue expansion, cost control, and profitability in the coming years, as detailed in Table 7.

The projected financial ratios for PT Kino Indonesia Tbk from 2024 to 2028, as presented in Table 8, highlight the company's expected financial health and efficiency over the next five years.

Table 8. Projected Financial Ratios (2024-2028)

Year	Gross Profit Margin (per cent)	Net Profit Margin (per cent)	Current Ratio	Debt-to- Equity Ratio
2024	93.50	0.60	0.78	89.00
2025	93.50	0.60	0.74	68.37
2026	93.50	0.60	0.70	52.53
2027	93.50	0.60	0.66	40.35
2028	93.50	0.60	0.63	31.00

(Source: Author's Analysis)

The gross profit margin remains stable at 93.50 per cent throughout the period, indicating that PT Kino is expected

to maintain strong control over its direct costs relative to its revenue, reflecting a high level of profitability at the gross

level. The net profit margin is projected to remain consistent at 0.60 per cent, suggesting that, despite high gross profits, the company anticipates low net profitability relative to its sales, which may indicate ongoing operational or financial challenges. The current ratio, which measures the company's ability to cover short-term liabilities with short-term assets, is projected to decrease from 0.78 in 2024 to 0.63 in 2028, indicating a declining ability to meet its short-term obligations. A current ratio below 1.0 suggests potential liquidity concerns in the future. The debt-to-equity ratio is projected to decrease significantly from 89.00 in 2024 to 31.00 in 2028. This reduction in leverage indicates that PT Kino is expected to rely less on debt financing over the period, potentially reducing financial risk and improving the company's long-term financial stability, as outlined in Table 8.

The projected free cash flows (FCF) for PT Kino Indonesia Tbk from 2024 to 2028, as presented in Table 9, indicate a gradual decline in available cash after accounting for capital expenditures and operating costs. The FCF is projected to start at IDR 528,775.20 million in 2024,

then decrease slightly each year, reaching IDR 479,025.07 million by 2028.

Table 9. Projected Free Cash Flows (FCF) for 2024-2028

Year	Projected FCF (in million IDR)
2024	528,775.20
2025	515,873.09
2026	503,285.78
2027	491,005.61
2028	479,025.07

(Source: Author's Analysis)

This trend suggests that while PT Kino may generate substantial free cash flow in the early years, the company expects a reduction in this metric over time. The declining FCF could indicate higher capital expenditures, increased operating costs, or other factors that limit cash generation, potentially affecting the company's ability to reinvest in operations, reduce debt, or pay dividends as projected in Table 9.

The projected Cash Conversion Cycle (CCC) for PT Kino Indonesia Tbk from 2024 to 2028, as presented in Table 10, shows a gradual improvement in the company's working capital efficiency over the next five years. The Days Inventory Outstanding (DIO), which measures how long it takes to sell inventory, is expected to decrease from 62.99 days in 2024 to 51.31 days in 2028, reflecting better inventory management.

Table 10. Projected Cash Conversion Cycle (CCC) (2024-2028)

Year	Days Inventory Outstanding (DIO)	Days Sales Outstanding (DSO)	Days Payables Outstanding (DPO)	Cash Conversion Cycle (CCC)
2024	62.99	79.55	86.51	56.02
2025	59.84	75.57	82.19	53.22
2026	56.85	71.79	78.08	50.56
2027	54.01	68.20	74.17	48.03
2028	51.31	64.79	70.46	45.63

(Source: Author's Analysis)

Similarly, the Days Sales Outstanding (DSO), which tracks how long it takes to collect receivables, is projected to decrease from 79.55 days in 2024 to 64.79 days in 2028, indicating an improvement in the

company's collection process. The Days Payables Outstanding (DPO), which measures how long it takes to pay suppliers, is also expected to decrease from 86.51 days in 2024 to 70.46 days in

2028, suggesting the company will pay off its suppliers more quickly. As a result, the overall Cash Conversion Cycle (CCC) is projected to decrease from 56.02 days in 2024 to 45.63 days in 2028. This improvement indicates that PT Kino Indonesia will become more efficient at converting its investments in inventory and receivables back into cash, as detailed in Table 10.

The intrinsic value per share of PT Kino Indonesia Tbk under different scenarios is outlined in Table 11. The Base Case scenario, assuming a Weighted Average Cost of Capital (WACC) of 8.32 per cent and a terminal growth rate of 2 per cent, results in an intrinsic value of IDR 2,096.75 per share.

Table 11. Intrinsic Value per Share of PT Kino Indonesia Tbk

Scenario	WACC (per cent)	Terminal Growth Rate (per cent)	Intrinsic Value/Share
Base Case	8.32	2	2,096.75
Optimistic Scenario	7.32	2.5	2,762.74
Pessimistic Scenario	9.32	1.5	1,686.25

(Source: Author's Analysis)

In the Optimistic Scenario, where the WACC is 7.32 per cent and the terminal growth rate is increased to 2.5 per cent, the intrinsic value per share rises to IDR 2,762.74. This reflects a more favorable financial outlook, assuming lower cost of capital and higher growth potential. In contrast, the Pessimistic Scenario, with a WACC of 9.32 per cent and a terminal growth rate of 1.5 per cent, results in a lower intrinsic value of IDR 1,686.25 per share, reflecting higher capital costs and reduced growth expectations. These values, as detailed in Table 11, demonstrate the impact of different assumptions about future growth and the cost of capital on PT Kino's stock valuation.

Table 12 presents the relative valuation of PT Kino Indonesia Tbk in comparison to its competitors, focusing on key financial ratios. PT Kino's PE ratio of 106.34 is significantly higher than that of Competitor A (15) and Competitor B (14.3), indicating that the market is valuing PT Kino at a much higher price relative to its earnings. This could suggest investor expectations of higher growth or an overvaluation relative to its competitors. In terms of PBV ratio, PT Kino's 1.27 is lower than Competitor A's 1.60 and Competitor B's 1.50, implying that PT Kino is valued at a lower multiple of its book value, which could reflect lower market confidence in its asset base or growth prospects. However, for the EV/EBITDA ratio, PT Kino's 9.8 is slightly lower than Competitor A's 10.2 and almost identical to Competitor B's 9.9, indicating that PT Kino's enterprise value is relatively more favorably priced compared to its EBITDA, similar to Competitor B.

Table 12. Relative Valuation Using Comparable Companies

Company	PE Ratio	PBV Ratio	EV/EBITDA
PT Kino Indonesia	106.34	1.27	9.8
Competitor A	15	1.60	10.2
Competitor B	14.3	1.50	9.9

(Source: Author's Analysis)

The SWOT Analysis integrates insights from the external and internal analyses to evaluate PT Kino Indonesia Tbk's strategic position.

Table 13. SWOT Analysis Table of PT Kino Indonesia Tbk.

Strengths	Weaknesses
Strong brand portfolio	High reliance on debt
Established distribution	Low net profit margin
Opportunities	Threats
Growth in health products	Intense competition
Digital transformation	Regulatory changes

(Source: Author's Analysis)

The SWOT analysis of PT Kino Indonesia Tbk highlights key insights derived from internal and external evaluations through financial ratio analysis, PESTEL, Porter's Five Forces, and relative valuation. The company's strengths include a strong brand portfolio supported by diversified product lines in personal care, beverages, and pharmaceuticals, with a lower price-to-book value (PBV) ratio compared to peers, indicating undervaluation. An established distribution network ensures steady revenue across regions, while continuous product innovation addresses changing consumer preferences, especially for health and wellness products. However, the company faces several weaknesses, such as high reliance on debt financing, reflected in a high debt-to-equity ratio, fluctuating profit margins impacted by the pandemic, and limited international presence, which creates over-dependence on the domestic market. Opportunities arise from the growing demand for health-oriented products and digital transformation in sales and marketing, particularly through e-commerce channels, as well as potential expansion into emerging markets. Nevertheless, the company is exposed to threats from intense competition within the FMCG sector, regulatory changes affecting product safety and advertising, and economic downturns or global events that may disrupt operations. Key analyses supporting these findings include financial ratios, PESTEL, Porter's Five Forces, and relative valuation.

## CONCLUSION

This research aimed to analyze the financial health and valuation of PT Kino

Indonesia Tbk during the Covid-19 pandemic, addressing three critical questions and providing insights into the company's financial stability, intrinsic value, and market performance relative to industry peers. Based on the findings, the following answers to the research questions and corresponding recommendations are provided: (1).The financial ratios used to evaluate PT Kino Indonesia Tbk's financial health during the Covid-19 pandemic, such as profit margin, asset turnover, and financial leverage, reveal that the company faced significant financial challenges in 2020-2022, with profitability and operational efficiency declining during the pandemic. However, signs of recovery were evident in 2023, as key financial ratios improved. Notably, the profit margin improved in 2023, signaling recovery after the pandemic-induced downturn. (2). The Discounted Cash Flow (DCF) analysis showed that PT Kino Indonesia Tbk's intrinsic value was higher than its market price, especially in the Optimistic Scenario where the intrinsic value reached IDR 2,762.74 per share, while the market price remained lower. This suggests that the market may have undervalued PT Kino's shares, potentially due to the pandemic's economic uncertainty affecting investor sentiment. (3). PT Kino Indonesia Tbk's valuation, as indicated by a high PE ratio of 106.34, was substantially higher than its competitors, Competitor A (PE: 15) and Competitor B (PE: 14.3). This suggests that PT Kino Indonesia Tbk's stock is highly valued in the market, possibly reflecting expectations for high future growth. However, this also indicates a risk of potential overvaluation, as the market may

have priced in overly optimistic future prospects.

Based on the findings of this study, there are several areas that future research could explore to gain a more comprehensive understanding of PT Kino Indonesia Tbk's financial health, market positioning, and long-term sustainability. The following recommendations are proposed for subsequent studies: (1). Longitudinal Analysis of Financial Health Post-Pandemic: Future studies should extend the financial analysis of PT Kino Indonesia Tbk beyond the Covid-19 pandemic to understand how the company's financial health evolves as it recovers from the pandemic and faces new challenges. This includes analyzing financial ratios over a longer period to gauge sustainability and the impact of new strategies or external factors like inflation, supply chain disruptions, and shifting consumer behaviors. (2). Incorporation of Market Sentiment and External Factors in Valuation: Future research could explore how external factors, such as market sentiment, geopolitical events, or changes in consumer trends, affect the market price of PT Kino Indonesia Tbk's stock. This could be done by integrating market sentiment analysis or using alternative valuation models that account for external shocks beyond the pandemic.(3). Comparative Industry Analysis Using More FMCG Competitors: A broader comparative study involving a larger set of FMCG companies, particularly in emerging markets like Indonesia, could provide more context for PT Kino Indonesia Tbk's valuation. This research could include companies with similar market conditions and examine whether PT Kino's higher PE ratio is justified compared to a wider

industry benchmark.(4). Exploring Operational Efficiency Through Non-Financial Metrics: Future studies could examine PT Kino Indonesia Tbk's operational efficiency through non-financial metrics, such as customer satisfaction, employee engagement, supply chain performance, and sustainability initiatives. These factors may contribute significantly to the company's long-term success but are often overlooked in traditional financial analyses. By addressing these areas, future studies can contribute to a more nuanced understanding of PT Kino Indonesia Tbk's financial health, its positioning within the FMCG industry, and the factors that will drive its long-term success..

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