

Modest '25F growth but stronger profitability

19 May 2025



BSDE IJ	BUY
Sector	Property.
Price at 19 May 2025 (IDR)	870
Price target (IDR)	1,200
Upside/Downside (%)	37.9

Stock Information

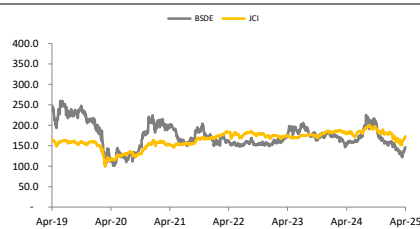
PT Bumi Serpong Damai Tbk develops real estate including housing infrastructure, commercial and industrial estates, golf courses, and public facilities.

Market cap (IDR bn)	18,207
Shares outstanding (mn)	21,171
52-week range (IDR)	700-1,340
3M average daily vol. ('000)	12,342
3M average daily val. (IDR mn)	10,394

Shareholders (%)

Paraga Arta Mida	39.6
Ekacentra Usahamaju	25.6
Treasury stock	1.97
Public	32.9

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	6.17	-5.49	-9.95

Analyst

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BSDE has delivered consistent marketing sales growth from 2019-2024, recording a 5yrs CAGR of 8.4%. In '24, the company exceeded its target with IDR9.7 tn in marketing sales, driven by strong 4Q24 performance of IDR2.9 tn, mainly from land sales and residential. Maintain our BUY call with a target price of IDR1,200, using 5yrs DCF-based TP (WACC: 11.1%; LTG: 3%), implying 0.6x '25F P/B and 80.1% discount to '25F RNAV.

Inline 1Q25 marketing sales; '25F growth seen as modest

BSDE booked a solid 9.5% yoy growth in 1Q25 marketing sales, supported by a 19.2% yoy surge in shophouse sales, despite a modest 1.7% yoy increase in the residential segment, reaching 24.3% of '25F target. However, presales declined by 15.5% qoq from 4Q24, reflecting seasonal trends. Despite potential support from VAT discounts, we project modest 2.9% yoy growth in '25F marketing sales to IDR10.0 tn, aligning with management's guidance but below the 7.9% growth in '23, amid economic challenges.

'25F gross margin to improve despite slower revenue growth

The prior 11.8% yoy drop in short-term contract liabilities to IDR7.1 tn suggests a slower product handover pace. Consequently, after a high 19.6% revenue growth in '24 driven by strong handovers, we project a modest 1.2% yoy revenue growth to IDR14.0 tn in '25F. Real estate revenue is expected to rise just 0.5% yoy to IDR11.6 tn, with the residential segment declining by 5.8% to IDR6.2 tn (from IDR6.5 tn in 2024) due to fewer handovers, while recurring revenue should still grow by 4.9% to IDR2.3 tn.

A well-managed sales mix mainly from land sales is expected to lift the gross margin to 65.1%, up from 63.9% in '24, resulting in gross profit of IDR9.1 tn. Following a high base in '24 due to the gain from SMDM acquisition, net profit is expected to normalize in '25F to IDR3.0 tn, a conservative 17.1% below the '25F consensus but still 8.0% higher than the estimated normalized '24 net profit of IDR2.8 tn.

Enhanced infrastructure connectivity as a further catalyst

Despite economic headwinds, demand for BSDE's residential and shophouse products is expected to remain resilient, supported by the completion of key township facilities such as EastVara Mall and Living World Grand Wisata Bekasi, as well as Phase 1B of the Serbaraja toll road, which connects BSD City Phase 3 (Legok) to JORR 1. Additionally, industrial advancement in eastern Jakarta and improving infrastructure connectivity in southern Jakarta are also driving demand in Grand Wisata Bekasi and Kota Wisata Cibubur. Potential interest rate cuts in 3Q25 could provide further support for property demand.

Reiterate BUY with TP of IDR1,200

Maintain our BUY call with a target price of IDR1,200, using 5yrs DCF-based TP (WACC: 11.1%; LTG: 3%), implying 0.6x '25F P/B and 80.1% discount to '25F RNAV.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenue	11,539	13,797	13,960	14,758	14,948
Gross profit	6,412	8,816	9,086	9,531	9,778
EBITDA	3,324	4,910	5,163	5,218	5,155
Net income	1,945	4,359	3,038	3,326	3,397
EPS growth (%)	(20.0)	124.1	(30.3)	9.5	2.1
PER (x)	7.8	5.5	5.5	5.3	5.5
PBV (x)	0.5	0.4	0.4	0.4	0.4
EV/EBITDA (x)	7.1	5.9	5.7	5.4	5.1
ROE	5.8	12.3	8.2	8.6	8.4
Interest coverage ratio (x)	9.7	13.5	10.4	11.8	11.0
Net gearing (x)	0.0	0.1	0.1	0.0	(0.0)

Source: Company, KBVS Research

Exhibit 2: BSDE's FY24 result

(IDR bn)	FY24	FY23	YoY (%)	4Q24	4Q23	YoY (%)	3Q24	QoQ (%)
Revenue	13,797	11,539	19.6	3,730	4,231	-11.8	2,720	37.1
Real Estates	12,365	10,558	17.1	3,613	3,971	-9.0	2,309	56.5
Property	676	641	5.4	(329)	163	-301.7	346	-195.0
Others + Toll Roads	756	330	129.0	445	92	383.9	65	580.7
COGS	(4,980)	(5,127)	-2.9	(1,504)	(2,484)	-39.4	(1,655)	-9.1
Gross Profit	8,816	6,412	37.5	2,225	1,747	27.4	1,065	109.0
EBIT	5,280	2,910	81.4	1,697	639	165.8	636	166.9
Interest expense (loan)	(779)	(841)	-7.4	(212)	(228)	-7.0	(217)	-2.5
Other income (exp.)	96	(643)	-115.0	227	(511)	-144.4	(71)	-420.9
Associate & JV	348	843	-58.7	97	356	-72.7	124	-21.7
Pre-tax income	4,945	2,270	117.9	1,809	257	604.6	472	283.1
Taxes	(28)	(10)	169.8	(5)	(3)	66.0	(3)	41.9
Minorities	(559)	(314)	77.9	(147)	(77)	90.3	(100)	47.4
Net income (Parent)	4,359	1,945	124.1	1,657	176	839.3	369	349.2
Margins (%)								
Gross Profit Margin	63.9	55.6		59.7	41.3		39.1	
EBIT margin	38.3	25.2		45.5	15.1		23.4	
Net Margin	31.6	16.9		44.4	4.2		13.6	

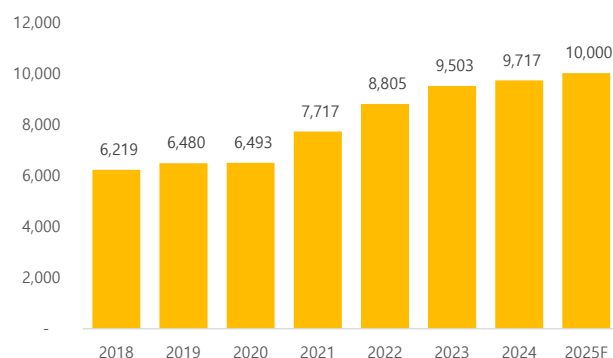
Source: Company, KBVS Research

Exhibit 3: BSDE's valuation summary

DCF Valuation	2025	2026	2027	2028	2029
Net Income	3,038	3,326	3,397	3,793	4,321
Depreciation	632	666	718	767	815
NWC	(362)	(512)	(503)	(507)	(514)
Interest Expense (1-tax)	927	759	759	764	729
Capex	(1,869)	(1,987)	(2,112)	(2,242)	(2,380)
FCFF	2,365	2,251	2,259	2,574	2,971
Discount factor	1.0	1.1	1.2	1.4	1.5
Discounted Free Cash Flow	2,365	2,026	1,829	1,876	1,948
Terminal Value	37,631				
Discounted Terminal Value	24,670				
Enterprise Value	34,714				
Net debt	2,491				
Equity value	32,223				
Minority interest	(6,923)				
Fair value per share 2025F (IDR)	1,195				
Round down (IDR)	1,200				

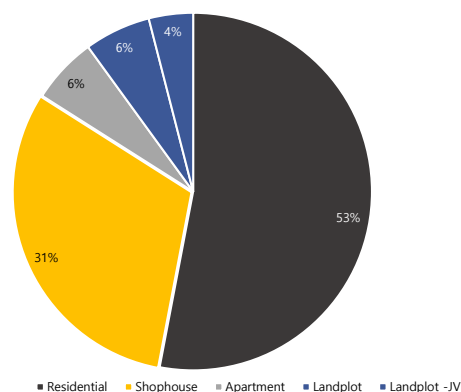
Source: KBVS Research

Exhibit 4: BSDE's marketing sales (IDR bn)



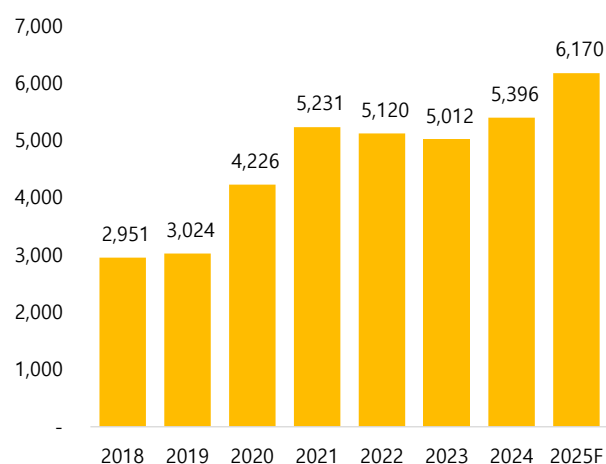
Source: Company, KBVS Research

Exhibit 5: BSDE's marketing sales based on products (1Q25)



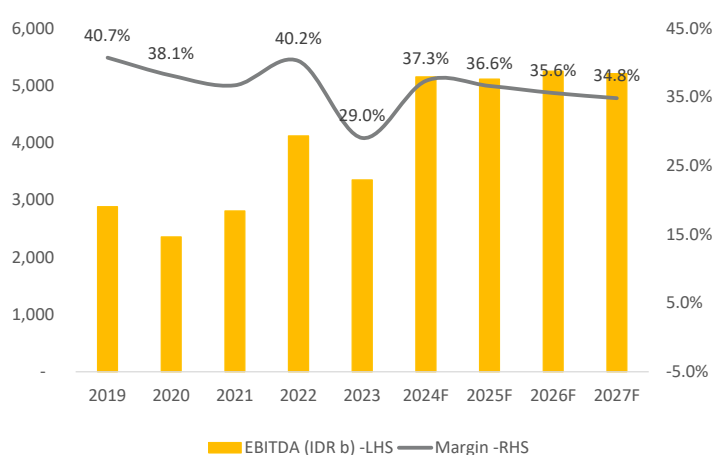
Source: Company, KBVS Research

Exhibit 6: BSDE's marketing sales of housing products (IDR bn)



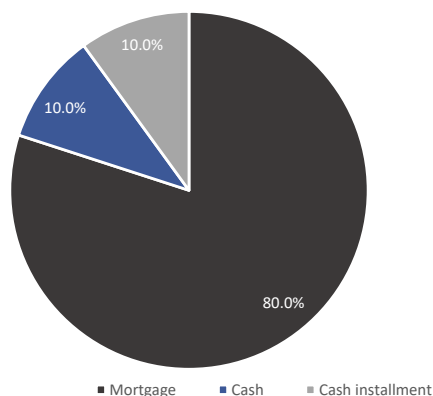
Source: Company, KBVS Research

Exhibit 7: BSDE's EBITDA margin



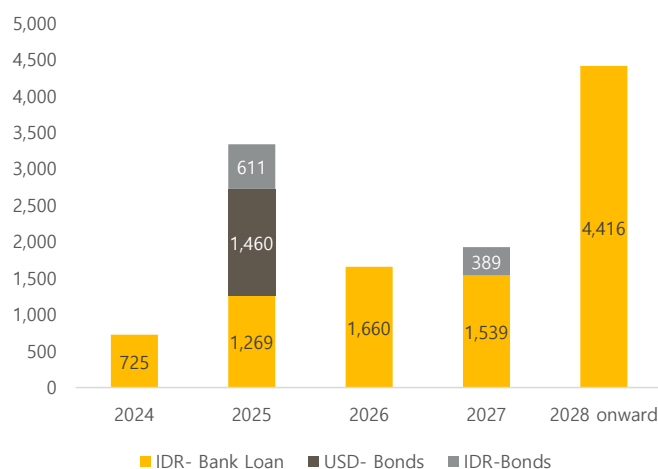
Source: Company, KBVS Research

Exhibit 8: BSDE's customer payment profile (1Q25)



Source: Company, KBVS Research

Exhibit 9: BSDE's debt maturity



Source: Company, Bloomberg

FINANCIAL TABLES

Exhibit 10: Profit & Loss summary

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenue	11,539	13,797	13,960	14,758	14,948
Cost of revenue	(5,127)	(4,980)	(4,874)	(5,227)	(5,170)
Gross profit	6,412	8,816	9,086	9,531	9,778
Selling expenses	(1,545)	(1,913)	(2,079)	(2,277)	(2,504)
G&A expenses	(1,567)	(2,029)	(2,120)	(2,237)	(2,352)
Operating profit	3,299	4,874	4,887	5,017	4,922
EBITDA	3,324	4,910	5,163	5,218	5,155
Other op. income/exp	(1,140)	491	(874)	(710)	(507)
Finance income	497	428	436	322	298
Finance expense	(841)	(791)	(934)	(765)	(765)
Inc/loss from assoc.	843	348	348	348	348
Pre-tax profit	2,658	5,351	3,862	4,213	4,296
Tax expense	(10)	(28)	(28)	(30)	(30)
Minority interest	(314)	(559)	(389)	(426)	(435)
Net profit	1,945	4,359	3,038	3,326	3,397
EPS (IDR)	110	155	156	164	155

Source: Company, KBVS Research

Exhibit 11: Balance sheet

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Cash and equivalents	9,426	8,958	6,091	5,474	7,974
Trade receivables	355	435	464	490	497
Inventories	14,308	16,861	17,361	17,861	18,361
Net- Fixed assets	9,748	12,937	13,664	14,424	15,204
Other assets	32,992	36,833	40,303	40,949	41,868
Total Assets	66,828	76,023	77,883	79,198	83,904
Trade payables	1,030	1,355	1,438	1,543	1,526
Short-term debt + CMLTD	28	2,076	2,279	0	0
Long-term debt	10,195	11,007	7,872	7,772	7,872
Other liabilities	14,373	14,266	15,568	15,307	15,996
Total Liabilities	25,626	28,704	27,158	24,622	25,394
Minority interest	4,731	6,458	6,923	7,449	7,985
Paid capital	9,292	9,292	9,292	9,292	9,292
Retained earnings	27,179	31,569	34,510	37,836	41,233
Other equities	9,292	9,292	9,292	9,292	9,292
Total Equity	36,471	40,861	43,802	47,128	50,525

Source: Company, KBVS Research

Exhibit 12: Cash flow

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Net income	1,945	4,359	3,038	3,326	3,397
Depreciation & amortization	441	684	632	666	718
Change in working capital	(2,073)	(875)	(2,076)	(777)	(150)
Cash flow from operations	314	4,168	1,594	3,215	3,965
Capex	(1,903)	(3,873)	(1,359)	(1,426)	(1,498)
Others	(1,256)	(1,539)	(50)	(50)	(50)
Cash flow from investments	(3,158)	(5,413)	(1,409)	(1,476)	(1,548)
Changes in debt	(145)	2,624	(2,966)	(2,379)	100
Changes in equity	-	-	-	-	-
Dividends paid	-	-	-	-	-
Others	1,218	1,751	368	526	537
Cash flow from financing	1,073	4,375	(2,598)	(1,854)	637
Net Cash Flow	(1,771)	3,130	(2,412)	(116)	3,054

Source: Company, KBVS Research

Exhibit 13: Ratio analysis

Year End Dec	2023A	2024A	2025F	2026F	2027F
Revenue growth	12.7	19.6	1.2	5.7	1.3
EBIT growth	(21.5)	53.6	0.2	2.4	(2.1)
EBITDA growth	42.2	110.0	120.8	123.2	120.5
Net profit growth	(20.0)	124.1	(30.3)	9.5	2.1
Gross margin	55.6	63.9	65.1	64.6	65.4
EBIT margin	25.2	32.4	32.1	31.1	30.0
EBITDA margin	28.8	35.6	37.0	35.4	34.5
Net margin	16.9	31.6	21.8	22.5	22.7
ROA	3.0	6.4	4.4	4.7	4.7
ROE	5.8	12.3	8.2	8.6	8.4
Net gearing (x)	0.0	0.1	0.0	0.0	(0.0)
Net debt/EBITDA (x)	0.1	0.5	0.5	0.1	(0.3)
Interest coverage ratio (x)	9.7	13.5	10.4	11.8	11.0

Source: Company, KBVS Research

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