

PT Pakuwon Jati Tbk (PWON)

Property and Real Estate

Spurred by revenge traveling, strong presales

12 April 2022

Recommendations : BUY

Stock

Price on 20/12/2021 (Rp)	510
12M target price (Rp)	620
Capital gain potential	22%

Stock Data

Outstanding shares	48,159,602,400
Market cap (Rp)	24,561,397,224,000
Weight vs IHSG (%)	0.27

Shareholders (%)

Pakuwon Arthaniaga	68.68%
Public	31.30%
Outstanding Shares (unit)	48,159,602,400

Price Performance

52-week high/low	Rp615/Rp342
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Capital gain/(loss) (in %)

1 month	3 month	6 month	1 Year	YTD
0.00	13.33	(1.92)	2.41	9.91

Summary of Financial Performance

In IDR bn	2021A	2022E	2023F
Revenue	5,713	5,943	6,148
Operating Income	1,981	2,421	2,759
OPM (%)	34.67%	40.74%	44.88%
EBITDA	2,627	2,844	3,195
EV to EBITDA (x)*	8.22	8.44	7.37
Net Income	1,383	1,707	1,974
NPM (%)	24.20%	28.72%	32.12%
EPS (Rp)	29	35	41
EPS Growth (%)	48.7%	23.5%	15.7%
Price Earnings (x)*	16.16	14.39	12.44
Price to Book (x)*	1.39	1.40	1.27
Price to Sales (x)*	3.91	4.13	4.00
Return on Equity (%)	8.62%	9.72%	10.24%
Return on Assets (%)	4.79%	5.48%	5.77%
Tot Debt/Equity (x)	0.36	0.34	0.34

*) based on market price (11/04/2022) at Rp510

Sources : Company, Bloomberg and KB Valbury Sekuritas

Analyst(s)

Devi Harjoto
Alfiansyah

Laba bersih tumbuh 48,7% YoY pada 2021 menjadi Rp1,38 triliun Katalis dari peningkatan mobilitas, kegiatan dan membaiknya daya beli Rekomendasi "BUY" dengan target harga Rp620 per saham

Pertumbuhan top dan bottom line yang meningkat

Laba bersih PWON naik 48,7% YoY pada 2021 menjadi Rp1,38 triliun (+156,7% QoQ). Pertumbuhan laba bersih yang solid ini ditopang dari pendapatan yang meningkat 43,7% YoY pada 2021 menjadi Rp5,71 triliun (+86,9% QoQ). GPM PWON relative stabil yakni 48,4% pada 2021 kendati beban pokok meningkat 44,8% YoY. Beban operasional PWON tumbuh 12,2% YoY pada 2021 menjadi Rp494,15 miliar, ditengah kenaikan beban penjualan dari komisi dan insentif. Sehingga, laba operasional naik 51,3% YoY pada 2021, dan margin operasional naik dari 37,7% pada 2020 menjadi 39,7%. Adapun, PWON mencatatkan kenaikan kerugian dari transaksi derivatif 281,5% YoY pada 2021, sedangkan pendapatan keuangan juga turun 32,3% YoY pada 2021 seiring penurunan suku bunga. Balance sheet PWON membaik dengan posisi net cash pada 2021 dibandingkan 0,7x pada 2020.

Didukung oleh performa presales yang solid

Pertumbuhan pendapatan PWON pada 2021 ditopang dari performa pre-sales yang naik 39,8% YoY pada 2021 menjadi Rp1,43 triliun, terutama pada kuartal terakhir ditengah stimulus property. Pre-sales tersebut utamanya dikontribusikan oleh proyek township Grand Pakuwon, superblok Pakuwon Mall dan Kota Kasablanka. Adapun, recurring income PWON menurun dari 57,8% pada 2020 menjadi 47,2% pada 2021 karena peningkatan penjualan condominium yang meningkat 67,4% YoY ditengah insentif PPN disamping adanya tekanan mobilitas hingga 9M21 yang menurunkan kunjungan. Kami melihat adanya pelanggaran mobilitas terutama pada 4Q21 dibandingkan tahun sebelumnya mulai terlihat dari kenaikan Rev/PAR untuk segmen hotel Four points Tujungan Pakuwon, Tunjungan dan Sheraton Grand Jakarta, juga Marriott Yogyakarta.

Recurring income solid dan traffic naik dari pusat perbelanjaan dan traveling

Kami memperkirakan pertumbuhan pendapatan PWON tahun ini dapat mencapai 4% YoY yang ditopang oleh normalisasi mobilitas, optimism konsumen sehingga mendorong kunjungan ke pusat perbelanjaan dan perhotelan dari adanya revenge traveling setelah penghapusan kewajiban test covid-19 pada 2Q22, sehingga mendorong Rev/PAR, juga katalis dari insentif PPN Property yang diperpanjang. Kemudian, kami memproyeksi marketing sales dapat mencapai Rp1,6-Rp1,8 triliun dengan adanya peluncuran Pakuwon Bekasi dan Pakuwon Mall Surabaya yang akan meluncur pada 2Q-4Q22. Dengan peningkat traffic, kami memperkirakan porsi recurring income dapat kembali meningkat menjadi 48% tahun ini. Namun, kami memandang resiko berasal dari potensi kenaikan suku bunga pada 2H22 dan usainya diskon PPN, sehingga dapat memperlambat marketing sales dan pendapatan. Juga, pemberlakuan aturan PBG sebagai pengganti IMB.

Rekomendasi BUY ditengah normalisasi pasca pandemic

Kami merekomendasikan BUY dengan target harga Rp620 per saham yang merefleksikan valuasi PE 2022 pada 14,39x. Adapun, pertimbangan atas rekomendasi kami antara lain 1) kedatangan ke mall yang meningkat seiring gencarnya vaksinasi 2) stimulus pemerintah dan suku bunga BI yang relative rendah; 3) kontribusi recurring income yang relative berimbang sehingga menjadi bantalan dan 4) negara yang solid. Namun, kami melihat resiko atas rekomendasi kami yakni 1) ketidakpastian pandemi; 2) perubahan perilaku belanja dan aktivitas sehingga menurunkan tingkat okupansi mall dan perkantoran, juga permintaan property residensial rumah tapak; 3) berakhirnya insentif PPN property dan 4) potensi kenaikan suku bunga pada 2H22.

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FINANCIAL OVERVIEW

Income Statement (Rp bn)	FY2020	FY2021	YoY Change	3Q2021	4Q2021	QoQ Change
Revenue	3,977	5,713	43.7%	1,329	1,925	45.0%
Cost of Revenue	(2,036)	(2,949)	44.8%	(773)	(888)	14.9%
Gross Profit	1,941	2,764	42.4%	555	1,038	86.9%
Gross Margin (%)	48.8%	48.4%		41.8%	53.9%	
Operating Expenses	(440)	(494)	12.2%	(115)	(140)	21.5%
Operating Profit	1,500	2,270	51.3%	391	784	103.9%
Operating Margin (%)	37.7%	39.7%		33.2%	46.7%	
Non-Operating Income (Losses)	(352)	(706)	51.3%	(166)	(146)	(11.8%)
Pretax Income	1,149	1,564	36.1%	275	752	173.8%
Income Tax (Expense)/ Benefit	(30)	(14)	(53.8%)	(1)	(1)	(0.1%)
Profit for This Year	1,119	1,550	38.5%	274	750	174.0%
Minority	(189)	(168)	(11.3%)	(17)	(90)	458.6%
Net Profit (Losses)	930	1,383	48.7%	257	661	156.7%
Profit Margin (%)	23.4%	24.2%		19.4%	34.3%	

Sources : Company and KB Valbury Sekuritas

FINANCIAL TABLES

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

Year End Dec (Rp bn)	2020A	2021A	2022E	2023F	2024F
Revenue	3,977	5,713	5,943	6,148	6,940
Revenue growth yoy	(44.8%)	43.7%	4.0%	3.5%	12.9%
- Cost of Goods Sold	(2,036)	(2,949)	(2,677)	(2,650)	(2,639)
Gross profit	1,941	2,764	3,265	3,498	4,301
- Operating Expenses	(440)	(494)	(844)	(739)	(913)
Operating Income	1,500	2,270	2,421	2,759	3,388
Op income growth yoy	(58.8%)	51.3%	22.2%	14.0%	22.8%
- Non Operating Gains (Losses)	(352)	(706)	(490)	(514)	(574)
EBITDA	1,810	2,627	2,844	3,195	4,234
Pretax Income	1,149	1,564	1,931	2,245	2,814
- Income Tax Expense	(30)	(14)	(47)	(65)	(82)
Income Before XO Items	1,119	1,550	1,884	2,179	2,732
- Minority Interests	(189)	(168)	(177)	(205)	(257)
Net Income	930	1,383	1,707	1,974	2,475
Net income growth yoy	(65.8%)	48.7%	23.5%	15.7%	25.4%
EPS (IDR)	19	29	35	41	51
Dividends Per Share (IDR)	0	3	4	5	7

Sources: Company, Bloomberg and KB Valbury Sekuritas

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Year End Dec (Rp bn)	2020A	2021A	2022E	2023F	2024F
Total Current Assets	8,590	11,453	12,518	14,191	16,521
+ Cash & Near Cash Items	2,887	6,444	6,466	7,504	8,816
+ Accounts & Notes Receivable	102	106	128	141	163
+ Inventories	4,512	3,981	4,809	5,314	6,122
+ Other Current Assets	1,089	923	1,115	1,232	1,419
Total Long-Term Assets	17,869	17,413	18,653	20,021	21,153
+ Property, Plant & Equip, Net	14,722	17,073	18,312	19,701	20,873
Property, Plant & Equip	18,707	21,698	23,452	25,375	27,150
Accumulated Depreciation	3,985	4,624	5,140	5,674	6,277
+ Other Long Term Assets	3,146	340	341	320	280
Total Assets	26,459	28,866	31,172	34,212	37,674
Total Current Liabilities	4,337	3,019	3,269	3,488	3,622
+ Payables & Accruals	751	591	668	770	861
+ Short Term Borrowings	397	50	42	35	27
+ Other Short Term Liabilities	3,189	2,378	2,559	2,683	2,734
Total Long Term Liabilities	4,523	6,669	6,979	7,774	8,769
+ Long Term Borrowings	3,547	5,657	5,855	6,468	7,259
+ Other Long Term Borrowings	977	1,012	1,124	1,306	1,510
Total Liabilities	8,860	9,688	10,248	11,262	12,391
+ Share Capital & APIC	1,566	1,566	1,566	1,566	1,566
+ Retained Earnings & Other Eq.	13,049	14,432	15,934	17,658	19,811
+ Other Equity	20	49	54	60	67
Total Shareholders Equity	14,635	16,047	17,554	19,284	21,445
+ Minority/Non Controlling Int.	2,963	3,132	3,370	3,666	3,838
Total Equity	17,599	19,178	20,924	22,950	25,283
Total Liabilities & Equity	26,459	28,866	31,172	34,212	37,674
Book Value Per Share (IDR)	304	333	364	400	445

Sources: Company, Bloomberg and KB Valbury Sekuritas

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year End Dec (Rp bn)	2020A	2021A	2022E	2023F	2024F
Net Income	930	1,383	1,707	1,974	2,475
+ Depreciation & Amortization	550	646	516	534	603
+ Other Non-Cash Adjustments	(61)	210	(903)	(935)	(1,055)
Cash From Operating Activities	1,419	2,239	1,320	1,574	2,023
+ Disposal of Fixed Assets	6	1	7	7	8
+ Change in Investment	(701)	(282)	(644)	(666)	(752)
+ Other Investing Activities	(1,066)	(33)	(2)	21	40
Cash From Investing Activities	(1,761)	(314)	(639)	(637)	(704)
+ Dividends Paid	(915)	1,743	(502)	213	191
+ Other Financing Activities	(166)	(115)	(156)	(112)	(198)
Cash From Financing Activities	(1,081)	1,628	(658)	102	(7)
Net Changes in Cash	(1,423)	3,553	23	1,038	1,312

Sources: Company, Bloomberg and KB Valbury Sekuritas

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RATIO ANALYSIS

Year End Dec	2020A	2021A	2022E	2023F	2024F
Valuation Ratios					
Price Earnings*	26.41	16.16	14.39	12.44	9.92
EV to EBIT*	20.34	10.91	10.31	8.85	6.34
EV to EBITDA*	14.16	8.22	8.44	7.37	5.44
Price to Sales*	6.18	3.91	4.13	4.00	3.54
Price to Book*	1.68	1.39	1.40	1.27	1.15
Dividend Yield*	0.0%	0.7%**	0.8%	1.0%	1.3%
Profitability Ratios					
Gross Margin	48.80%	48.38%	54.95%	56.90%	61.98%
EBITDA Margin	45.50%	45.99%	47.85%	51.97%	61.01%
Operating Margin	31.67%	34.67%	40.74%	44.88%	48.83%
Profit Margin	23.38%	24.20%	28.72%	32.12%	35.67%
Return on Assets	3.51%	4.79%	5.48%	5.77%	6.57%
Return on Equity	6.35%	8.62%	9.72%	10.24%	11.54%
Leverage & Coverage Ratios					
Current Ratio	1.98	3.79	3.83	4.07	4.56
Quick Ratio	0.94	2.48	2.36	2.54	2.87
Interest Coverage Ratio (EBIT/I)	6.37	5.86	5.86	6.38	7.80
Tot Debt/Capital	0.14	0.20	0.19	0.21	0.23
Tot Debt/Equity	0.27	0.36	0.34	0.34	0.34
Others					
Asset Turnover	0.15	0.20	0.19	0.18	0.18
Accounts Receivable Turnover	39.02	53.99	46.48	43.52	42.64
Accounts Payable Turnover	5.30	9.66	8.90	7.98	8.06
Inventory Turnover	0.88	1.44	1.24	1.16	1.13

*) based on market price (11/04/2022) at Rp510

** Estimate

Sources: Company, Bloomberg and KB Valbury Sekuritas

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