

Full-year targets maintained

28 October 2025



PWON IJ	BUY
Sector	Property.
Price at 28 October 2025 (IDR)	368
Price target (IDR)	480
Upside/Downside (%)	30.4

Stock Information

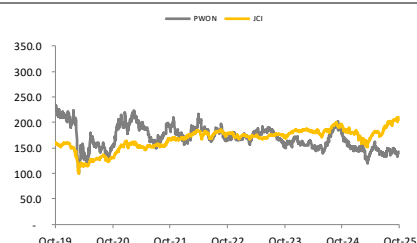
PT Pakuwon Jati Tbk owns, develops, and manages shopping centers, business complexes, real estate, and hotels.

Market cap (IDR bn)	17,723
Shares outstanding (mn)	48,160
52-week range (IDR)	304-492
3M average daily vol. ('000)	40,865
3M average daily val. (IDR mn)	15,617

Shareholders (%)

Pakuwon Arthaniaga	68.7
Public	31.3

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	-2.13	2.79	-23.33

Analyst

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PWON's 9M25 performance largely met both our and consensus expectations, arriving within a range of 74.6% to 75.6%. Revenue grew 6.9% yoy to IDR5.1 tn, supported by a 10.8% increase in shopping center, office and serviced apartment segments, which offset softer hospitality revenue. '25F outlook remains unchanged, with revenue targeted at IDR6.9 tn. Maintain our BUY call with a target price of IDR480, using 5yrs DCF-based TP (WACC: 11.3%; LTG: 3%), implying 0.9x '25F P/B and 59.1% discount to '25F RNAV.

Delivers solid 9M25 with strong recurring-revenue growth

PWON booked revenue of IDR1.7 tn in 3Q25 (-4.1% qoq), driven by a 23.4% qoq decline in residential recognition, bringing 9M25 revenue to IDR5.1 tn (+6.9% yoy). Recurring revenue grew 7.7% yoy to IDR4.1 tn, supported by a 10.8% increase in shopping center, office and serviced apartment revenues, while hospitality revenue slipped 1.9%. Although the 3Q25 cost of revenue edged down 1.5% qoq, it rose 10.2% yoy in 9M25, leading to a 7.3% qoq decline in EBITDA to IDR916.0 bn. Nonetheless, 9M25 EBITDA reached IDR2.7 tn (+4.7% yoy), inline with 75.3% of our full-year estimate. Interest expenses fell 2.2% qoq in 3Q25 and 4.4% yoy in 9M25, supporting a 3Q25 net profit of IDR590.5 bn and 9M25 net profit of IDR1.7 tn (+3.8% yoy).

Maintains '25F outlook on strong recurring-income

With results tracking inline, we maintain our '25F forecasts. The 8.8% ytd increase in short-term unearned income to IDR1.6 tn suggests stronger recurring revenue recognition for the year. We project shopping center, office and serviced apartment revenue to grow 5.4% yoy to IDR4.1 tn in '25F, with 9M25 already achieving 77.9% of our estimate. Shopping mall revenue is expected to rise 7.2% to IDR3.1 tn, supported by higher occupancy at Pakuwon City Mall and the opening of Pakuwon Mall Bekasi, which has reached 78.6% of our IDR2.5 tn annual target.

Following strong apartment, office and condominium sales totaling IDR5.0 tn during 2021-2024, this segment is projected to decline 10.3% to IDR676.9 bn in '25F, consistent with a 20.0% ytd drop in short-term customer advances to IDR671.7 bn.

Overall, we forecast total revenue to grow 2.9% to IDR6.9 tn in '25F, with recurring income contributing 79%, ensuring earnings stability amid macro headwinds. EBITDA remains on track to reach our IDR3.6 tn target (75.3% of FY target), while interest expenses are manageable at 75.0% of the full-year estimate of IDR359.5 bn. Net profit is expected to grow 10.1% to IDR2.3 tn, with a margin of 33.3% (31.1% in '24A).

Reiterate BUY with TP of IDR480

We will revisit our model and start to rolled over valuation to '26F. Maintain our BUY call with a target price of IDR480, using 5yrs DCF-based TP (WACC: 11.3%; LTG: 3%), implying 0.9x '25F P/B and 59.1% discount to '25F RNAV. Bank Indonesia's rate cuts since Sep-24, which lowered the benchmark rate to 4.75%, are expected to support the property sector. However, the outlook remains constrained by soft commercial property demand, rising construction cost, and intensifying competition from surrounding developments.

Exhibit 1: Key Statistics

Year end Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenue	6,200	6,671	6,864	7,341	7,888
Gross profit	3,401	3,769	3,866	4,139	4,456
Operating profit	2,660	2,901	2,950	3,098	3,246
EBITDA	3,338	3,574	3,638	3,879	4,107
Net Income	2,105	2,075	2,285	2,361	2,469
EPS	43.7	43.1	47.4	49.0	51.3
PER (x)	8.4	8.5	7.7	7.5	7.1
PBV (x)	0.8	0.7	0.7	0.6	0.6
EV/EBITDA (x)	4.8	4.2	3.5	3.2	2.9
Net Gearing (%)	(6.4)	(11.0)	(18.0)	(18.5)	(18.8)

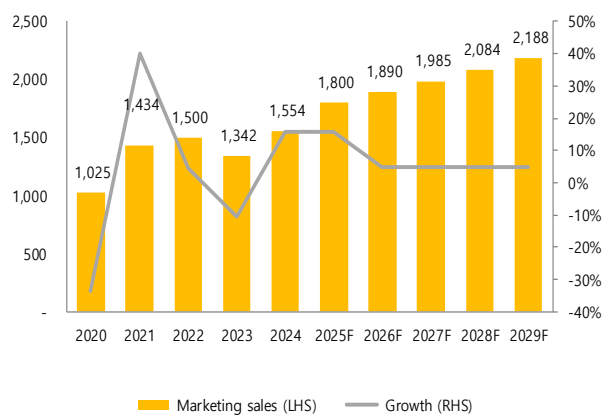
Source: Company, KBVS Research

Exhibit 2: Financial Summary

PWON's 9M25 Result (IDR bn)	9M25	9M24	YoY (%)	3Q25	3Q24	YoY (%)	2Q25	QoQ (%)	25F KBVS	%	25F Cons	%
Revenue	5,118	4,786	6.9	1,744	1,525	14.4	1,818	(4.1)	6,864	74.6%	6,991	73.2%
Office, shopping center, and service apartment	3,187	2,878	10.8	1,074	997	7.7	1,078	(0.3)				
Real estate	1,021	981	4.0	341	170	100.9	446	(23.4)				
Hospitality	910	927	(1.9)	329	358	(8.2)	295	11.5				
COGS	(2,280)	(2,070)	10.2	(785)	(656)	19.7	(797)	(1.5)				
Gross Profit	2,838	2,716	4.5	960	869	10.4	1,022	(6.1)				
EBIT	1,839	1,800	2.1	612	555	10.4	682	(10.3)				
EBITDA	2,738	2,615	4.7	916	826	10.8	988	(7.3)	3,638	75.3%	3,774	72.5%
Interest expense (loan)	(269)	(282)	(4.4)	(85)	(91)	(6.7)	(87)	(2.2)				
Interest income	447	431		158	167		141					
Other income (exp.)	113	16		52	282		257					
Associate & JV	-	-		-	-		0					
Pre-tax income	2,129	1,965	8.3	737	912	(19.2)	993	(25.8)				
Taxes	(3.9)	(6.3)		(2)	(2)		(1)					
Minorities	(398)	(296)		(145)	(94)		(157)					
Reported net income (Parent)	1,727	1,663	3.8	591	816	(27.6)	834	(29.2)	2,285	75.6%	2,311	74.7%
Normalized net income (Parent)*	1,884	1,585	18.8	676	441	53.4	787	(14.1)				
Margins (%)												
Gross profit margin	55.5	56.8		55.0	57.0		56.2					
EBIT margin	35.9	37.6		35.1	36.4		37.5					
EBITDA margin	53.5	54.6		52.5	54.2		54.3					
Reported net margin	33.7	34.7		33.9	53.5		45.9					

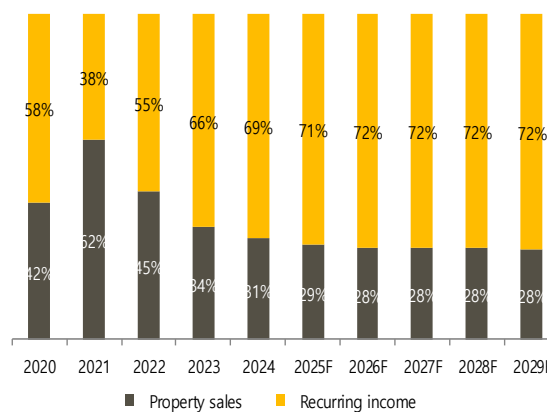
Source: KBVS Research

Exhibit 3: PWON's marketing sales (IDR bn)



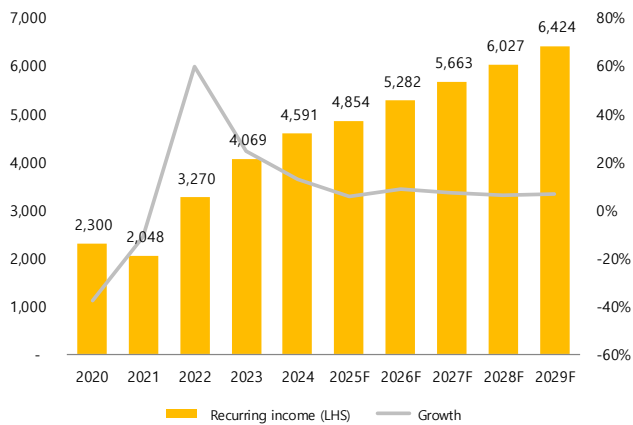
Source: Company, KBVS Research

Exhibit 4: PWON's revenue breakdown



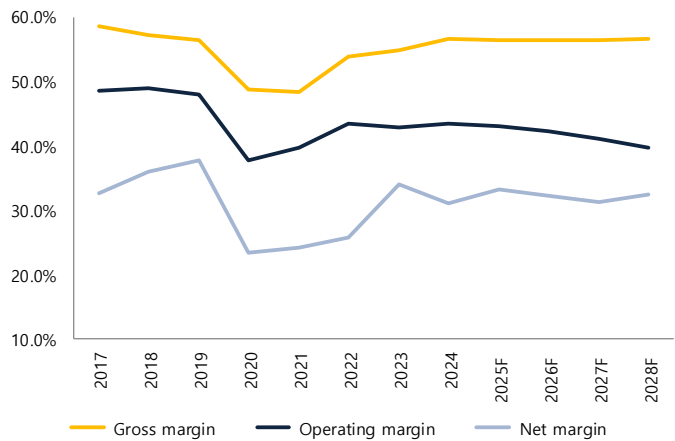
Source: Company, KBVS Research

Exhibit 5: PWON's recurring income growth (IDR bn)



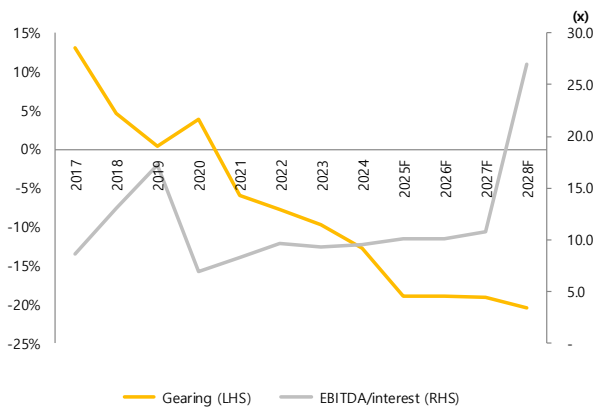
Source: Company, KBVS Research

Exhibit 6: PWON's profitability level



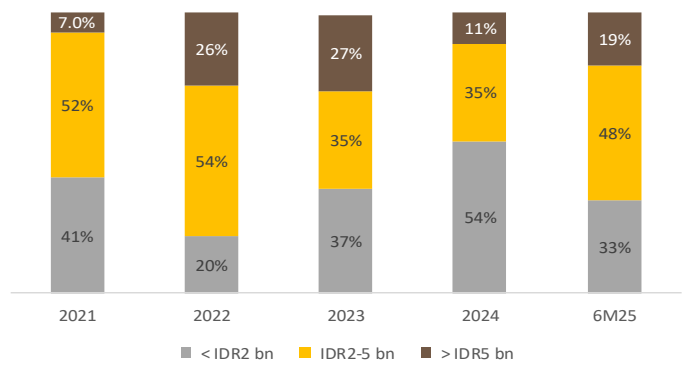
Source: Company, KBVS Research

Exhibit 7: PWON's net gearing



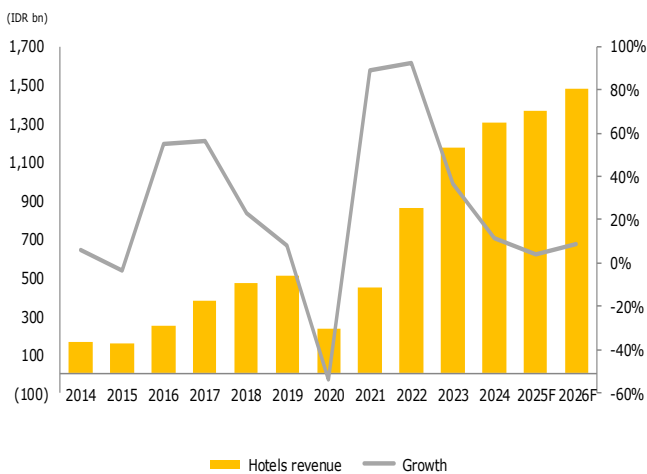
Source: Company, KBVS Research

Exhibit 8: PWON's presales by price range



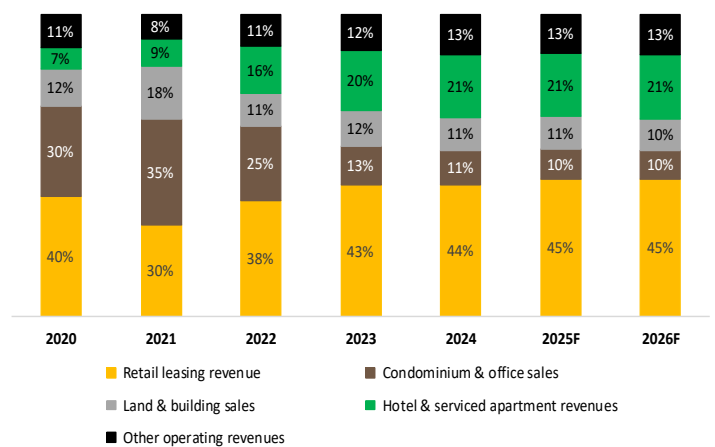
Source: Company, Bloomberg

Exhibit 9: PWON's hotel segment revenue



Source: Company, KBVS Research

Exhibit 10: PWON's revenue by product category



Source: Company, Bloomberg

FINANCIAL TABLES

Exhibit 11: Profit & Loss summary

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenue	6,200	6,671	6,864	7,341	7,888
Cost of revenue	(2,800)	(2,902)	(2,998)	(3,202)	(3,432)
Gross profit	3,401	3,769	3,866	4,139	4,456
Selling expenses	(224)	(306)	(326)	(415)	(537)
G&A expenses	(517)	(562)	(590)	(626)	(673)
Operating profit	2,660	2,901	2,950	3,098	3,246
EBITDA	3,338	3,574	3,638	3,879	4,107
Other op. income/exp	55	(228)	-	-	-
Finance income	412	558	410	408	409
Finance expense	(358)	(376)	(360)	(386)	(381)
Inc/loss from assoc.	-	-	-	-	-
Pre-tax profit	2,769	2,854	3,000	3,120	3,275
Tax expense	(388)	(433)	(447)	(482)	(516)
Minority interest	(277)	(347)	(268)	(277)	(290)
Net profit	2,105	2,075	2,285	2,361	2,469
EPS (IDR)	44	43	47	49	51

Source: Company, KBVS Research

Exhibit 12: Balance sheet

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Cash and equivalents	7,600	9,154	11,035	11,565	12,089
Trade receivables	262	258	262	280	301
Inventories	3,943	4,494	4,580	4,913	5,241
Net- Fixed assets	2,576	2,776	2,782	3,311	3,898
Other assets	18,329	18,688	18,681	19,757	20,920
Total Assets	32,711	35,371	37,341	39,827	42,449
Trade payables	201	270	230	246	264
Short-term debt + CMLTD	-	-	-	-	-
Long-term debt	6,130	6,436	6,210	6,210	6,210
Other liabilities	3,585	3,923	4,091	4,393	4,735
Total Liabilities	9,915	10,629	10,532	10,849	11,209
Minority interest	3,699	4,039	4,247	4,526	4,805
Paid capital	1,566	1,566	1,566	1,566	1,566
Retained earnings	17,570	19,211	21,069	22,960	24,943
Other equities	(40)	(74)	(74)	(74)	(74)
Total Equity	22,795	24,742	26,809	28,978	31,240

Source: Company, KBVS Research

Exhibit 13: Cash flow

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Net income	2,105	2,075	2,285	2,361	2,469
Depreciation & amortization	677	673	688	782	861
Change in working capital	(748)	366	123	(60)	(78)
Cash flow from operations	2,035	3,113	3,096	3,083	3,252
Capex	(1,229)	(839)	(1,000)	(2,089)	(2,189)
Others	(754)	(730)	91	(378)	(452)
Cash flow from investments	(1,984)	(1,569)	(909)	(2,468)	(2,642)
Changes in debt	(119)	306	(226)	-	-
Changes in equity	285	305	209	279	279
Dividends paid	(313)	(433)	(427)	(470)	(486)
Others	252	(168)	138	107	120
Cash flow from financing	105	10	(306)	(85)	(87)
Net Cash Flow	156	1,554	1,881	530	524

Source: Company, KBVS Research

Exhibit 14: Ratio analysis

Year End Dec	2023A	2024A	2025F	2026F	2027F
Revenue growth	3.6	7.6	2.9	6.9	7.5
EBIT growth	2.2	9.0	1.7	5.0	4.8
EBITDA growth	2.7	7.1	1.8	6.6	5.9
Net profit growth	36.8	(1.4)	10.1	3.3	4.6
Gross margin	54.8	56.5	56.3	56.4	56.5
EBIT margin	42.9	43.5	43.0	42.2	41.2
EBITDA margin	53.8	53.6	53.0	52.8	52.1
Net margin	34.0	31.1	33.3	32.2	31.3
ROA	6.4	5.9	6.1	5.9	5.8
ROE	9.2	8.4	8.5	8.1	7.9
Net gearing (x)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)
Net debt/EBITDA (x)	(0.4)	(0.8)	(1.3)	(1.4)	(1.4)
Interest coverage ratio (x)	9.3	9.5	10.1	10.1	10.8

Source: Company, KBVS Research

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