

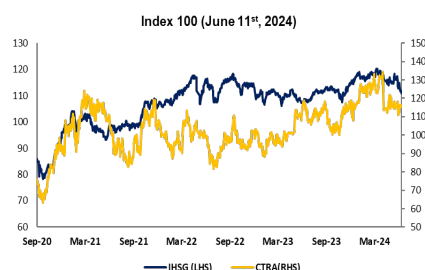
Friday, June 21<sup>st</sup>, 2024

## Buy

Price (June 14 <sup>th</sup> , 24)	1125
Target Price	1390
Potential Upside	24.11%
Market Cap	21.03 T
Number of Share	18.53 B
52w Lo/Hi	1100 / 1330

 Source : IDX | Phintraco Sekuritas Research  
 | as of June 14<sup>th</sup>, 2024

### IHSG vs CTRA



Source : IDX

Shareholder	%
PT. Sang Pelopor	53.31%
Public (<5%)	43.22%
Affiliation	3.37%

Source : Company | as of fin. statement FY-23

### EPS Consensus vs Forecast

	AT	Consensus*	%Diff
2024F	129	128	+1%
2025F	123	119	+3%

 Source : \*marketscreener | as of June 3<sup>rd</sup>, 2024

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## PT Ciputra Development Tbk

(CTRA.JK / CTRA.IJ)

### Well Diversified Portfolio

**Net profit grew 17.1% yoy to IDR 413 billion in 3M24.** Revenue rose 8.7% yoy to IDR 2.3 trillion in 3M24. This revenue growth was driven by +7.1% yoy in the property development segment and +14.2% yoy in the recurring segment in 3M24. These two segments contributed 76% and 22% to CTRA's revenue. Regarding expenses, the cost of goods sold (COGS) only increased by 3.7% yoy to IDR 1.1 trillion in 3M24. Thus, in 3M24, CTRA had a gross profit margin of 50.9% (+240 bps yoy) and a net profit margin of 20.9% (+150 bps yoy).

**CTRA recorded marketing sales of IDR 3.3 trillion in 3M24, equivalent to 30% of the FY24F marketing sales target.** This achievement continues the upward trend in 2023, where CTRA recorded its highest marketing sales. In FY23, CTRA recorded marketing sales of IDR 10.2 trillion (+8% yoy) and 105% of the FY23 marketing sales target. CTRA launched 483 property units and contributed 39% of 3M24 marketing sales. The units launched were dominated by Citrandel Kota Deli Megapolitan (KDM) in Sumatra (349 units) with a market segmentation of middle and upper-middle-class people. Citrandel KDM was developed based on Eco-Culture, with green open space reaching 51% of the master plan, and has a strategic location on the Sumatra highway with an average price per unit of IDR 2.7 billion.

**A geographically diversified product portfolio is CTRA's advantage.** As of 3M24, CTRA has 88 projects in 34 cities in Indonesia. In 3M24, Sumatra contributed 32% of marketing sales, followed by Greater Jakarta 32% and Greater Surabaya 19% (figure 5). With this diversification, CTRA can minimize concentrated risk. The same thing also applies to CTRA shopping center rentals, with a contribution of 19% for entertainment & leisure and department stores, F&B and Fashion and Accessories 16% and 15% for the general category.

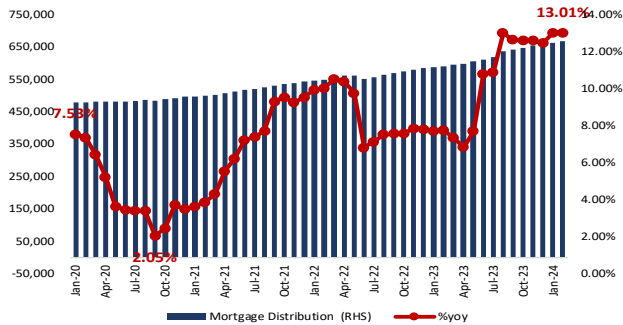
**Consistent growth of Recurring Income.** The recurring income contribution to CTRA is the largest compared to peers. The majority of CTRA's Recurring Income comes from shopping centers (37%) and health facilities (32%). Revenue from shopping centers grew 17% yoy with a Net Leasable Area of 257 thousand m2 and an average occupancy rate of 88% in 3M24. This is in line with an increase in visits and rental costs. Meanwhile, the rise in dengue fever cases in 3M24 was in line with the transition season, driving growth in revenue from CTRA health facilities. Inpatient revenue grew 30% yoy, non-inpatient revenue grew 16% yoy, and the number of visitors increased 8% yoy in 3M24.

**Management targets marketing sales to reach IDR 11.1 trillion (+9% yoy).** CTRA's solid bottom line performance is accompanied by a stable debt condition (net gearing ratio -11.1%), supported by government-borne VAT incentives and Loan to Value Discounts and relatively stable Non-Performing Loan conditions in the property sector (figure 2). We estimate that CTRA can record revenue growth of 9% yoy to IDR 10.1 trillion and net profit of +10% yoy in FY24F.

**Using the Discounted Cash Flow and Revalued Net Asset Value methods we estimate the fair value of CTRA at 1390 (13.44x expected P/E FY24F and 40% discount to NAV).** Considering CTRA's fair value, we give a buy rating for CTRA with a potential upside of 24.11%.

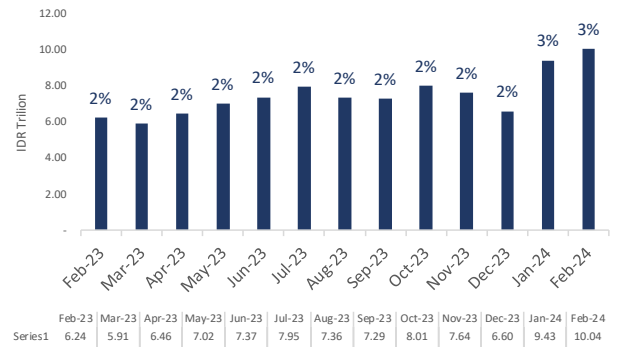
## Property Sector Highlight

Figure 1. Mortgage Distribution (IDR Billion)



Source : OJK | Phintraco Sekuritas Research

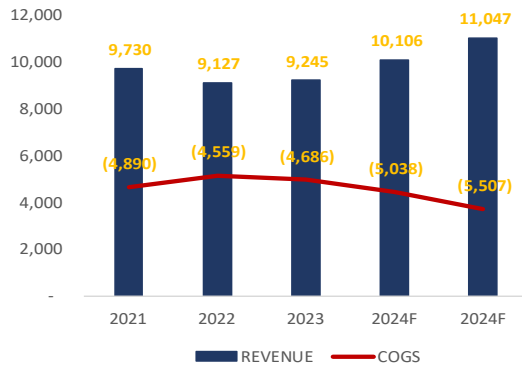
Figure 2. NPL Property Sector (IDR trillion) and % to Loan



Source : OJK | Phintraco Sekuritas Research

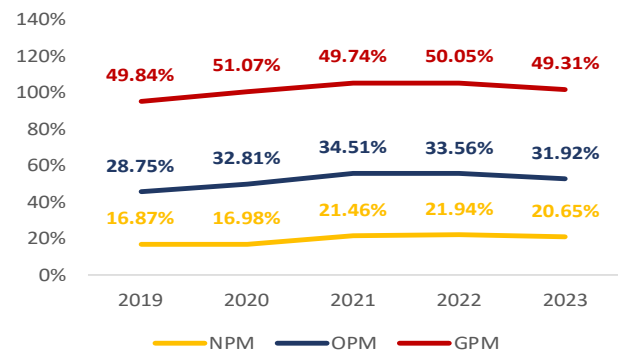
## Performance Highlight

Figure 3. Financial Performance (IDR Billion)



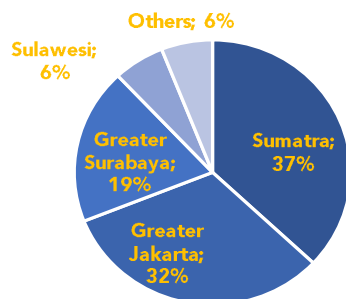
Source : Company | Phintraco Sekuritas Research

Figure 4. Profitability Ratios



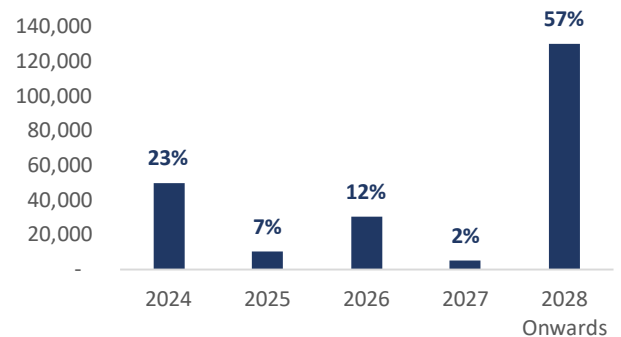
Source : Company | Phintraco Sekuritas Research

Figure 5. Marketing Sales per Location 3M24



Source : Company | Phintraco Sekuritas Research

Figure 6. Lease Expiry Profile for Malls (by NLA)



Source : Company | Phintraco Sekuritas Research

Figure 7. CTRA P/B Band (5 Years)



Source : IDX | Phintraco Sekuritas Research

Figure 8. CTRA P/E Band (5 Years)



Source : IDX | Phintraco Sekuritas Research

## Key Financial Figures

(in Billion Rupiah)						
INCOME STATEMENT	FY21	FY22	FY23	3M24	FY24F	FY25F
Revenue	9,730	9,127	9,245	2,316	10,106	11,047
	<i>Growth</i>	20.55%	-6.20%	1.30%	7.10%	9.31%
Cost of Goods Sold	(4,890)	(4,559)	(4,686)	(1,138)	(5,038)	(5,507)
Gross Profit	4,840	4,568	4,559	1,178	5,067	5,539
	<i>GPM</i>	49.74%	50.05%	49.31%	50.85%	49.74%
EBIT	3,358	3,063	2,951	786	3,354	3,666
	<i>EBIT Margin</i>	34.51%	33.56%	31.92%	33.94%	31.93%
Other Income/(Charge)						
Interest Income	238	247	396	126	373	407
Interest Expense	(1,241)	(1,069)	(1,209)	(327)	(1,278)	(1,396)
Net Interest Income (Expenses)	(1,003)	(822)	(813)	(201)	(905)	(989)
Profit Before Tax	2,397	2,309	2,216	598	2,511	2,745
	<i>EBT Margin</i>	24.63%	25.29%	23.97%	25.82%	24.85%
Net Profit After Tax	2,088	2,002	1,909	528	2,209	2,415
	<i>NPM</i>	21.46%	21.94%	20.65%	22.78%	21.86%

Source : Company | Phintraco Sekuritas Research

(in Billion Rupiah)						
BALANCE SHEET	FY21	FY22	FY23	3M24	FY24F	FY25F
Asset						
Cash	7,162	9,050	10,601	10,654	11,620	13,376
Accounts Receivable	867	781	734	740	1,446	1,581
Inventories	11,578	11,641	12,120	12,322	12,506	12,316
Total Current Assets	21,895	23,734	25,748	26,252	28,066	29,957
Fixed Assets	4,152	4,491	4,805	4,868	3,757	4,106
Total Non Current Assets	18,774	18,299	18,367	18,812	18,128	18,470
Total Asset	40,668	42,033	44,115	45,064	46,195	48,427
Liabilities						
Short Term Debt	329	369	312	307	587	513
Accounts Payable	939	868	837	828	851	854
Accrued Expense	227	225	218	164	210	210
Total Current Liabilities	10,963	10,809	10,625	12,011	11,505	11,494
Long-Term Debt	8,203	8,038	7,469	7,400	7,400	7,506
Contract Liabilities	7,140	7,531	7,653	8,961	7,821	7,821
Total Non Current Liabilities	10,311	10,209	10,865	9,993	10,082	10,165
Total Liabilities	21,274	21,018	21,490	22,004	21,586	21,659
Equity	19,394	21,015	22,625	23,061	24,608	26,768

Source : Company | AT Research

(in Billion Rupiah)						
CASH FLOW	FY21	FY22	FY23	3M24	FY24F	FY25F
Cash Flow from Operating						
Net Income	1,789	1,862	1,846	483	2,035	2,224
Depreciation & Amortization	129	152	171	44	(316)	136
Working Capital	802	(50)	(469)	(272)	(1,093)	58
Others	(811)	(55)	(177)	1,207	672	(204)
Net-CFFO	1,909	1,909	1,370	1,462	1,298	2,215
Cash Flow from Investing						
CAPEX	(501)	(458)	(320)	(76)	1,134	(442)
Others	208	781	81	(412)	(579)	(35)
Net-CFFI	(293)	323	(239)	(489)	555	(478)
Cash Flow from Financing						
Ch. in Lt liab.	1,331	(166)	(568)	(69)	(69)	105
Ch. in other non-current liab.	(1,209)	63	1,225	(804)	(715)	(21)
Equity	147	(242)	(236)	(47)	(51)	(65)
Net-CFFF	270	(344)	420	(920)	(835)	19
NET CASH FLOW	1,886	1,889	1,551	53	1,019	1,756

Source : Company | Phintraco Sekuritas Research

RATIOS	FY21	FY22	FY23	3M24	FY24F	FY25F
Profitability Ratio (%)						
GPM	49.74%	50.05%	49.31%	50.85%	49.74%	49.74%
OPM (EBITDA Margin)	34.51%	33.56%	31.92%	33.94%	31.93%	31.93%
NPM	21.46%	21.94%	20.65%	22.78%	21.86%	21.86%
ROA	4.40%	4.43%	4.18%	1.07%	4.40%	4.59%
ROE	4.40%	4.43%	4.18%	1.07%	4.40%	4.59%
ROIC	8.17%	7.86%	7.25%	1.87%	7.62%	7.65%
Activity Ratio (X)						
Inventory Turnover	0.42	0.39	0.39	0.09	0.40	0.45
Receivables Turnover	11.22	11.69	12.60	3.13	6.99	6.99
Payables Turnover	5.21	5.25	5.60	1.37	5.92	6.45
Days of Inventory	864.22	931.96	944.04	3,951.26	905.98	816.23
Days of Receivables	32.52	31.22	28.97	116.56	52.23	52.23
Days of Payables	70.10	69.49	65.20	265.46	61.65	56.58
Leverage Ratio (%)						
Debt to Asset Ratio	20.98%	20.00%	17.64%	17.10%	17.29%	16.56%
Debt to Equity Ratio	43.99%	40.00%	34.39%	33.42%	32.46%	29.96%
Liabilities to Asset Ratio	52.31%	50.00%	48.71%	48.83%	46.73%	44.73%
Liabilities to Equity Ratio	109.69%	100.01%	94.99%	95.42%	87.72%	80.91%
Interest Rate	14.55%	12.72%	15.54%	4.24%	15.99%	17.41%
Liquidity Ratio (X)						
Current Ratio	2.06	2.27	2.50	2.24	2.57	2.73
Quick Ratio	0.97	1.16	1.32	1.19	1.43	1.61
Cash Ratio	0.67	0.87	1.03	0.91	1.06	1.22
Price Ratio						
Share Price (IDR)	970	940	1,170	1,300	1,300	1,300
Average Share Price (IDR)	1,030	960	1,052	1,245	1,245	1,245
Outstanding Shares (in Billion)	21,400	21,400	21,400	21,400	21,400	21,400
EPS (IDR) (annualized)	98	94	89	25	103	113
BVPS (IDR)	906	982	1,057	1,078	1,150	1,251
RPS (IDR)	455	426	432	108	472	516
PER(X)	10	10	13	53	13	12
PBV(X)	1	1	1	1	1	1
P/R(X)	2	2	3	12	3	3
Dividends						
DPS	14.00	15.00	-	-	-	-
DPY	0.14	0.16	-	-	-	-
Div. Yield	0.01	0.02	-	-	-	-

Source : Company | Phintraco Sekuritas Research

## Glossarium

PPN DTP	: Pajak Pertambahan Nilai Ditanggung Pemerintah
NAV	: <i>Net Asset Value</i>
BVPS	: <i>Book Value per Share</i>
CFFF	: <i>Cash Flow from Financing</i>
CFFI	: <i>Cash Flow from Investing</i>
CFFO	: <i>Cash Flow from Operating</i>
DPR	: <i>Dividend Payout Ratio</i>
DPS	: <i>Dividend per Share</i>
EBIT	: <i>Earning Before Interest &amp; Tax</i>
EBITDA	: <i>Earning Before Interest, Tax, Depreciation &amp; Amortization</i>
EBT	: <i>Earning Before Tax</i>
EPS	: <i>Earning per Share</i>
EV	: <i>Enterprise Value</i>
NPM	: <i>Net Profit Margin</i>
NPM	: <i>Net Profit Margin</i>
OPM	: <i>Operating Profit Margin</i>
PBV	: <i>Price to Book Value</i>
PER	: <i>Price to Earning Ratio</i>
ROA	: <i>Return on Asset</i>
ROE	: <i>Return on Equity</i>



# PHINTRACO SEKURITAS

## Rating for Stocks :

- Buy : The stock is expected to give total return (price appreciation + dividend yield) of  $> +10\%$  over the next 12 months.
- Hold : The stock is expected to give total return of  $> 0\%$  to  $\leq +10\%$  over the next 12 months.
- Sell : The stock is expected to give total return of  $< 0\%$  over the next 12 months.
- Outperform : The stock is expected to do slightly better than the market return. Equal to "moderate buy"
- Underperform : The stock is expected to do slightly worse than the market return. Equal to "moderate sell"

**PHINTRACO SEKURITAS**

**Kantor Cabang & Mitra GI BEI**



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