

## PT. Puradelta Lestari Tbk.

**BUY**

24 April 2020  
Property And Real Estate

Price	IDR	182
Target Price	IDR	250
JKSE Index		4,593.554



### Stock Information

Bloomberg Code	DMAS IJ
Market Cap (IDR bn)	9,110
52-week high (IDR)	356
52-week low (IDR)	120
Shares issued (mn)	48,198.1
6-m avg. daily Val (IDR)	279
Free float	17.72%

Major share holders	(%)
PT Sumber Arusmulia	57.28%
Sojitz Corporation	25.00%
Public	17.72%

USD/ IDR – YE (IDR)	
2019	14,390
2020F (6m-avg)	14,344

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### Investment Consideration

#### Results Above Expectations

- DMAS booked revenue of IDR 2.65 trillion up 156% from 2018's IDR 1.04 trillion. In 2019 the Industrial estate segment contributed the most with recognized revenues of IDR 2.01 trillion or 76% of the total revenue. Commercial contributed revenue of IDR 603 billion, 23% of the total. The remaining 1% of revenue came from residential, rental and hotels. The revenue was above our forecast IDR 1.6 trillion.
- Gross profit also grew strongly, 155% YoY to IDR 1.48 billion. Operating profit even stronger +197% YoY to IDR 1.23 trillion compared to IDR 415 billion in 2018 with a strong operating profit margin of 46.5%, higher than 2018's 40% .
- Net profit grew 169% to IDR 1.33 trillion with a net profit margin of 50%, higher than 2018's 48%.
- DMAS triple digit growth is mostly due to a surge in industrial estate and commercial marketing sales.

#### Stable Marketing Sales

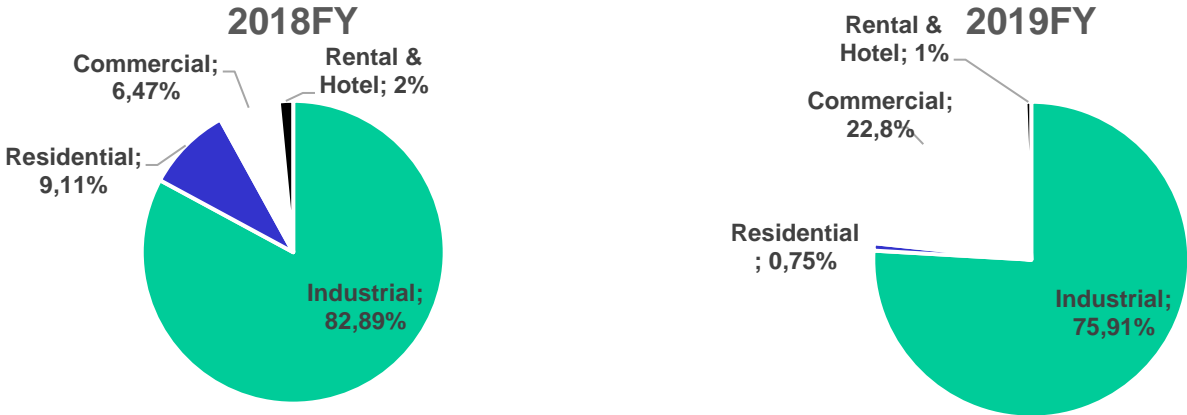
- Amid the Covid-19 outbreak, inquiries for DMAS industrial estates continue while transactions have slowed. This resilience is because most of DMAS' clients are making long term investments (20-30 years). DMAS has 130 hectares industrial land inquiries left.
- As of 1Q2020, DMAS marketing sales reached IDR 654 billion, or 33% of their target for 2020 of IDR 2 trillion.
- The Industrial estate business has sold 32 hectare of land.
- We are expecting stable 2020 marketing sales with a recovery in the 2nd semester.

#### Valuation: Maintain BUY with 37% upside

- We maintain our target price of IDR 250 within one year. The target represents 8x PE, which gives 37% potential upside. We recommend to BUY.

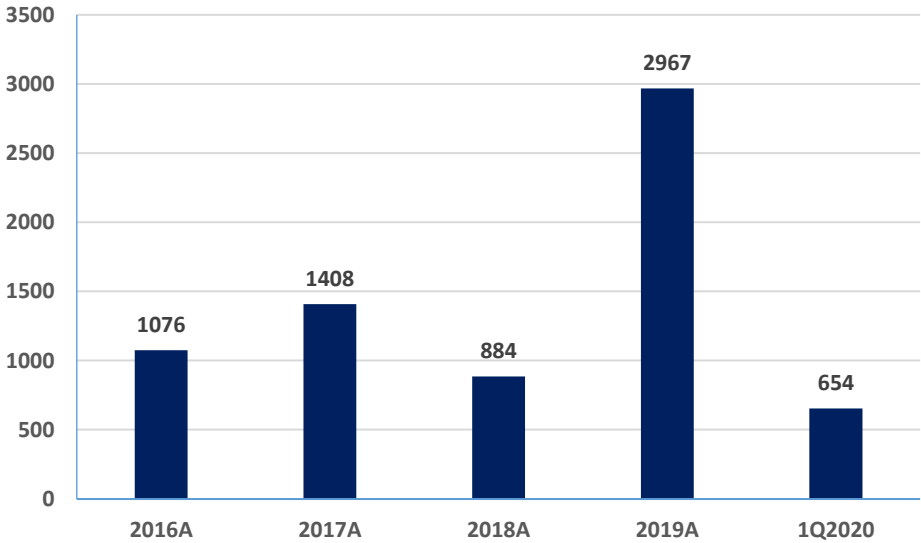
Financial Highlights	2015A	2016A	2017A	2018A	2019A	2020F	2021F
Revenue (IDR Bn)	2.286	1.594	1.336	1.036	2.650	2.737	3.008
EBITDA (IDR Bn)	1.404	795	713	554	1.431	1.477	1.618
Net Income (IDR Bn)	1.368	757	657	496	1.335	1.381	1.518
GPM (%)	63,39%	56,21%	60,97%	56,05%	55,96%	56,00%	56,00%
OPM (%)	51,82%	45,43%	46,70%	40,09%	46,55%	47,00%	47,00%
NPM (%)	59,84%	47,51%	49,14%	47,89%	50,37%	50,47%	50,47%
ROA (%)	17,08%	9,70%	8,79%	6,62%	17,53%	17,65%	17,89%
Current Ratio (X)	19,11%	10,25%	9,38%	6,91%	20,56%	19,62%	19,87%

Chart: Revenue By Segment YoY



Source: Company

Chart: Marketing Sales YoY (in IDR Billion)



Source: Company

**Table: Income Statement YoY in IDR Billion**

Income Statement (In IDR bn)	2015A	2016A	2017A	2018A	2019A	2020F	2021F
<b>Revenues</b>	<b>2.285,9</b>	<b>1.593,8</b>	<b>1.336,4</b>	<b>1.036,2</b>	<b>2.650,3</b>	<b>2.737,1</b>	<b>3.007,9</b>
Cost of Revenues	(836,8)	(697,9)	(521,5)	(455,4)	(1.167,2)	(1.204,3)	(1.323,5)
<b>Gross Profit</b>	<b>1.449,0</b>	<b>895,9</b>	<b>814,9</b>	<b>580,8</b>	<b>1.483,1</b>	<b>1.532,8</b>	<b>1.684,4</b>
Operating Expenses	(264,6)	(171,7)	(190,8)	(165,4)	(249,3)	(246,3)	(270,7)
<b>Operating Income</b>	<b>1.184,5</b>	<b>724,1</b>	<b>624,1</b>	<b>415,4</b>	<b>1.233,8</b>	<b>1.286,5</b>	<b>1.413,7</b>
Other Income	196,2	51,2	46,2	98,9	116,6	109,5	120,3
<b>Profit Before Tax</b>	<b>1.380,7</b>	<b>775,4</b>	<b>670,2</b>	<b>514,4</b>	<b>1.350,3</b>	<b>1.395,9</b>	<b>1.534,0</b>
Tax Expense	(12,5)	(17,8)	(13,1)	(18,0)	(14,9)	(14,0)	(15,3)
<b>NIAT</b>	<b>1.368,2</b>	<b>757,5</b>	<b>657,1</b>	<b>496,4</b>	<b>1.335,4</b>	<b>1.382,0</b>	<b>1.518,7</b>
Minority Interest	(0,3)	(0,3)	(0,4)	(0,1)	(0,5)	(0,5)	(0,6)
<b>Net Income</b>	<b>1.367,9</b>	<b>757,2</b>	<b>656,7</b>	<b>496,3</b>	<b>1.334,9</b>	<b>1.381,4</b>	<b>1.518,1</b>
<b>EPS (IDR)</b>	<b>28,4</b>	<b>15,7</b>	<b>13,6</b>	<b>10,3</b>	<b>27,7</b>	<b>28,7</b>	<b>31,5</b>
<b>EBITDA</b>	<b>1.403,7</b>	<b>794,8</b>	<b>713,1</b>	<b>553,6</b>	<b>1.431,0</b>	<b>1.476,5</b>	<b>1.617,9</b>

Source: Company and Binaartha

**Table: Cash Flow YoY in IDR Billion**

Cash Flow (in IDR.bn)	2015A	2016A	2017A	2018A	2019A	2020F	2021F
+ Net Income	<b>1.368</b>	<b>757</b>	<b>657</b>	<b>496</b>	<b>1.335</b>	<b>1.381</b>	<b>1.518</b>
+Depreciation	3,63	9,64	19,15	19,94	22,20	20,97	23,04
- Change in WC	-1.115	392	-213	-231	281	173	-318
<b>Cash From Operating Activities</b>	<b>257</b>	<b>1.159</b>	<b>463</b>	<b>286</b>	<b>1.638</b>	<b>1.576</b>	<b>1.224</b>
capex	420	-588	136	-17	302	-71	-94
<b>cash from investing activities</b>	<b>420</b>	<b>-588</b>	<b>136</b>	<b>-17</b>	<b>302</b>	<b>-71</b>	<b>-94</b>
Long term liabilities	5	-17	0	0	0	0	0
Other Long term liabilities	-286	20	7	5	9	13	5
Equity	-603	-529	-1.039	-314	-2.028	-834	-916
<b>cash from financing activities</b>	<b>-884</b>	<b>-527</b>	<b>-1.032</b>	<b>-309</b>	<b>-2.019</b>	<b>-820</b>	<b>-911</b>
<b>Net Changes in Cash</b>	<b>-206</b>	<b>44</b>	<b>-434</b>	<b>-40</b>	<b>-78</b>	<b>684</b>	<b>219</b>
<b>Beginning Balance</b>	<b>1.381</b>	<b>1.175</b>	<b>1.219</b>	<b>785</b>	<b>745</b>	<b>667</b>	<b>1.351</b>
<b>Ending balance</b>	<b>1.175</b>	<b>1.219</b>	<b>785</b>	<b>745</b>	<b>667</b>	<b>1.351</b>	<b>1.570</b>

Source: Company and Binaartha

**Table: Statement of Financial Position YoY in IDR Billion**

Statement of Financial Position (In IDR bn)	2015A	2016A	2017A	2018A	2019A	2020F	2021F
<b>Current Asset</b>							
Cash and cash equivalent	1.175	1.219	785	745	667	1.351	1.570
Advances	770	0	50	83	1.090	547	693
Inventory	2.428	2.380	2.602	2.679	2.176	2.190	2.406
Other current asset	124	115	99	61	76	82	88
<b>Current Asset</b>	<b>4.495</b>	<b>3.714</b>	<b>3.536</b>	<b>3.568</b>	<b>4.009</b>	<b>4.170</b>	<b>4.758</b>
<b>Non Current Asset</b>							
Net Fixed Asset	3.310	3.755	3.517	3.411	3.054	3.075	3.098
Investment Properties	19	16	113	208	244	252	277
<b>Total non current Asset</b>	<b>3.512</b>	<b>4.090</b>	<b>3.935</b>	<b>3.932</b>	<b>3.608</b>	<b>3.658</b>	<b>3.729</b>
<b>Total Asset</b>	<b>8.007</b>	<b>7.804</b>	<b>7.471</b>	<b>7.500</b>	<b>7.617</b>	<b>7.828</b>	<b>8.486</b>
<b>Current Liabilities</b>							
Trade accounts payable	54	39	18	2	31	25	23
Sales advances	636	163	272	165	820	438	481
Other Current liabilities	140	193	148	113	230	267	277
<b>Total current liabilities</b>	<b>829</b>	<b>395</b>	<b>438</b>	<b>279</b>	<b>1.080</b>	<b>730</b>	<b>781</b>
<b>Non Current Liabilities</b>							
Long-term non current liabilities	17	0	0	0	0	0	0
Other Long-term non current liabilities	0	20	27	32	41	54	60
<b>Total long term/ non current liabilities</b>	<b>17</b>	<b>20</b>	<b>27</b>	<b>32</b>	<b>41</b>	<b>54</b>	<b>60</b>
<b>Total Liabilities</b>	<b>847</b>	<b>415</b>	<b>465</b>	<b>312</b>	<b>1.121</b>	<b>785</b>	<b>841</b>
<b>Non controlling Interest</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>4</b>
<b>Total Equities</b>	<b>7.158</b>	<b>7.385</b>	<b>7.002</b>	<b>7.185</b>	<b>6.492</b>	<b>7.040</b>	<b>7.641</b>
<b>Total Liabilities and equity</b>	<b>8.007</b>	<b>7.804</b>	<b>7.471</b>	<b>7.500</b>	<b>7.617</b>	<b>7.828</b>	<b>8.486</b>

Source: Company and Binaartha

**Table: Ratio Highlights YoY**

<b>Growth (% YoY)</b>	<b>2015A</b>	<b>2016A</b>	<b>2017A</b>	<b>2018A</b>	<b>2019A</b>	<b>2020F</b>	<b>2021F</b>
Sales	48,60%	-30,28%	-16,15%	-22,46%	155,76%	3,28%	9,89%
OP	27,81%	-38,86%	-13,82%	-33,43%	196,99%	4,27%	9,89%
EBITDA	40,49%	-43,38%	-10,28%	-22,36%	158,47%	3,18%	9,57%
NP	41,88%	-44,64%	-13,27%	-24,43%	169,00%	3,48%	9,89%
EPS	27,70%	-44,64%	-13,27%	-24,43%	169,00%	3,48%	9,89%
<b>Profitability (%)</b>							
Operating Margin	51,82%	45,43%	46,70%	40,09%	46,55%	47,00%	47,00%
EBITDA margin	61,41%	49,87%	53,36%	53,43%	53,99%	53,94%	53,79%
NET Profit margin	59,84%	47,51%	49,14%	47,89%	50,37%	50,47%	50,47%
ROA	17,08%	9,70%	8,79%	6,62%	17,53%	17,65%	17,89%
ROE	19,11%	10,25%	9,38%	6,91%	20,56%	19,62%	19,87%
<b>Stability</b>							
Current Ratio (X)	4,03	5,42	9,39	8,08	12,77	3,71	5,71
Total debt/ Total equity (x)	0,19	0,12	0,06	0,07	0,04	0,17	0,11
int. & ST debt coverage (x)	0,002	0,000	0,000	0,000	0,000	0,000	0,000
<b>Per Share data (Rp)</b>							
EPS	28,38	15,71	13,63	10,30	27,70	28,66	31,50
BVPS	148,50	153,22	145,28	149,07	134,70	146,06	158,54
SPS	47,43	33,07	27,73	21,50	54,99	56,79	62,41
Ebitda/share	29,12	16,49	14,80	11,49	29,69	30,63	33,57

Source: Company and Binaartha

**Stock Ratings:**

Buy : a recommendation to purchase the security with upside potential of **20% or greater**

Hold : a recommendation to neither buy nor sell a security with upside potential of **0-19%**.

Sel : a recommendation to close out a long position in a security with upside potential **below 0% or negative**.

**RESEARCH TEAM**  
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