

**PT. Puradelta Lestari Tbk.**

**BUY**

**Investment Consideration**

**Double-digit sales growth**

- In 3Q2021, DMAS achieved double-digit revenue growth +81% YoY or 1475% QoQ to IDR 727.4 billion. For 9M2021, DMAS booked revenue of IDR 1.3 trillion, +99.6% YoY.
- Industrial estates are still the main contributor with revenue of IDR 707 billion, up 99% YoY, and 97% of total revenue in 3Q2021. For 9M2021, industrial estate revenue increased 113% YoY to IDR 1.14 trillion. Residential contributed IDR 110 billion, an increase of 206% YoY, while commercial revenue declined -39% YoY to IDR 39.5 billion.
- Industrial estate margins decreased to 56.4%, Commercial margins decreased to 62.1% from 79.9% , while residential margins dropped from 64.7% to 54.8% in 9M2021.
- For 9M2021 marketing sales, DMAS booked IDR 1.25 trillion, or 62.4% of the 2021 marketing sales target. Industrial estates are still the largest contributor of marketing sales with 96% of the total.
- In 4Q2021, there are more inquires for industrial estates of around 70ha, mostly for data centers.
- The demand for industrial estate is still growing in 2021 and we expect more growth next year in line with a the recovering economy.

**3Q2021FY Results: Margin down YoY, higher QoQ**

- In line with double digit revenue growth, DMAS booked net profit of IDR 346 billion, up 55% YoY or 1,839% QoQ. However DMAS's net profit margin decreased to 47% in 3Q2021, but was still higher compared to 2Q2021's 38.6%.
- Gross profit grew +57% YoY or 1,315% QoQ to IDR 404.9 billion with a GPM of 55.7%, lower compared to 64% in 3Q2020.
- Operating profit also increased +59% YoY to IDR 338.5 billion with a higher operating profit margin of 46.5% compared to an operating loss in 2Q2021.
- As we expect industrial estate demand to keep growing, we are targeting DMAS 2021 revenue to reach IDR 2.75 trillion or +5% growth.

**Valuation: Maintain BUY TP 320, 42% Upside**

- We update our calculation of DMAS RNAV/share to 655, we are targeting DMAS share price to trade at a 66% discount to RNAV/share or 320 which is a 10x PE 2022F and represents 42% upside. We recommend to BUY.

Financial Highlights	2016A	2017A	2018A	2019A	2020A	2021F	2022F
Revenue (IDR Bn)	1.594	1.336	1.036	2.650	2.629	2.757	2.972
EBITDA (IDR Bn)	795	713	554	1.431	1.456	1.527	1.620
Net Income (IDR Bn)	757	657	496	1.335	1.348	1.416	1.527
EPS	16	14	10	28	28	29	32
NPM (%)	47,5%	49,1%	47,9%	50,4%	51,3%	51,4%	51,4%
ROA (%)	9,7%	8,8%	6,6%	17,5%	20,0%	20,8%	20,8%
ROE (%)	10,3%	9,4%	6,9%	20,6%	24,4%	23,3%	22,9%
Current Ratio (X)	5,4	9,4	8,1	12,8	3,7	3,2	5,9

Source: Company and Binaartha

3 November 2021  
Property And Real Estate

Price	IDR	226
Target Price	IDR	320
JKSE Index		6,493.275



**Stock Information**

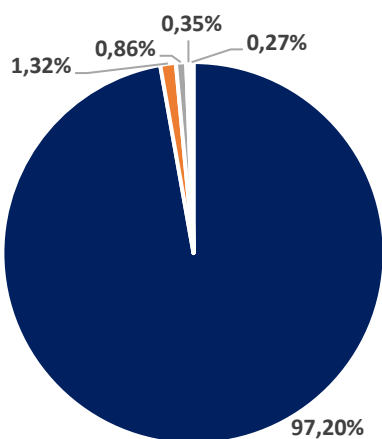
Bloomberg Code	DMAS IJ
Market Cap (IDR bn)	10,796
52-week high (IDR)	280
52-week low (IDR)	173
Shares issued (mn)	48,198.1
6-m avg. daily Val (IDR)	203
Free float	17.72%

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

USD/ IDR – YE (IDR)	
2020	14,175
2021F (6m-avg)	14,255

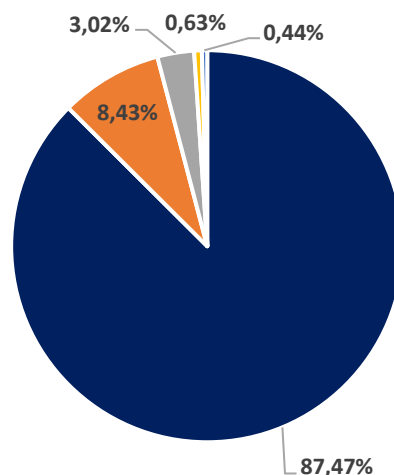
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DMAS Sales Breakdown 3Q2021



■ Industrial ■ Residential ■ commercial ■ Rental ■ Hotel

DMAS Sales Breakdown 9M2021



■ Industrial ■ Residential ■ commercial ■ Rental ■ Hotel

Income Statement QoQ 2021 in IDR Billion

Income Statement (In IDR bn)	1Q2021	2Q2021	3Q2021	QoQ	9M2020	9M2021	YoY
<b>Revenues</b>	<b>534</b>	<b>46</b>	<b>727</b>	<b>1475%</b>	<b>655</b>	<b>1.307</b>	100%
Cost of Revenues	-228	-18	-322	1735%	-228	-568	149%
<b>Gross Profit</b>	<b>306</b>	<b>29</b>	<b>405</b>	<b>1315%</b>	<b>427</b>	<b>740</b>	73%
Operating Expenses	-50	-29	-66	126%	-142	-146	3%
<b>Operating Income</b>	<b>256</b>	<b>-1</b>	<b>338</b>	<b>45067%</b>	<b>285</b>	<b>593</b>	108%
Other Income	19	22	11	-48%	26	53	100%
<b>Profit Before Tax</b>	<b>275</b>	<b>21</b>	<b>350</b>	<b>1538%</b>	<b>311</b>	<b>646</b>	108%
Tax Expense	-4	-4	-4	11%	-9	-11	28%
<b>NIAT</b>	<b>271</b>	<b>18</b>	<b>346</b>	<b>1839%</b>	<b>303</b>	<b>635</b>	110%
Minority Interest	-0	-0	-0	-80%	-0	-0	-4%
<b>Net Income</b>	<b>271</b>	<b>18</b>	<b>346</b>	<b>1839%</b>	<b>302</b>	<b>635</b>	110%
<b>EPS (IDR)</b>	<b>6</b>	<b>0</b>	<b>7</b>	<b>1839%</b>	<b>6</b>	<b>13</b>	110%

**Income Statement YoY in IDR Billion**

Income Statement (in IDR bn)	2016A	2017A	2018A	2019A	2020A	2021F	2022F
<b>Revenues</b>	<b>1.593,8</b>	<b>1.336,4</b>	<b>1.036,2</b>	<b>2.650,3</b>	<b>2.629,3</b>	<b>2.756,9</b>	<b>2.972,0</b>
Cost of Revenues	(697,9)	(521,5)	(455,4)	(1.167,2)	(1.014,1)	(1.102,8)	(1.188,8)
<b>Gross Profit</b>	<b>895,9</b>	<b>814,9</b>	<b>580,8</b>	<b>1.483,1</b>	<b>1.615,2</b>	<b>1.654,1</b>	<b>1.783,2</b>
Operating Expenses	(171,7)	(190,8)	(165,4)	(249,3)	(293,4)	(303,3)	(326,9)
<b>Operating Income</b>	<b>724,1</b>	<b>624,1</b>	<b>415,4</b>	<b>1.233,8</b>	<b>1.321,8</b>	<b>1.350,9</b>	<b>1.456,3</b>
Other Income	51,2	46,2	98,9	116,6	39,5	82,7	89,2
<b>Profit Before Tax</b>	<b>775,4</b>	<b>670,2</b>	<b>514,4</b>	<b>1.350,3</b>	<b>1.361,3</b>	<b>1.433,6</b>	<b>1.545,4</b>
Tax Expense	(17,8)	(13,1)	(18,0)	(14,9)	(12,7)	(17,2)	(18,5)
<b>NIAT</b>	<b>757,5</b>	<b>657,1</b>	<b>496,4</b>	<b>1.335,4</b>	<b>1.348,6</b>	<b>1.416,4</b>	<b>1.526,9</b>
Minority Interest	(0,3)	(0,4)	(0,1)	(0,5)	(0,9)	(0,3)	(0,3)
<b>Net Income</b>	<b>757,2</b>	<b>656,7</b>	<b>496,3</b>	<b>1.334,9</b>	<b>1.347,7</b>	<b>1.416,1</b>	<b>1.526,6</b>
<b>EPS (IDR)</b>	<b>15,7</b>	<b>13,6</b>	<b>10,3</b>	<b>27,7</b>	<b>28,0</b>	<b>29,4</b>	<b>31,7</b>
<b>EBITDA</b>	<b>794,8</b>	<b>713,1</b>	<b>553,6</b>	<b>1.431,0</b>	<b>1.455,5</b>	<b>1.527,3</b>	<b>1.619,7</b>

Source: Company and Binaartha

**Cash Flow YoY in IDR Billion**

Cash Flow (in IDR.bn)	2016A	2017A	2018A	2019A	2020A	2021F	2022F
+ Net Income	<b>757</b>	<b>657</b>	<b>496</b>	<b>1.335</b>	<b>1.348</b>	<b>1.416</b>	<b>1.527</b>
+Depreciation	9,64	19,15	19,94	22,20	22,83	20,91	0,00
- Change in WC	392	-213	-231	281	1.062	-648	-263
<b>Cash From Operating Activities</b>	<b>1.159</b>	<b>463</b>	<b>286</b>	<b>1.638</b>	<b>2.433</b>	<b>789</b>	<b>1.264</b>
capex	-588	136	-17	302	575	-73	-94
<b>cash from investing activities</b>	<b>-588</b>	<b>136</b>	<b>-17</b>	<b>302</b>	<b>575</b>	<b>-73</b>	<b>-94</b>
Long term liabilities	-17	0	0	0	0	0	0
Other Long term liabilities	20	7	5	9	16	26	6
Equity	-529	-1.039	-314	-2.028	-2.315	-865	-932
<b>cash from financing activities</b>	<b>-527</b>	<b>-1.032</b>	<b>-309</b>	<b>-2.019</b>	<b>-2.299</b>	<b>-839</b>	<b>-925</b>
<b>Net Changes in Cash</b>	<b>44</b>	<b>-434</b>	<b>-40</b>	<b>-78</b>	<b>708</b>	<b>-122</b>	<b>244</b>
<b>Beginning Balance</b>	<b>1.175</b>	<b>1.219</b>	<b>785</b>	<b>745</b>	<b>667</b>	<b>1.375</b>	<b>1.253</b>
<b>Ending balance</b>	<b>1.219</b>	<b>785</b>	<b>745</b>	<b>667</b>	<b>1.375</b>	<b>1.253</b>	<b>1.497</b>

Source: Company and Binaartha

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

Statement of Financial Position ( In IDR bn)	2016A	2017A	2018A	2019A	2020A	2021F	2022F
<b>Current Asset</b>							
Cash and cash equivalent	1.219	785	745	667	1.375	1.253	1.497
Advances	0	50	83	1.090	39	55	59
Inventory	2.380	2.602	2.679	2.176	2.079	2.178	2.348
Other current asset	115	99	61	76	248	248	267
<b>Current Asset</b>	<b>3.714</b>	<b>3.536</b>	<b>3.568</b>	<b>4.009</b>	<b>3.742</b>	<b>3.734</b>	<b>4.172</b>
<b>Non Current Asset</b>							
Net Fixed Asset	3.755	3.517	3.411	3.054	2.482	2.503	2.525
Investment Properties	16	113	208	244	238	248	297
<b>Total non current Asset</b>	<b>4.090</b>	<b>3.935</b>	<b>3.932</b>	<b>3.608</b>	<b>3.010</b>	<b>3.062</b>	<b>3.156</b>
<b>Total Asset</b>	<b>7.804</b>	<b>7.471</b>	<b>7.500</b>	<b>7.617</b>	<b>6.752</b>	<b>6.796</b>	<b>7.328</b>
<b>Current Liabilities</b>							
Trade accounts payable	39	18	2	31	10	28	30
Sales advances	163	272	165	820	0	331	238
Other Current liabilities	193	148	113	230	1.157	276	297
<b>Total current liabilities</b>	<b>395</b>	<b>438</b>	<b>279</b>	<b>1.080</b>	<b>1.167</b>	<b>634</b>	<b>565</b>
<b>Non Current Liabilities</b>							
Long-term non current liabilities	0	0	0	0	0	0	0
Other Long-term non current liabilities	20	27	32	41	57	83	89
<b>Total long term/ non current liabilities</b>	<b>20</b>	<b>27</b>	<b>32</b>	<b>41</b>	<b>57</b>	<b>83</b>	<b>89</b>
<b>Total Liabilities</b>	<b>415</b>	<b>465</b>	<b>312</b>	<b>1.121</b>	<b>1.224</b>	<b>717</b>	<b>654</b>
<b>Non controlling Interest</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Total Equities</b>	<b>7.385</b>	<b>7.002</b>	<b>7.185</b>	<b>6.492</b>	<b>5.525</b>	<b>6.076</b>	<b>6.670</b>
<b>Total Liabilities and equity</b>	<b>7.804</b>	<b>7.471</b>	<b>7.500</b>	<b>7.617</b>	<b>6.752</b>	<b>6.796</b>	<b>7.328</b>

Source: Company and Binaartha

**Ratio Highlights YoY**

<b>Growth (% YoY)</b>	<b>2016A</b>	<b>2017A</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021F</b>	<b>2022F</b>
Sales	-30,3%	-16,2%	-22,5%	155,8%	-0,8%	4,9%	7,8%
OP	-38,9%	-13,8%	-33,4%	197,0%	7,1%	2,2%	7,8%
EBITDA	-43,4%	-10,3%	-22,4%	158,5%	1,7%	4,9%	6,0%
NP	-44,6%	-13,3%	-24,4%	169,0%	1,0%	5,1%	7,8%
EPS	-44,6%	-13,3%	-24,4%	169,0%	1,0%	5,1%	7,8%
<b>Profitability (%)</b>							
Operating Margin	45,4%	46,7%	40,1%	46,6%	50,3%	49,0%	49,0%
EBITDA margin	49,9%	53,4%	53,4%	54,0%	55,4%	55,4%	54,5%
NET Profit margin	47,5%	49,1%	47,9%	50,4%	51,3%	51,4%	51,4%
ROA	9,7%	8,8%	6,6%	17,5%	20,0%	20,8%	20,8%
ROE	10,3%	9,4%	6,9%	20,6%	24,4%	23,3%	22,9%
<b>Stability</b>							
Current Ratio (X)	5,42	9,39	8,08	12,77	3,71	3,21	5,89
Total debt/ Total equity (x)	0,12	0,06	0,07	0,04	0,17	0,22	0,12
<b>Per Share data (Rp)</b>							
EPS	15,71	13,63	10,30	27,70	27,96	29,38	31,67
BVPS	153,22	145,28	149,07	134,70	114,62	126,06	138,39
SPS	33,07	27,73	21,50	54,99	54,55	57,20	61,66
Ebitda/share	16,49	14,80	11,49	29,69	30,20	31,69	33,60

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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