

PT. Mitra Adiperkasa Tbk.

BUY

2nd March 2022
Retail

Price IDR 820
Target Price IDR 1,071
JKSE Index 6,921.44



Stock Information

Bloomberg Code MAPI IJ
Market Cap (IDR bn) 12,367B
52-week high (IDR) 920
52-week low (IDR) 610
Shares issued (mn) 16,600
Free float 49.00%

Major share holders

PT Satya Mulia Gema Gemilang 51.00%
Public 49.00%

USD/ IDR – YE (IDR)

2021 14,278
2022F (6m-avg) 14,298

Analyst
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Investment Consideration

Sales decline due to PPKM

In 3Q21, Net Sales were IDR 2.9 trillion a decline of -13% from IDR 3.4 trillion in 3Q20 driven by the temporary closure of physical outlets during the emergency PPKM from Jul-Aug 21. The fact that sales did not decline more shows the robust purchasing power of its middle-up customers. Retail sales remains the main contributor to MAPI total sales, with a 70% share, food & beverage is 13.1%, and department stores and others 11.5% and 2.7%, respectively. We expect better sales in FY2021 and a continued recovery in 2022 from the easing of PPKM restrictions.

Growing Digital Contribution

In 3Q21, Digital Sales' share of total sales increased to 21.6% from 12.3% in 2Q21. This brings Digital sales share of total sales up to 14% in 9M21 with growth of 48,1%. The strong digital sales came 33% from active, 21% from F&B, 20% from fashion, 13% from Dept Stores, and 13% from Digimap. We expect digital sales will still maintain double digit growth next year.

More Outlets despite the pandemic

In 9M21 Total Stores reached 2,345 Outlets from 2,342 outlets in 1H21, with the addition of 1 Foodhall Supermarket, 9 Starbucks, 1 Pizza Marzano, and 1 Genki Sushi, there were also some reductions, 2 Active, 1 Fashion & Beauty, 1 Digimap and 5 Others. Total 9M21 SQM reached 903,834 from 896,905 in 1H21, an increase of 0.77%.

Valuation: BUY with TP 1,071

We are targeting MAPI to trade at 30,59x PER within a year. Target Price is IDR 1,071 which represents 33% upside. Buy.

Financial Highlights	2018A	2019A	2020A	2021F	2022F	2023F
Revenue (IDR Bn)	18.921	21.579	14.847	19.701	22.561	24.434
EBITDA (IDR Bn)	2.473	2.666	700	1.432	2.114	2.226
Net Profit (IDR Bn)	736	933	-554	80	561	612
EPS (IDR)	44	56	-33	5	34	37
GPM (%)	47,8%	47,5%	41,6%	42,5%	45,6%	45,7%
OPM (%)	8,0%	8,9%	-0,4%	4,1%	5,9%	6,0%
NPM (%)	3,9%	4,3%	-3,7%	0,4%	2,5%	2,5%
Ebitda Margin (%)	13,1%	12,4%	4,7%	7,3%	9,4%	9,1%
ROE (%)	12,1%	12,7%	-8,5%	1,2%	8,5%	9,2%
Current Ratio (x)	1,3	1,4	1,1	1,1	1,0	1,0
Tot. Debt / Equity (x)	1,1	0,9	1,7	1,7	1,7	1,7

Source: Company and Binaartha

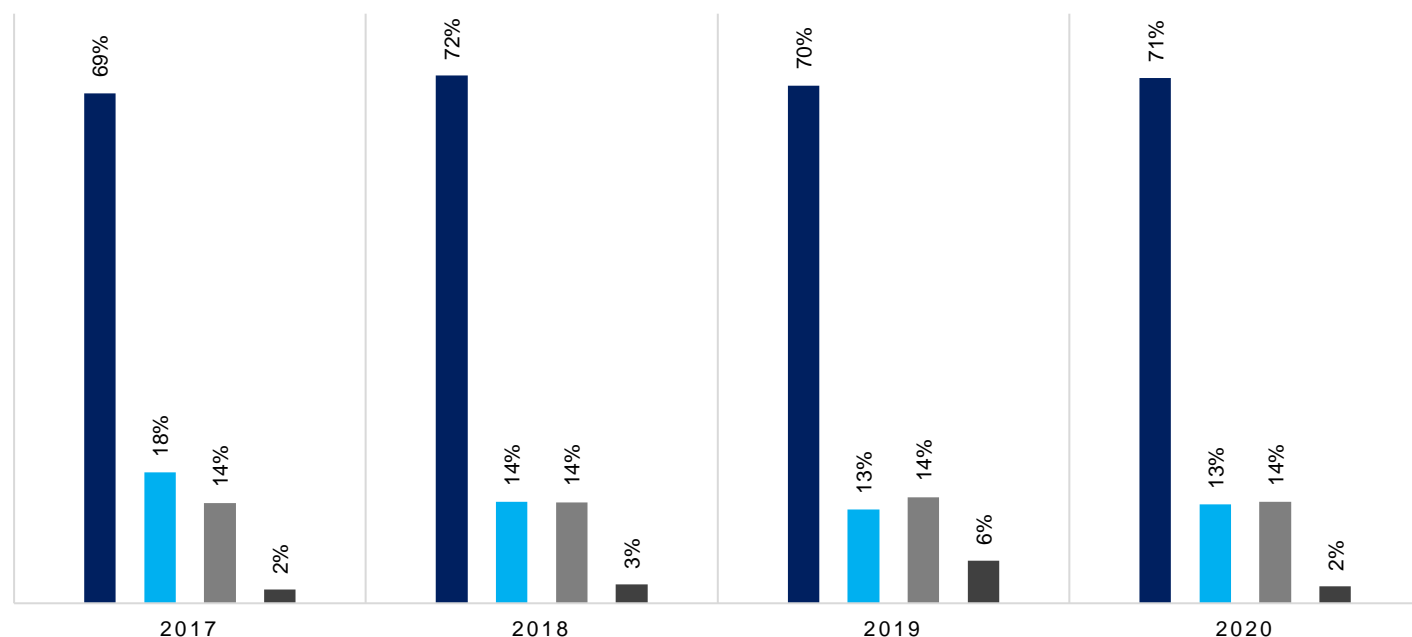
Company Profile

PT. Mitra Adiperkasa Tbk (MAPI) is engaged in retail trading of clothing, shoes, accessories, bags and sports equipment in more than 1,800 outlets located in Jakarta, Bandung, Surabaya, Bali, Medan, Makassar, Batam, Manado and other cities in Indonesia. The company started its commercial operations in 1995. The Company's total shares 1,660,000,000 were listed on the Indonesia Stock Exchange on 10th November 2004, with an initial offer price of Rp625 per share. Listing of the stock was based on effective notice from the Chairman of the Capital Market Supervisory Agency (currently Financial Service Authority) through letter No. S-1681/BEJ.PSJ/11-2004 dated 8 November 2004. The number of the Company's shares since our listing on Indonesia Stock Exchange up to 31 December 2020 remains unchanged. The Company carried out a stock split from Rp500 to Rp50 per share effective starting date of stock trading in the regular market and negotiated market on the 4th of June 2018. After the stock split, the amount of the Company's shares is as follows:

Description	Before Stock Split	After
Nominal Value per Share	Rp500	Rp50
Authorized Capital	Rp 2,000,000,000,000 divided into 4,000,000,000,000 shares	Rp 2,000,000,000,000 divided into 4,000,000,000,000 shares
Paid Up Capital	Rp 2,000,000,000,000 divided into 4,000,000,000,000 shares	Rp 830,000,000,000 divided into 16,600,000,000 shares

REVENUE CONTRIBUTION

■ Sales Retails ■ Department Stores ■ Café & Restaurant ■ Other



Income Statement Breakdown in IDR Bn YoY

Revenue Estimate (IDR Bn)	2017A	2018A	2019A	2020A
Sales Retail				
Sales External	2.457	13.246	14.815	10.499
Inter-segmen Sales	47	306	352	87
Net Revenues	2.504	13.552	15.167	10.586
Segment Result	130	1.275	1.595	174
Other Cost -	63	(530)	(340)	(465)
Income before tax	66	745	1.255	-291
Department Stores				
Sales External	638	2.607	2.741	1.987
Inter-segmen Sales	3	0	3	0
Net Revenues	640	2.607	2.744	1.987
Segment Result	3	201	221	-66
Other Cost -	23	203	7	133
Income before tax	20	404	228	-199
Café & Restaurant				
Sales External	490	2.589	3.103	2.045
Inter-segmen Sales	2	0	0	0
Net Revenues	492	2.589	3.103	2.045
Segment Result	46	155	-46	-162
Other Cost -	19	(3)	4	44
Income before tax	27	152	-49	-206
Others				
Sales External	32	480	919	316
Inter-segmen Sales	34	1	330	15
Net Revenues	65	480	1.249	332
Segment Result	5	-125	-46	-3
Other Cost	15	(3)	4	24
Income before tax	19	-128	-49	-27
Total	3.701	19.228	22.263	14.949
Elimination -	84	307	684	102
Consolidated	3.617	18.921	21.579	14.847

Income Statement (IDR Bn)

Income Statement (IDR bn)	2017A	2018A	2019A	2020A	2021F	2022F	2023F
Sales	3.617	18.921	21.579	14.847	19.701	22.561	24.434
Cost of Sales	-1.857	-9.869	-11.323	-8.666	-11.328	-12.266	-13.267
Gross Profit	1.761	9.052	10.256	6.181	8.373	10.295	11.166
Operating Expenses	-1.578	-7.546	-8.325	-6.238	-7.557	-8.946	-9.700
Operating Profit	183	1.506	1.931	-57	816	1.350	1.467
Other Income (Expenses)	-90	-332	-305	-667	-733	-724	-784
PBT	93	1.173	1.626	-724	83	626	683
Tax	-34	-360	-462	139	-17	-138	-150
NIAT	59	814	1.164	-585	66	488	532
Non-controlling Interest	0	-78	-230	32	13	73	80
Net Income	59	736	933	-554	80	561	612
EPS	4	44	56	-33	5	34	37
EBITDA	365	2.473	2.666	700	1.432	2.114	2.226

Cash Flow (IDR Bn)

Cash Flow (In IDR bn)	2018A	2019A	2020A	2021F	2022F	2023F
Net Income	736	933	-554	80	561	612
Depreciation	764	828	871	783	889	951
Change in WC	466	-188	2.638	348	522	-280
Cash From Operating Activities	1.965	1.573	2.955	1.210	1.973	1.283
Change in fixed asset	-1.132	-1.142	-451	-1.174	-1.186	-1.268
Other non Current Asset	-325	-143	-4.128	407	73	-224
Cash From Investing Activities	-1.457	-1.285	-4.580	-767	-1.113	-1.492
Others Noncurrent Liabilities	-38	160	-50	147	-83	75
Long-term Liabilities	-1.429	-419	2.963	-407	-78	206
Equity	1.084	375	-317	-70	-504	-549
Cash From Financing Activities	-383	116	2.596	-330	-664	-268
Net Changes in Cash	126	405	971	113	196	-477
Beginning Balance	1.286	1.412	1.817	2.788	2.901	3.097
Ending Balance	1.412	1.817	2.788	2.901	3.097	2.620

Balance Sheet (IDR Bn)

Balance Sheet IDR in bn	2017A	2018A	2019A	2020A	2021F	2022F	2023F
CURRENT ASSETS							
Cash and Cash Equivalents	1.286	1.412	1.817	2.788	2.901	3.097	2.620
Trade Accounts Receivable	389	702	596	508	591	677	733
Inventories	3.066	3.231	3.615	3.715	3.152	2.707	2.932
Others Current Assets	2.057	1.968	2.132	1.154	1.576	1.579	1.710
Total Current Assets	6.799	7.313	8.160	8.165	8.221	8.060	7.995
NONCURRENT ASSETS							
Fixed Assets	3.103	3.471	3.785	3.365	3.756	4.052	4.369
Other Noncurrent Assets	1.524	1.849	1.992	6.121	5.713	5.640	5.864
Total Noncurrent Assets	4.627	5.320	5.777	9.485	9.469	9.693	10.233
TOTAL ASSETS	11.425	12.633	13.937	17.650	17.690	17.753	18.229
LIABILITIES AND EQUITY							
CURRENT LIABILITIES							
Short-term Bank Loans	1.464	1.348	1.493	2.497	2.561	2.707	2.679
Trade Account Payable	1.251	2.018	2.550	2.486	2.955	2.950	2.932
Accruals	389	539	585	372	394	338	367
Others Current Liabilities	1.461	1.514	1.046	1.991	1.724	1.805	1.955
Total Current Liabilities	4.565	5.419	5.674	7.345	7.635	7.800	7.932
NONCURRENT LIABILITIES							
Others Noncurrent Liabilities	765	727	887	838	985	902	977
Long-term Liabilities	1.853	424	6	2.969	2.561	2.483	2.689
Total Noncurrent Liabilities	2.618	1.152	893	3.806	3.546	3.386	3.667
TOTAL LIABILITIES	7.183	6.570	6.567	11.151	11.181	11.186	11.599
EQUITY	4.242	6.062	7.371	6.499	6.509	6.567	6.630
TOTAL LIABILITIES & EQUITY	11.425	12.633	13.937	17.650	17.690	17.753	18.229

Financial Ratio Highlights

Ratio Highlights	2018A	2019A	2020A	2021F	2022F	2023F
Growth (% YoY)						
Sales	423,1%	14,0%	-31,2%	32,7%	14,5%	8,3%
OP	723,9%	28,2%	n.a	n.a	65,5%	8,7%
EBITDA	577,8%	7,8%	-73,8%	104,6%	47,6%	5,3%
NP	1155,3%	26,9%	-159,3%	-114,4%	604,4%	9,1%
Profitability (%)						
Gross Margin	47,8%	47,5%	41,6%	42,5%	45,6%	45,7%
Operating Margin	8,0%	8,9%	-0,4%	4,1%	5,9%	6,0%
EBITDA margin	13,1%	12,4%	4,7%	7,3%	9,4%	9,1%
NET Profit margin	3,9%	4,3%	-3,7%	0,4%	2,5%	2,5%
ROA	5,8%	6,7%	-3,1%	0,5%	3,2%	3,4%
ROE	12,1%	12,7%	-8,5%	1,2%	8,5%	9,2%
Solvability (x)						
Net debt/ equity	0,8	0,7	0,9	0,9	0,9	0,9
Tot. debt/ Tot.equity	1,1	0,9	1,7	1,7	1,7	1,7
Debt Ratio	0,5	0,5	0,6	0,6	0,6	0,6
Int. Coverage	1,5	5,5	(1,1)	0,1	0,8	0,9
Liquidity (x)						
Current Ratio	1,3	1,4	1,1	1,1	1,0	1,0
Cash Ratio	0,3	0,3	0,4	0,4	0,4	0,3
Per Share data (IDR)						
EPS	44	56	-33	5	34	37
BV	367	446	393	394	397	401
EBITDA/share	150	161	42	87	128	135

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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