

Mitra Keluarga Tbk (MIKA)

Segmen Rawat Inap Menopang Pemulihan

MIKA mencatatkan laba bersih Rp 570 miliar di 9M20 atau turun tipis -2,9% yoy. Namun, kinerja membaik secara kuartalan dengan laba bersih 3Q20 melonjak 160% ke Rp 253 miliar (vs Rp 97 miliar di 2Q20). Penurunan volume kunjungan pasien mampu diimbangi oleh kenaikan rata-rata pengeluaran pasien (*Average Spending*).

Pemulihan Kinerja di 3Q20. Kinerja MIKA telah menunjukkan tanda-tanda pemulihan di 3Q20. Pendapatan naik 54,3% dibandingkan dengan kuartal sebelumnya. Ini direfleksikan dalam kenaikan laba bersih menjadi Rp 253 miliar di 3Q20 (vs Rp 97 miliar di 2Q20) atau peningkatan sebesar 160%. Sementara itu, pendapatan 9M20 telah mencapai Rp 2.316 miliar (-2,8% YoY), sementara laba bersih juga menurun -2,9% ke Rp 570 miliar (vs Rp 587 miliar). Pendapatan dari segmen rawat inap berhasil mencatatkan pertumbuhan 1,7% (Rp 1.502 miliar vs Rp 1.476 miliar); sementara segmen rawat jalan turun 10,2%. Kami memandang positif penurunan kecil ini, mengingat perusahaan sangat terdampak pada periode PSBB di 2Q20 yang mengurangi jumlah kunjungan rumah sakit.

Kenaikan *Average Spending* Mengimbangi Penurunan Volume. Meskipun baik segmen rawat inap dan rawat jalan mengalami penurunan jumlah pasien dan kunjungan, hal tersebut diseimbangkan oleh kenaikan *Average Spending* per kunjungan. *Average Spending* per pasien rawat inap naik 11,9% ke Rp 3,4 juta (vs Rp 3,1 juta di 9M19); meskipun angka pasien menurun 12,2% dari 158.000 ke 139.000 pada 9M20. Segmen rawat inap ditopang oleh penerimaan pasien Covid-19 yang rata-rata harus dirawat selama 8-14 hari, dan mendorong kenaikan pendapatan. Namun, segmen rawat jalan mengalami tantangan yang lebih besar, dengan jumlah kunjungan yang menurun hingga 23,2% YoY. Tetapi, hal ini juga mampu diimbangi dengan *average spending* per kunjungan yang naik dari Rp 457.000 di 9M19 ke Rp 535.000 di 9M20.

Melanjutkan Rencana Ekspansi Rumah Sakit. Di tengah pandemi Covid-19, MIKA akan melanjutkan rencana ekspansinya. Di 2020, MIKA telah mengakuisisi sebuah rumah sakit di Cirebon melalui anak perusahaannya, Rumah Kasih Indonesia (RKI). Perseroan juga telah menyelesaikan pembangunan rumah sakit di Surabaya, yang masih menunggu izin operasi. Untuk tahun depan, MIKA akan mengalokasikan sekitar Rp 300-400 miliar untuk membangun 2 rumah sakit baru.

Rekomendasi BUY dengan Target Harga Rp 2.810/saham. Kami melihat kinerja MIKA yang cemerlang di 3Q20 dan neraca yang sehat sebagai katalis positif bagi harga sahamnya. Karena itu, kami memulai rekomendasi BUY untuk MIKA dengan Target Harga Rp 2.810/saham berdasarkan valuasi DCF kami. Target harga kami mencerminkan forward P/E 2021 51.4x. MIKA saat ini diperjualbelikan pada sekitar rata-rata P/E 3 tahunan.

Mitra Keluarga Tbk | Summary (IDR bn)

in IDR bn	2019/12A	2020/12E	2021/12F	2022/12F
Sales	3,205	3,209	3,791	4,218
Sales growth	18.1%	0.1%	18.1%	11.3%
EBITDA	1,103	1,050	1,150	1,244
Net profit	731	673	779	843
EPS (IDR)	51	47	55	59
EPS growth	19.1%	-7.9%	15.9%	8.2%
BVPS (IDR)	337	370	396	418
EBITDA margin	34.4%	32.7%	30.3%	29.5%
NPM	22.8%	21.0%	20.6%	20.0%
ROE	15.2%	12.8%	13.8%	14.2%
ROA	13.1%	11.1%	11.9%	11.7%
ROIC	15.5%	12.9%	14.5%	14.9%
P/E	52.1x	59.5x	51.4x	47.5x
P/BV	7.9x	7.6x	7.1x	6.7x
EV/EBITDA	33.9x	37.0x	34.1x	31.5x
DPS (IDR)	18	21	33	38
Dividend yield	0.7%	0.7%	1.2%	1.4%

Source: Company Data, Bloomberg, NHKS Research
Please consider the rating criteria & important disclaimer

BUY

Target Price (IDR)	2,810
Consensus Price (IDR)	2,805
TP to Consensus Price	0.2%
vs. Last Price	22.7%

Shares data

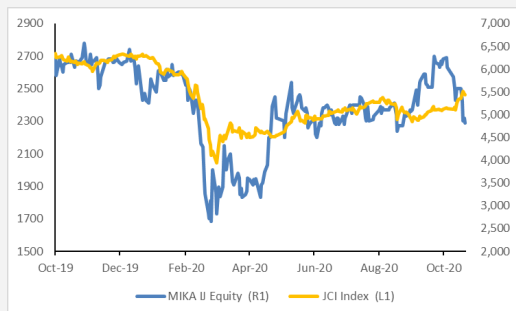
Last Price (IDR)	2,290
Price date as of	13 November 2020
52 wk range (Hi/Lo)	2,840 / 1,570
Free float (%)	38.1
Outstanding sh.(mn)	14,246
Market Cap (IDR bn)	33,051
Market Cap (USD mn)	2,329
Avg. Trd Vol - 3M (mn)	28.2
Avg. Trd Val - 3M (bn)	68.9
Foreign Ownership (%)	7.16

Healthcare

Hospital

Bloomberg	MIKA IJ
Reuters	MIKA JK

Share Price Performance



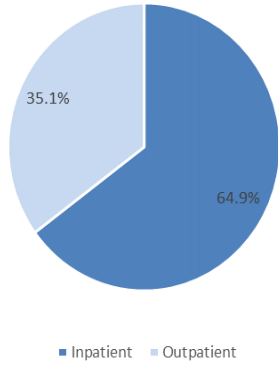
	YTD	1M	3M	12M
Abs. Ret.	-16.4%	-8.8%	-4.2%	-15.2%
Rel. Ret.	-3.0%	-14.8%	-8.0%	-1.0%

Anggaraksa Arismunandar

+62 21 5088 9134
anggaraksa@nhsec.co.id

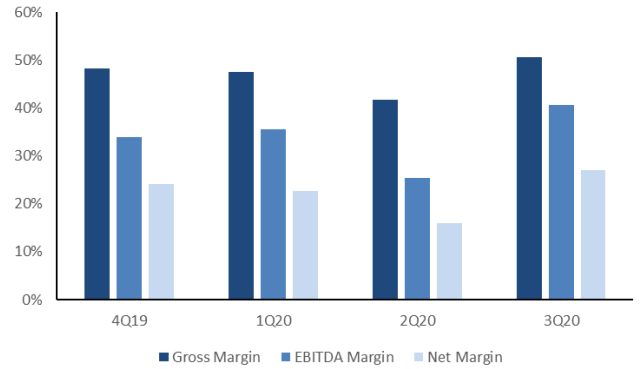
Performance Highlights

Revenue Breakdown | 9M20



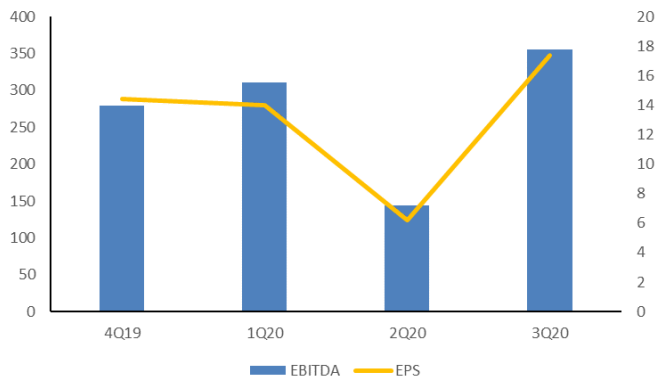
Source: Company Data, NHKSI Research

Profitability Margin | Quarterly



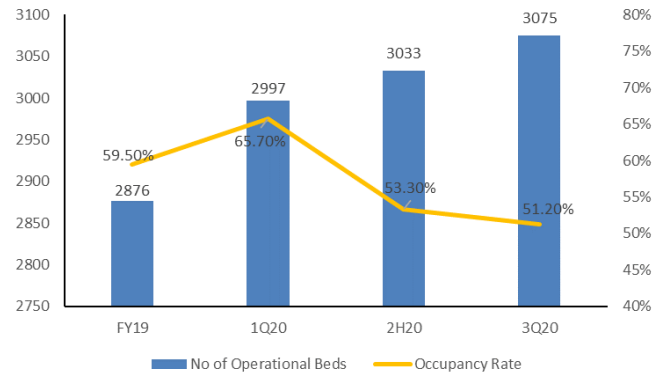
Source: Bloomberg, NHKSI Research

EPS and EBITDA Movement



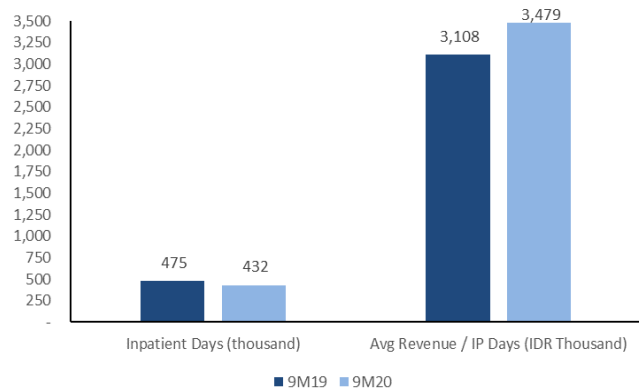
Source: Bloomberg, NHKSI Research

No of Operational Beds



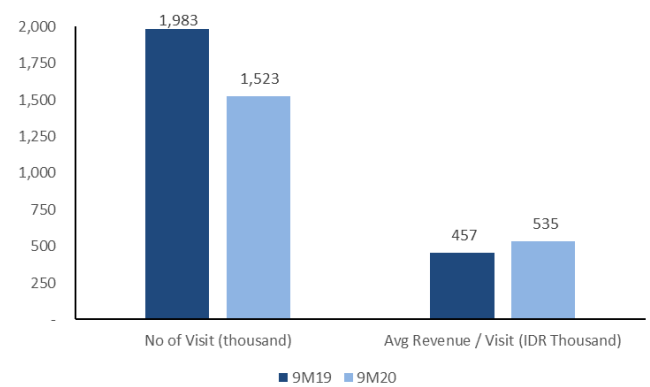
Source: Company Data, NHKSI Research

Segment Performance | Inpatient



Source: Company Data, NHKSI Research

Segment Performance | Outpatient



Source: Various Sources, NHKSI Research



Latar Belakang Perusahaan

Mitra Keluarga mulai beroperasi pada 1989 dengan dibukanya rumah sakit pertama di Jatinegara—Jakarta. Perusahaan ini merupakan salah satu pengelola rumah sakit swasta terbesar di Indonesia. Saat ini, Mitra Keluarga mengelola rumah sakit di beberapa kota di Jawa, seperti DKI Jakarta, Cirebon, Tegal, dan Surabaya. MIKA terdaftar di Bursa Efek Indonesia pada 24 Maret 2015. Pada 2017, perusahaan mengumumkan akuisisi PT Rumah Kasih Indonesia (Kasih Group) di Jakarta. Hingga 3Q20, perseroan mengelola 25 rumah sakit dengan kapasitas 3.075 kapasitas tempat tidur.

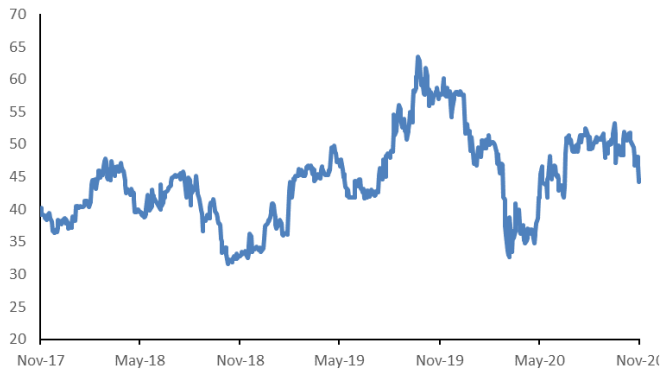
Asia Pacific Peers Comparison

Company	Market Cap (USD Mn)	Assets (USD)	Sales (USD Mn)	Net Income (USD Mn)	DER (%)	PER (x)	PBV (x)	ROE (%)
Indonesia								
MITRA KELUARGA KARYASEHAT TB	2,325	395,474,838	217	50.03	0	44.66	7.35	16.74
MEDIKALOKA HERMINA TBK PT	721	391,130,667	264	21.24	51.09	33.24	4.34	13.97
Thailand								
BUMRUNGRAD HOSPITAL PCL	2,777	764,973,410	454	61.61	13.85	41	4.57	10.21
SAMITIVEJ PUBLIC CO LTD	1,292	413,058,305	346	50.69	3.15	24.84	4.37	19.94
RAMKHAMHAENG HOSPITAL PUB CO	1,120	817,899,537	205	41.34	53.45	31.28	3.12	9.37
CHULARAT HOSPITAL PCL	914	205,589,624	168	23.97	44.55	37.25	7.47	20.55
BANGKOK DUSIT MED SERVICE	11,318	4,206,514,859	2,289	230.01	33.79	48.42	4.14	8.71
VIBHAVADI MEDICAL CENTER PCL	640	643,054,489	203	20.72	79.34	29.77	2.55	8.47
India								
NARAYANA HRUDAYALAYA LTD	976	383,563,500	441	17.19	83.78	60.87	6.37	10.73
Hong Kong								
CHINA RESOURCES MEDICAL HOLD	896	1,212,402,942	293	46.25	13.32	17.95	1.01	5.45
Malaysia								
IHH HEALTHCARE BHD	11,610	10,254,650,764	3,268	107.44	42.41	N/A	2.24	-1.16

Source: Bloomberg (data as of 12 November 2020)

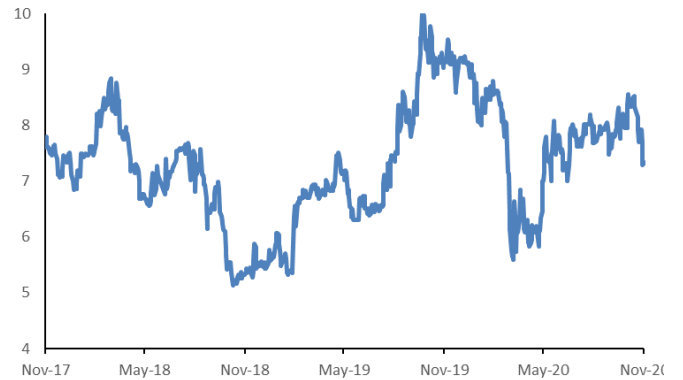
Multiple Valuation

Historical P/E Movement | Last 3 years



Source: Bloomberg, NHKSI research

Historical P/BV Movement | Last 3 years



Source: Bloomberg, NHKSI research

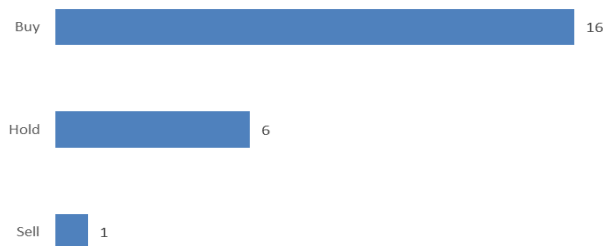
Rating and Target Price Update

Target Price Revision

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
16/11/2020	Buy	2,810	2,290	2,805	+22.7	+0.2%

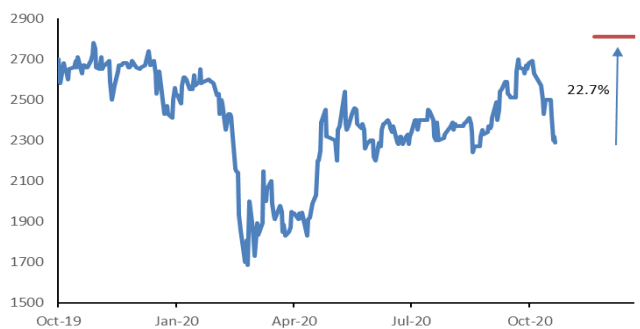
Source: NHKSI research, Bloomberg

Analyst Coverage Rating



Source: Bloomberg

Closing and Target Price



Source: NHKSI research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

- Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
- Rating system based on a stock's potential upside from the date of publication
 - Buy : Greater than +15%
 - Overweight : +5% to 15%
 - Hold : -5% to +5%
 - Underweight : -5% to -15%
 - Sell : Less than -15%

Summary of Financials

INCOME STATEMENT					PROFITABILITY & STABILITY				
(IDR bn)	2019/12A	2020/12E	2021/12E	2022/12E		2019/12A	2020/12E	2021/12E	2022/12E
Net Sales	3,205	3,209	3,791	4,218	ROE	15.2%	12.8%	13.8%	14.2%
<i>Growth</i>	18.1%	0.1%	18.1%	11.3%	ROA	13.1%	11.1%	11.9%	11.7%
COGS	(1,671)	(1,692)	(1,990)	(2,215)	ROIC	15.5%	12.9%	14.5%	14.9%
Gross Profit	1,534	1,517	1,800	2,003	Cash Dividend (IDR bn)	256	299	471	545
<i>Gross Margin</i>	47.9%	47.3%	47.5%	47.5%	Dividend Yield	0.7%	0.7%	1.2%	1.4%
Operating Expenses	(654)	(648)	(751)	(869)	Payout Ratio	35.0%	44.5%	60.4%	64.7%
EBIT	943	869	1,050	1,135	DER	0.1%	0.0%	0.0%	0.0%
<i>EBIT Margin</i>	29.4%	27.1%	27.7%	26.9%	Net Gearing	0.2%	0.0%	0.0%	0.0%
Depreciation	160	181	100	110	LT Debt to Equity	0.0%	0.0%	0.0%	0.0%
EBITDA	1,103	1,050	1,150	1,244	Capitalization Ratio	0.1%	0.0%	0.0%	0.0%
<i>EBITDA Margin</i>	34.4%	32.7%	30.3%	29.5%	Equity Ratio	86.0%	86.9%	86.6%	83.0%
Interest Expenses	56	38	-	-	Debt Ratio	0.1%	0.0%	0.0%	0.0%
EBT	1,005	937	1,085	1,174	Financial Leverage	101.7%	99.0%	100.4%	104.3%
Income Tax	(213)	(213)	(206)	(239)	Current Ratio	574.6%	712.5%	595.8%	547.6%
Minority Interest	(61)	(58)	(68)	(73)	Par Value (IDR)	10	10	10	10
Net Profit	731	673	779	843	Total Shares (mn)	14,246	14,246	14,246	14,246
<i>Growth</i>	19.1%	-7.9%	15.9%	8.2%	Share Price (IDR)	2,670	2,810	2,810	2,810
<i>Net Profit Margin</i>	22.8%	21.0%	20.6%	20.0%	Market Cap (IDR tn)	38.0	40.0	40.0	40.0

BALANCE SHEET					VALUATION INDEX				
(IDR bn)	2019/12A	2020/12E	2021/12E	2022/12E		2019/12A	2020/12E	2021/12E	2022/12E
Cash	1,141	1,708	1,423	1,422	Price /Earnings	52.1x	59.5x	51.4x	47.5x
Receivables	475	448	545	607	Price /Book Value	7.9x	7.6x	7.1x	6.7x
Inventories	49	39	53	59	Price/Sales	11.9x	12.5x	10.6x	9.5x
Total Current Assets	2,475	2,755	2,596	2,655	PE/EPS Growth	2.7x	-7.5x	3.2x	5.8x
Net Fixed Assets	2,390	2,471	3,238	3,952	EV/EBITDA	33.9x	37.0x	34.1x	31.5x
Other Non Current Assets	711	840	691	566	EV/EBIT	39.7x	44.8x	37.3x	34.5x
Total Assets	5,576	6,066	6,524	7,173	EV (IDR bn)	37,413	38,891	39,176	39,177
Payables	415	381	426	474	Sales CAGR (3-Yr)		8.7%	11.8%	9.6%
ST Bank Loan	3	-	-	-	EPS CAGR (3-Yr)		-0.4%	8.3%	4.9%
LT Debt	2	-	-	-	Basic EPS (IDR)	51	47	55	59
Total Liabilities	783	796	845	894	Diluted EPS (IDR)	51	47	55	59
Capital Stock & APIC	1,505	1,505	1,505	1,505	BVPS (IDR)	337	370	396	418
Retained Earnings	2,777	3,187	3,515	3,818	Sales PS (IDR)	225	225	266	296
Shareholders' Equity	4,794	5,270	5,647	5,950	DPS (IDR)	18	21	33	38

CASH FLOW STATEMENT					OWNERSHIP			
(IDR bn)	2019/12A	2020/12E	2021/12E	2022/12E	By Geography	% Shareholders	%	
Operating Cash Flow	890	903	879	952	Indonesia	93.0	PT Griyasani Cakrasada	61.9
Investing Cash Flow	(661)	(135)	(693)	(408)	United States	4.2	Matthews International Cap	2.7
Financing Cash Flow	(263)	(304)	(471)	(545)	Norway	1.4	Norges Bank	0.9
Net Changes in Cash	(34)	464	(285)	(1)	Others	1.4	Others	34.6

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entity of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information here is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, respective employees, and agents disclaim any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents liable for errors, omissions, misstatements, negligence, inaccuracy arising herefrom.

All rights reserved by PT NH Korindo Securities Indonesia