Mitra Adiperkasa Tbk (MAPI IJ)
Menutup 2020 dengan Baik

MAPI menghadapi banyak tantangan di tahun 2020 yang timbul dari pembatasan sosial berskala besar dan jam malam di Indonesia. Namun, MAPI menunjukkan peningkatan kuartalan yang kuat terutama didorong oleh pemulihan SSSG dan penjualan domestik. Dalam pandangan kami, MAPI masih dalam tahap pemulihan, tapi MAPI berhasil membukukan laba bersih pada 4Q20, setelah membukukan rugi bersih dalam dua kuartal berturut-turut.

Kinerja 4Q20 cukup kuat, namun di bawah ekspektasi kami

- Pada 4Q20, MAPI mencatatkan kinerja yang kuat dengan pendapatan sebesar Rp4.6tn (+38,5% QoQ; -24,2% YoY). Secara kumulatif, MAPI membukukan pendapatan sebesar Rp14,8 tn (-31,2% YoY).
- Hasil ini di bawah ekspektasi kami dan konsensus, yang kami yakini disebabkan jam operasional yang terbatas untuk restoran dan pusat perbelanjaan selama liburan akhir tahun di Jakarta.
- Namun, kami melihat peningkatan yang signifikan secara kuartalan, di mana MAPI mencatat laba bersih sebesar Rp52miliar, setelah mencatat rugi bersih selama dua kuartal berturut-turut.
- Kami juga mencatat bahwa peningkatan ini disebabkan basis Opex yang lebih rendah lantaran beban FY20 SG&A turun -25,1% YoY, sejalan dengan strategi manajemen.
- Secara kuartalan, marjin pada 4Q20 meningkat signifikan, tercatat marjin kotor +107bps QoQ dan marjin laba bersih sebesar +695bps QoQ.

SSSG masih negatif, pemulihan masih berlanjut

- MAPI mencatat SSSG 4Q20 negatif sebesar 35% YoY, tetapi masih menunjukkan peningkatan yang solid dibandingkan dengan -43% YoY pada SSSG 3Q20, terutama karena pembukaan kembali mal secara bertahap di kota besar.
- Selain itu, kami juga menyaksikan pertumbuhan penjualan digital ditambah strategi manajemen untuk memanfaatkan kelompok pembeli melalui program loyalitas MAP Club menjadi pendorong utama pertumbuhan penjualan 4Q20.
- Selain itu, inventaris di 12M20 telah menurun -12,6% karena permintaan produk baru MAP yang meningkat di luar dugaan di musim liburan.
- Dengan berlanjutnya penerapan Pembatasan Kegiatan Skala Mikro (PPKM Mikro) dan rata-rata pengunjung di 1Q21 yang masih di bawah 50%, kami memperkirakan MAPI akan membukukan pertumbuhan penjualan 1Q21 YoY yang lebih rendah.

Mempertahankan Rekomendasi BUY

- Kami mempertahankan rekomendasi BUY untuk MAPI dengan Target Harga Rp975,mengingat potensi kenaikan yang timbul dari pemulihan penjualan domestik dan ekspor.
- Dalam pandangan kami, kami yakin SSSG akan berada di level negatif dalam 1H20, mengingat penerapan PPKM Mikro dan pemulihan daya beli secara bertahap.
- Kami tetap relatif optimis karena MAPI memiliki target pasar menengah-atas dan portofolio merek yang kuat, sehingga kami memperkirakan MAPI dapat membukukan laba bersih tahun ini.
- Sementara itu, kami juga mewaspadai penguatan USD, lambatnya vaksinasi, dan diperpanjangnya PPKM di wilayah Jakarta yang dapat menghambat kinerja MAPI.

MItra Adiperkasa Tbk | Summary (IDR bn)

	2019	2020	2021F	2022F
Revenue	21,579	14,847	16,436	18,458
Growth	*14.0%*	*-31.2%*	*10.7%*	*12.3%*
Net Profit	934	(554)	180	193
Growth	*27.1%*	*-159.3%*	*132.5%*	*7.3%*
EPS (IDR)	56	(33)	11	12
P/E	18.8x	-23.7x	89.8x	83.7x
P/BV	2.4x	2.0x	2.4x	2.4x
EV/EBITDA	5.1x	9.2x	6.9x	6.6x
ROE	13.9%	-8.0%	2.7%	2.9%
DER	20.3%	44.2%	37.3%	26.0%
Dividend Yield	0.9%	0.0%	1.2%	0.6%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Company Report | May 03, 2021

BUY

Target Price (IDR)	**975**
Consensus Price (IDR)	937
TP to Consensus Price	+4.0%
vs. Last Price	+21.9%

Shares data

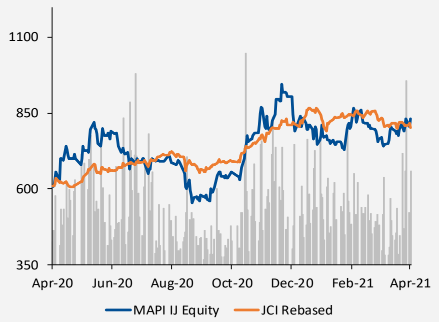
Last Price (IDR)	800
Price date as of	Apr 30, 2021
52 wk range (Hi/Lo)	945 / 555
Free float (%)	44.0
Outstanding sh.(mn)	16,600
Market Cap (IDR bn)	13,363
Market Cap (USD mn)	925
Avg. Trd Vol - 3M (mn)	23.22
Avg. Trd Val - 3M (bn)	18.4
Foreign Ownership	22.4%

Trade, Services & Investment

Retail

Bloomberg	**MAPI IJ**
Reuters	**MAPI.JK**

Share Price Performance

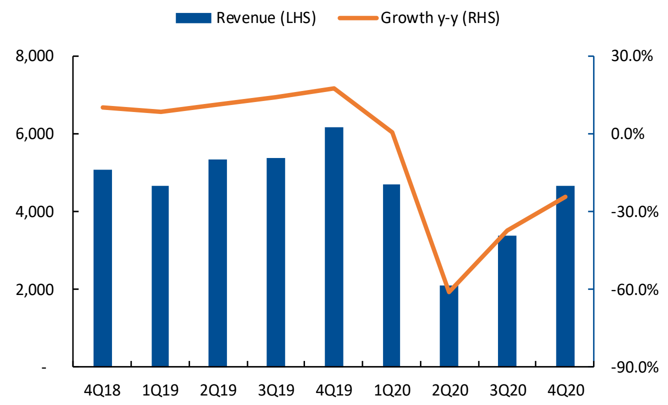


	YTD	1M	3M	12M
Abs. Ret.	5.1%	7.8%	7.1%	36.1%
Rel. Ret.	6.5%	11.8%	9.7%	4.7%

Putu Chantika Putri D
+62 21 5088 9129
Putu.chantika@nhsec.co.id

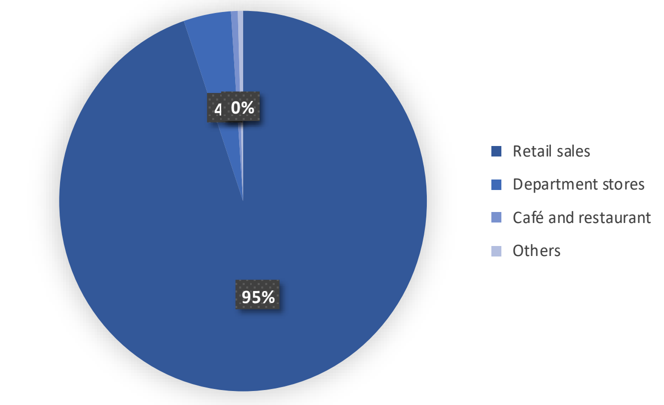
Performance Highlights

MAPI Quarterly Net Revenues | 4Q18 - 4Q20



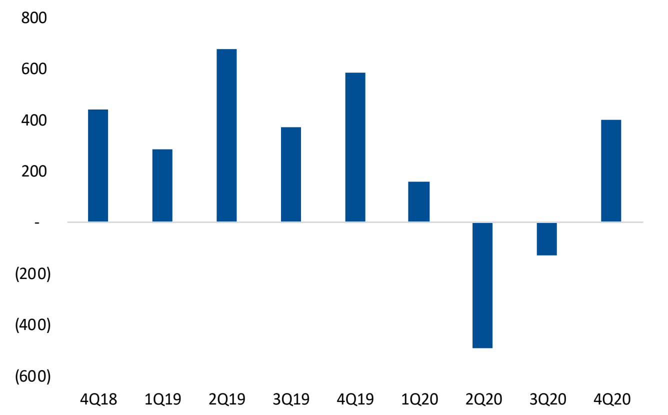
Source: Company, NHKSI Research

MAPI Revenue Breakdown | 4Q20



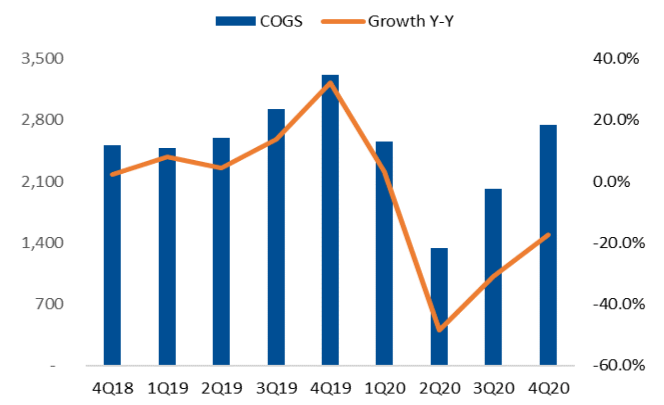
Source: Company, NHKSI Research

EBIT | 4Q18 - 4Q20



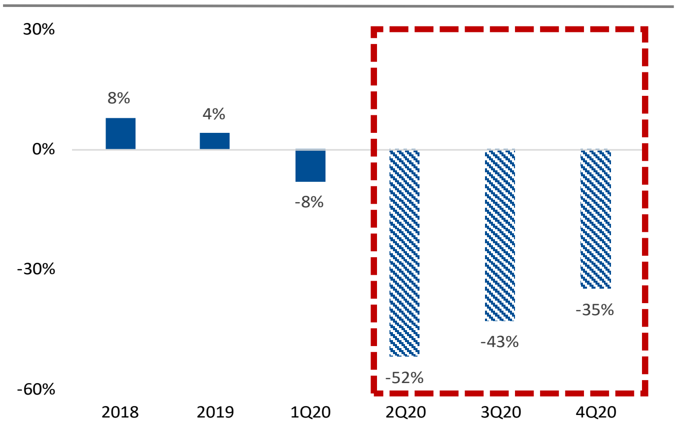
Source: Company, NHKSI Research

COGS | 4Q20



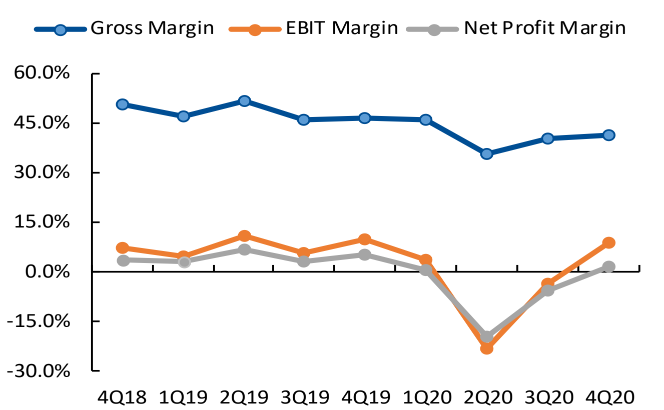
Source: Company, NHKSI Research

MAPI SSSG | 4Q20



Source: Company, NHKSI Research

Margin Ratios | 4Q18 - 4Q20



Source: Company, NHKSI Research

Company Overview

MAPI as one of the leading retailers in Indonesia boasts of its ample branded portfolios — more than 154 globally marketed brands. Founded in 1995, it initially focused only on sports products. Now, it establishes a well-nurtured business in vast lines of sports products, fashion, department stores, food & beverages, kids products, lifestyle targeted to the middle-to-high income individuals.

Not only does MAPI run its business in Indonesia but it also expands its markets in neighboring countries: Singapore, Malaysia, Thailand, Australia, etc. The launch of Zara's first store in Vietnam market in 2016 portrayed its agile market expansion. Indeed, it dominates the Indonesian market with more than 2,320 retail stores across 71 big cities

Indonesian Retail Industry in ASEAN

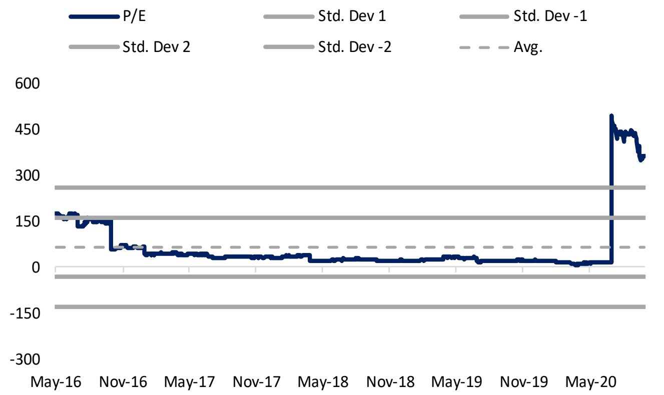
Indonesia is the first most populous nation in ASEAN; such characteristic develops Indonesia into a lucrative market for the retail business. Top retailers, i.e. LPPF, RALS, MAPI with their stores across Indonesia dominate the Indonesian market.

SOTP Valuation

	% Revenue	2021 EBITDA	Multiples	Value
Active (MAPA)	32%	1,033	6.7x	6,869
F&B (MAPB)	14%	228	5.7x	1,295
Fashion—Specialty Stores + Others	40%	677	9.4x	6,384
Department Stores	14%	193	8.3x	1,602
Add : Cash				2,549
Deduct : Debt				(2,518)
Net Equity Value				*16.151*
Holding Discount				0
Equity Per Share				**975**
Discount SOTP at Current Price				**21.9%**

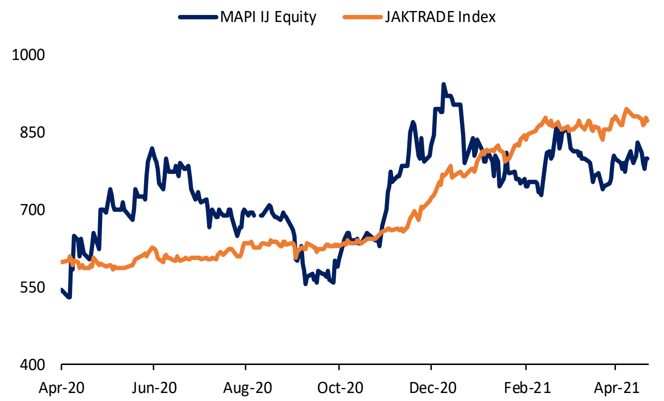
Valuation highlights in charts

5-year trailing P/E band



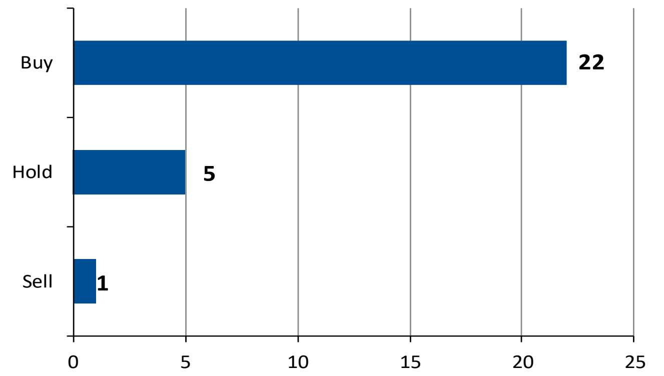
Source: Company Data, NHKSI Research

MAPI and Jaktrade Index



Source: Company Data, NHKSI Research

Consensus of analyst recommendation



Source: Bloomberg

Closing and Target Price Update

Source: NHKSI research

Rating and Target Price Update

Target Price Revision

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
16/12/2020	Buy	975	845	937	15.4%	4.0%
13/07/2020	Buy	870	720	857	20.8%	1.5%
8/19/2019	Buy	1,200	990	1,118	21.2%	7.4%
4/9/2018	Buy	945	790	866	19.6%	9.1%
7/19/2018	Buy	945	800	818	18.1%	15.5%
9/4/2018	Buy	945	815	1,011	16.0%	-6.5%

Source: NHKSI research, Bloomberg

Summary of Financials

INCOME STATEMENT

(IDR bn)	2019/12A	2020/12A	2021/12E	2022/12E
Sales	**21,579**	**14,847**	**16,436**	**18,458**
Growth	*14.0%*	*-31.2%*	*10.7%*	*12.3%*
Cost of Good Sold	(11,323)	(8,666)	(8,744)	(9,746)
Gross Profit	**10,256**	**6,181**	**7,692**	**8,712**
Gross Margin	*47.5%*	*41.6%*	*46.8%*	*47.2%*
Operating Expenses	(8,325)	(6,238)	(6,895)	(7,890)
EBIT	**1,931**	**(57)**	**797**	**822**
EBIT Margin	*8.9%*	*-0.4%*	*4.8%*	*4.5%*
Depreciation	828	871	823	989
EBITDA	**2,759**	**814**	**1,619**	**1,811**
EBITDA Margin	*12.8%*	*5.5%*	*9.9%*	*9.8%*
Interest Expenses	(212)	(552)	(471)	(499)
EBT	**1,626**	**(724)**	**457**	**471**
Income Tax	(462)	139	(137)	(121)
Minority Interest	(230)	32	(140)	(157)
Net Profit	**934**	**(554)**	**180**	**193**
Growth	*27.1%*	*-159.3%*	*132.5%*	*7.3%*
Net Profit Margin	*4.3%*	*-3.7%*	*1.1%*	*1.0%*

PROFITABILITY & STABILITY

	2019/12A	2020/12A	2021/12E	2022/12E
ROE	13.9%	-8.0%	2.7%	2.9%
ROA	7.0%	-3.5%	1.0%	1.1%
Inventory Turnover	3.3x	2.4x	2.4x	2.5x
Receivable Turnover	54.1x	39.6x	56.2x	66.4x
Payables Turnover	7.3x	5.1x	5.5x	5.6x
Dividend Yield	0.9%	0.0%	1.2%	0.6%
Payout Ratio	14.1%	0.0%	-26.0%	20.5%
DER	20.3%	44.2%	37.3%	26.0%
Net Gearing	0.0%	28.2%	24.6%	17.3%
Equity Ratio	52.9%	36.8%	39.5%	38.1%
Debt Ratio	0.1x	0.2x	0.1x	0.1x
Financial Leverage	2.0x	2.3x	2.6x	2.6x
Current Ratio	143.8%	111.2%	118.6%	119.7%
Quick Ratio	0.8x	0.6x	0.7x	0.6x
Par Value (IDR)	500	500	500	500
Total Shares (mn)	16,600	16,600	16,600	16,600
Share Price (IDR)	1,055	790	975	975
Market Cap (IDR tn)	17.5	13.1	16.2	16.2

BALANCE SHEET

(IDR bn)	2019/12A	2020/12A	2021/12E	2022/12E
Cash	1,817	2,788	2,549	2,468
Receivables	408	342	244	312
Inventories	3,615	3,715	3,472	4,432
Total Current Assets	**8,160**	**8,165**	**7,745**	**8,852**
Net Fixed Assets	3,785	3,365	3,282	2,957
Other Non Current Asset	945	983	884	932
Total Non Current Asse	5,777	9,485	9,312	9,045
Total Assets	**13,937**	**17,650**	**17,057**	**17,898**
Payables	1,758	1,621	1,541	1,930
ST Bank Loan	1,493	2,497	2,191	1,545
Total Current Liabilitie	5,674	7,345	6,530	7,398
LT Debt	-	376	327	231
Total Liabilities	**6,567**	**11,151**	**10,314**	**11,072**
Capital Stock	830	830	830	830
Retained Earnings	3,637	2,905	3,075	3,175
Shareholders' Equity	**7,371**	**6,499**	**6,743**	**6,826**

VALUATION INDEX

	2019/12A	2020/12A	2021/12E	2022/12E
Price /Earnings	18.8x	-23.7x	89.8x	83.7x
Price /Book Value	2.4x	2.0x	2.4x	2.4x
PE/EPS Growth	0.7x	0.1x	-0.7x	11.5x
EV/EBITDA	5.1x	9.2x	6.9x	6.6x
EV/EBIT	7.4x	-130.3x	14.0x	14.5x
EV (IDR bn)	14,204	7,453	11,118	11,941
Revenue CAGR (3-Yr)			-4.6%	-5.1%
Net Income CAGR (3-Yr)			-37.4%	-40.8%
Basic EPS (IDR)	56	(33)	11	12
BVPS (IDR)	444.01	392	406	411
DPS (IDR)	10.0	-	11.3	5.6

CASH FLOW STATEMENT

(IDR bn)	2019/12A	2020/12A	2021/12E	2022/12E
Operating Cash Flow	2,373	(1,028)	676	1,507
Investing Cash Flow	(799)	(876)	(445)	(735)
Financing Cash Flow	(1,177)	3,181	(470)	(853)
Net Changes in Cash	**397**	**1,277**	**(239)**	**(81)**

OWNERSHIP

Shareholders	**%**
Satya Mulia Gema	51.0
Employees Provident Fund	5.0
Schroder Investment	3.5
Norges Bank	3.0
By Geography	**%**
Indonesia	69.9
Malaysia	6.5
United States	5.9
Norway	3.8

Source: NHKSI research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
2. 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%