Bumi Serpong Damai Tbk (BSDE IJ)

Momentum Pertumbuhan *Marketing Sales*

Company Update | August 23, 2021

BSDE mencatatkan kenaikan *top line* 2Q21 hingga 88,2% YoY. Penjualan rumah dan bangunan pun tumbuh 115% YoY, karena *low based effect* pada 2Q20. BSDE sendiri berhasil membukukan *markeing sales* sebesar Rp4,5 triliun atau naik 55,2% YoY. Pada 2H21, BSDE hanya perlu mengejar Rp2,5 triliun untuk mencapai target *marketing sales* tahun ini.

Laba 2Q21 Belum Optimal

- Pendapatan 2Q21 naik 88,2% YoY mejadi Rp1,58 triliun karena *low based effect* dari 2Q20 (Rp842 miliar). Kenaikan itu mendongkrak pendapatan 1H21 menjadi Rp3,25 triliun (+39,2% YoY).
- *Development income* tercatat sebesar Rp1,22 triliun (+102% YoY). Di dalamnya pendapatan dari rumah dan bangunan naik 115% YoY.
- *Recurring income* pun naik 53% YoY. Di dalamnya, pada 2Q21 BSDE telah mencatatkan pendapatan dari segmen konstruksi (Rp84 miliar) atas pengerjaan proyek tol Serpong-Balaraja oleh anak usahanya, yaitu PT Trans Bumi Serbaraja (TBS).
- Di sisi lain, COGS naik 121% pada 2Q21, menyebabkan GPM turun menjadi 60,9% (vs 66,7% 2Q20).
- Laba 2Q21 tercatat senilai Rp92 miliar (vs rugi Rp349 miliar 2Q20) atau 84% dibawah estimasi kami. Perolehan laba yang cenderung rendah ini, diakibatkan oleh tingginya beban.

Marketing Sales Kian Pulih

- BSDE berhasil mencatatkan *marketing sales* pada 1H21 sebesar Rp4,5 triliun (+55,2% YoY) atau tercapai 65% dari target 2021.
- Penjualan rumah masih mendominasi, yaitu 67% dari total *marketing sales atau* sebesar Rp3,01 triliun (+83% YoY).
- Kami cukup optimis target *marketing sales* tahun ini tercapai, bahkan bisa melebihi target. Estimasi kami, *marketing sales* FY21E dapat naik 12% YoY.
- Penjualan rumah tapak masih akan menjadi kontributor utama. Didukung oleh rendahnya tingkat suku bunga dan subsidi PPN hingga akhir tahun.
- Mulai beroperasinya Tol Serpong Balaraja (fase 1) pada tahun ini juga dapat menjadi nilai tambah bagi penjualan rumah tapak di sekitaran BSD City.

Rekomendasi *BUY* dengan TP Rp1.450

- Kami mempertahankan *rating BUY* revisi turun TP menjadi Rp1.345 menggunakan estimasi *discount to NAV* 81% (+0,5 SD rata-rata 3 tahun terakhir) sebagai basis valuasi. Saat ini, BSDE ditransaksikan dengan *discount to NAV* 87%
- Risiko yang mempengaruhi perubahan TP kami yaitu: 1) dihentikannya subsidi PPN oleh pemerintah, 2) kenaikan tingkat suku bunga, 3) pengetatan kembali PPKM.

Bumi Serpong Damai Tbk | Summary

	2020A	2021F	2022F	2023F
Revenue	6,181	6,841	7,342	8,027
Growth	-12.8%	*10.7%*	*7.3%*	*9.3%*
Net Profit	276	1,338	1,594	1,985
Growth	-90.1%	*385.1%*	*19.2%*	*24.5%*
EPS (IDR)	14	70	83	103
P/E	85.5x	20.9x	17.5x	14.1x
P/BV	0.7x	0.8x	0.8x	0.7x
EV/EBITDA	11.5x	10.6x	9.7x	9.1x
ROE	*0.8%*	*3.8%*	*4.4%*	*5.2%*
DER	0.5x	0.4x	0.4x	0.4x
Net Debt	3,693	2,618	2,094	1,483

Unit: IDR bn, %, x
Source: Company Data, Bloomberg, NHKSI Research
Please consider the rating criteria & important disclaimer

Buy

Target Price (IDR)	**1,345**
Consensus Price (IDR)	1,429
TP to Consensus Price	-5.9%
Potential Upside	+47.8%

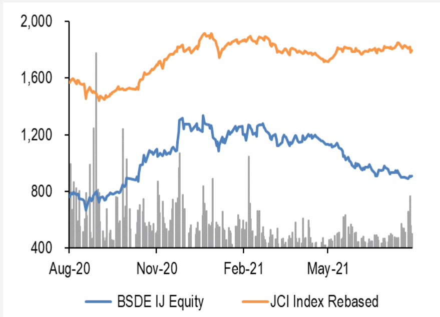
Shares data

Last Price (IDR)	910
Price Date as of	August 20, 2021
52 wk Range (Hi/Lo)	1,360/640
Free Float (%)	39.8
Outstanding sh. (mn)	21,171
Market Cap. (IDR bn)	19,266
Market Cap. (USD mn)	1,330
Avg. Trd Vol - 3M (mn)	19.78
Avg. Trd Val - 3M (bn)	19.37
Foreign Ownership	51.9%

Property
Real Estate Owner & Developer

Bloomberg	**BSDE IJ**
Reuters	**BSDE.JK**

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-28.1%	-4.2%	-20.2%	23.0%
Rel. Ret.	-26.8%	-4.2%	-24.2%	8.6%

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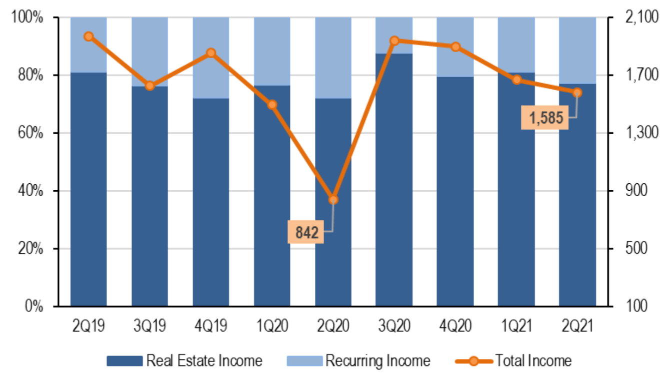
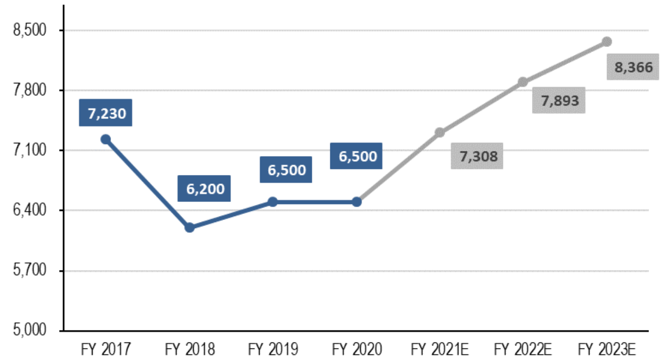
Performance Highlights in Charts

BSDE Quarterly Income (IDR bn) | 2Q19 - 2Q21



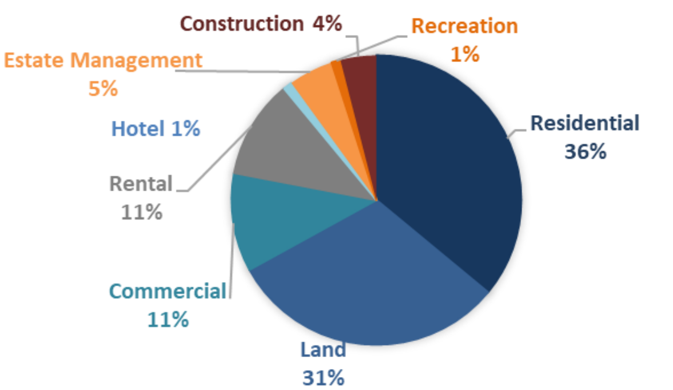
Source: Company Data, NHKSI Research

BSDE Marketing Sales | 2017 - 2023E



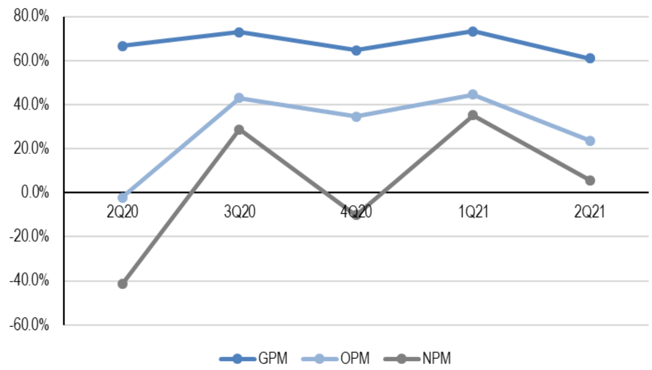
Source: Company Data, NHKSI Research

6M21's Revenue Breakdown



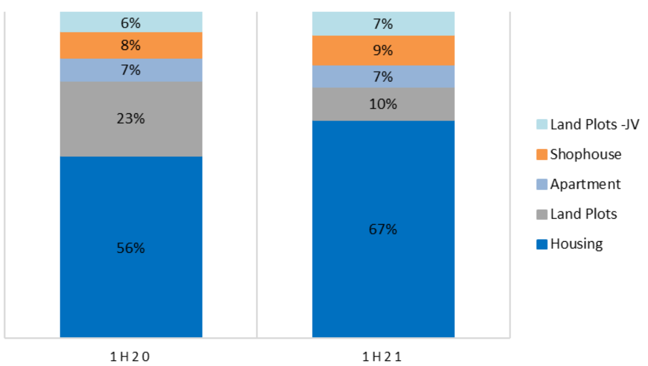
Source: Company Data, NHKSI Research

Margin Ratio



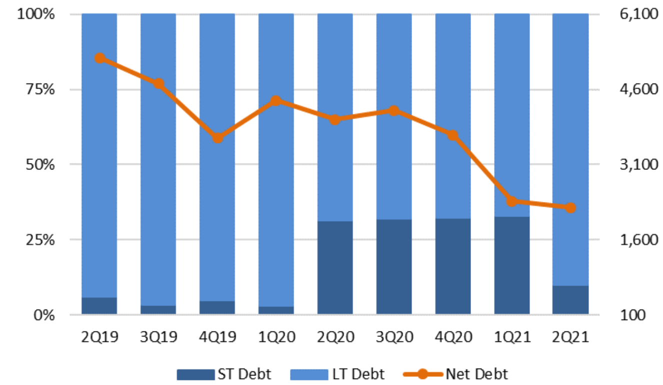
Source: Company Data, NHKSI Research

Marketing Sales Details



Source: Company Data, NHKSI Research

Debt Portion | 2Q19 - 2Q21



Source: Company Data, NHKSI Research

Company Overview

PT Bumi Serpong Damai Tbk (BSDE) didirikan pada tahun 1984 oleh konsorsium pemegang saham untuk mengembangkan BSD City sebagai kota satelit di barat daya Jakarta. BSDE mulai beroperasi sejak tahun 1989 dan telah berkembang menjadi pusat ekonomi baru di pinggiran selatan Jakarta.

BSDE merupakan pengembang BSD City, kota mandiri twebesar di Indonesia dan flagship project Sinar Mas Land seluas 5.950 ha terdiri atas Kawasan perumahan dan Kawasan niaga terpadu. BSDE telah melakukan pengembangan di Jabodetabek dan Kalimantan, berkembang ke Semarang, Surabaya, Manado, Palembang dan Makassar. Pada tahun 2011, BSDE telah merampungkan proses akuisisi perusahaan terafiliasi yakti PT Duta Pertiwi Tbk, PT Sinar Mas Teladan dan PT Sinar Mas Wisesa.

Analysis of Asia-Pacific Peers

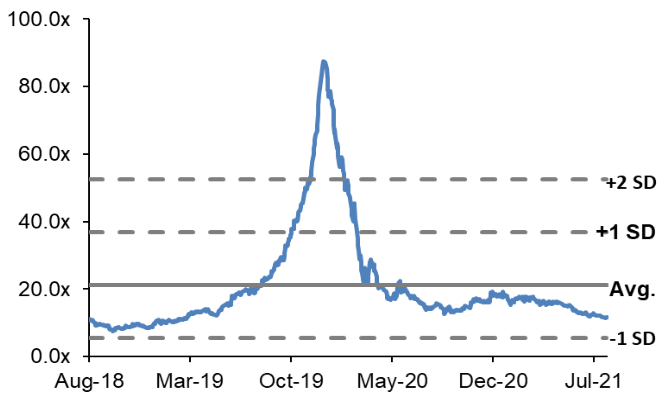
	Market Cap (USD mn)	Asset (USD mn)	Sales Growth	Net Profit LTM (USD mn)	Net Profit Growth LTM	Net Profit Margin	ROE (LTM)	P/E LTM	P/BV
Indonesia									
PT Bumi Serpong Damai Tbk	1,330	4,371	492	73	107.67%	14.8%	3.5%	18.2x	0.6x
PT Ciputra Development Tbk	1,076	2,819	644	113	58.55%	17.6%	10.7%	9.5x	1.0x
PT Pakuwon Jati Tbk	1,423	1,900	237	76	-46.75%	31.9%	7.7%	18.7x	1.4x
PT Summarecon Agung Tbk	863	1,790	348	12	-64.65%	3.6%	2.6%	62.8x	1.6x
Singapore									
Capitaland Ltd	15,437	63,854	5,375	(556)	-	-10.3%	-3.19%	-	0.9x
Malaysia									
SP Setia Bhd	1,048	7,556	1,049	(14)	-	-1.3%	-1.03%	-	0.4x
IOI Properties Group Bhd	1,548	7,679	585	141	2.99%	24.2%	3.08%	11.1x	0.3x
Thailand									
Land & Houses PUB Co Ltd	2,890	4,086	1,053	260	-11.73%	24.7%	16.35%	11.9x	1.9x
WHA Corp PCL	1,410	2,754	231	74	-5.58%	31.9%	7.93%	20.6x	1.7x
Philippines									
Megaworld Corp	1,816	7,825	772	196	-36.87%	25.4%	5.32%	9.7x	0.5x

Unit: USD mn, %, X

Source: Bloomberg, NHKSI Research

Valuation Highlights in Charts

3-Year Forward P/E Band

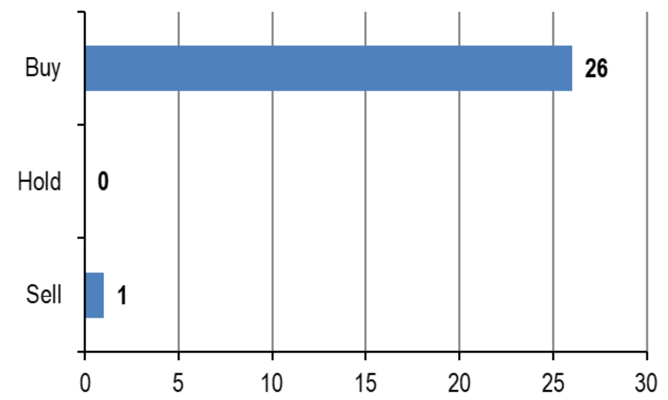


Source: Bloomberg, NHKSI Research

3-Year Discount to NAV Band

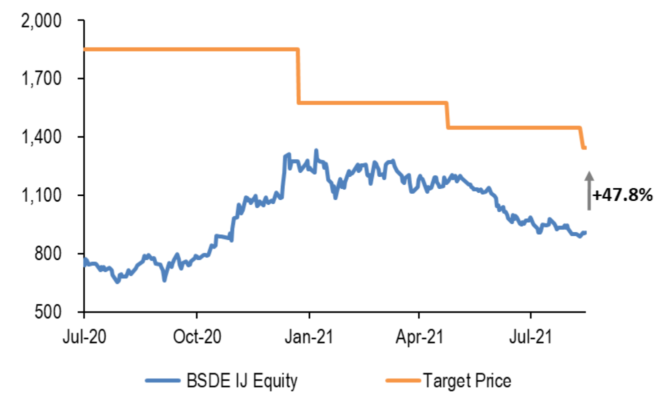
Source: Bloomberg, NHKSI Research

Analysts' Recommendation



Source: Bloomberg, NHKSI Research

Closing and Target Price Update



Source: Bloomberg, NHKSI Research

Rating and Target Price Update

Target Price

Date	Rating	Target Price	Last Price	Consensus	Potential Upside	vs Consensus
20/03/2018	Hold	1,850	1,770	2,193	4.5%	-15.6%
07/01/2021	Buy	1,575	1,280	1,253	23.0%	25.7%
10/05/2021	Buy	1,450	1,160	1,478	25.0%	-1.9%
23/08/2021	Buy	1,345	910	1,429	47.8%	-5.9%

Source: NHKSI Research, Bloomberg

Summary of Financials

INCOME STATEMENT

(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Revenue	**6,181**	**6,841**	**7,342**	**8,027**
Growth	*-12.8%*	*10.7%*	*7.3%*	*9.3%*
Cost of Revenues	(1,929)	(2,074)	(2,084)	(2,424)
Gross Profit	**4,252**	**4,767**	**5,257**	**5,603**
Gross Margin	*68.8%*	*69.7%*	*71.6%*	*69.8%*
Operating Expenses	(2,270)	(2,316)	(2,580)	(2,832)
EBIT	**1,982**	**2,452**	**2,677**	**2,771**
EBIT Margin	*32.1%*	*35.8%*	*36.5%*	*34.5%*
Depreciation	397	431	413	444
EBITDA	**2,379**	**2,883**	**3,090**	**3,214**
EBITDA Margin	*38.5%*	*42.1%*	*42.1%*	*40.0%*
Interest Expenses	(1,782)	(1,529)	(1,399)	(1,193)
EBT	**496**	**1,658**	**1,976**	**2,461**
Income Tax	(16)	(21)	(25)	(31)
Minority Interest	(205)	(300)	(357)	(445)
Net Profit	**276**	**1,338**	**1,594**	**1,985**
Growth	*-90.1%*	*385.1%*	*19.2%*	*24.5%*
Net Profit Margin	*4.5%*	*19.6%*	*21.7%*	*24.7%*

PROFITABILITY & STABILITY

	2020/12A	2021/12E	2022/12E	2023/12E
ROE	0.8%	3.8%	4.4%	5.2%
ROA	0.5%	2.2%	2.6%	3.1%
Inventory Turnover	0.2x	0.2x	0.2x	0.2x
Receivables Turnover	38.7x	48.0x	42.8x	35.2x
Payables Turnover	2.4x	3.0x	2.6x	2.6x
Dividend Yield	0.0%	0.0%	0.0%	0.0%
Payout Ratio	0.0%	0.0%	0.0%	0.0%
DER	0.5x	0.4x	0.4x	0.3x
Net Gearing	0.11x	0.07x	0.06x	0.04x
Equity Ratio	56.6%	61.3%	58.3%	61.1%
Debt Ratio	28.1%	21.6%	21.6%	17.7%
Financial Leverage	169.5%	169.8%	167.4%	167.4%
Current Ratio	237.0%	365.1%	258.4%	270.5%
Quick Ratio	147.6%	215.6%	151.4%	139.0%
Par Value (IDR)	100	100	100	100
Total Shares (mn)	19,247	19,247	19,247	19,247
Share Price (IDR)	1,225	1,435	1,435	1,435
Market Cap (IDR tn)	23.6	27.6	27.6	27.6

BALANCE SHEET

(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Cash	13,428	9,972	11,514	9,832
Receivables	139	146	197	259
Inventories	10,697	10,443	11,459	14,016
Total Current Assets	**28,364**	**25,500**	**27,689**	**28,836**
Net Fixed Assets	21,325	21,514	22,422	23,059
Other Non Current Assets	11,174	11,240	12,932	11,936
Total Non Current Assets	32,499	32,754	35,353	34,995
Total Assets	**60,863**	**58,254**	**63,043**	**63,831**
Payables	934	455	1,123	713
ST Debt	5,512	1,239	3,674	1,113
Total Current Liabilities	11,966	6,985	10,717	10,660
LT Debt	11,609	11,352	9,934	10,203
Total Liabilities	**26,392**	**22,556**	**26,264**	**24,811**
Capital Stock + APIC	8,336	8,336	8,336	8,336
Retained Earnings	21,026	22,338	23,932	25,918
Shareholders' Equity	**34,471**	**35,698**	**36,779**	**39,020**

VALUATION INDEX

	2020/12A	2021/12E	2022/12E	2023/12E
Price /Earnings	85.5x	20.6x	17.3x	13.9x
PE/EPS Growth	6.0x	0.3x	0.2x	0.1x
Price /Book Value	0.7x	0.8x	0.8x	0.7x
EV/EBITDA	11.5x	10.5x	9.6x	9.1x
EV (IDR bn)	27,270	30,237	29,713	29,102
Revenue CAGR (3-Yr)	-15.8%	1.1%	1.2%	9.1%
Net Profit CAGR (3-Yr)	-61.8%	1.1%	-17.0%	93.1%
Basic EPS (IDR)	14	70	83	103
BVPS (IDR)	1,791	1,855	1,911	2,027
DPS (IDR)	-	-	-	-

CASH FLOW STATEMENT

(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Operating Cash Flow	1,104	1,953	2,656	2,104
Investing Cash Flow	(1,785)	(520)	(1,618)	(1,750)
Financing Cash Flow	4,447	(4,946)	504	(2,036)
Net Changes in Cash	**3,766**	**(3,512)**	**1,542**	**(1,682)**

OWNERSHIP

Shareholders	**%**
PT Paraga Artamida	31.4
PT Ekacentra Usahamaju	25.6
PT Sereasi Niaga Sakti	2.8
Norges Bank	2.1
PT Simas Tunggal Centre	1.8
By Geography	**%**
Indonesia	47.9
United States	47.1
Norway	2.9
Others	2.2

Source: Company Data, 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%

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