

Ciputra Development Tbk (CTRA IJ)

Fokus Membangun Cluster Baru di Proyek Eksisting

Pada 3Q21, CTRA membukukan pendapatan dan laba yang naik signifikan 83,1% YoY dan 747,3% YoY. Sementara, sepanjang 9M21 *marketing sales* mencapai 85% dari target tahun ini. Kenaikan *marketing sales* terbesar didukung oleh penjualan rumah tapak di Surabaya, Medan dan Tangerang. Ke depannya, CTRA akan fokus membangun *cluster* baru pada proyek eksisting di CitraRaya Tangerang, Citra Sentul Raya, Citra Maja Raya, dan CitraLand Surabaya.

Catatan Kenaikan Laba Signifikan

- CTRA mencatatkan pendapatan 3Q21 sebesar Rp2,62 triliun (+83,1% YoY, +21,2% QoQ). Development income mendorong pendapatan dengan kenaikan 108% YoY. Di dalamnya, penjualan rumah tapak dan ruko tumbuh 108% YoY.
- Sementara itu, recurring income 3Q21 hanya naik tipis 7% YoY akibat penerapan PPKM Darurat pada 3Q21.
- CTRA membukukan laba 3Q21 senilai Rp531 miliar (+747,3% YoY, 121% QoQ) atau lebih tinggi dari estimasi kami.

Optimis Marketing Sales Mencapai Target

- Selama 9M21, CTRA mencatatkan marketing sales sebesar Rp5 miliar (+33% YoY), atau telah tercapai 85% dari target sebesar Rp5,8 triliun. Kenaikan marketing sales terbesar didukung oleh penjualan rumah tapak di Surabaya, Medan dan Tangerang.
- Penjualan rumah kisaran harga Rp1-2 miliar naik signifikan 60% YoY. Menandakan bahwa daya beli segmen menengah ke bawah masih agresif.
- Untuk itu, hingga akhir tahun 2021, kami optimis marketing sales akan mencapai target bahkan dapat naik 16,5% YoY.

Dampak Positif Kebijakan Pemerintah

- Kami lihat, kebijakan PPN ditanggung Pemerintah (PPN DTP) dimanfaatkan dengan baik oleh pihak pembeli. Terbukti pada penjualan CTRA, metode pembayaran dengan KPR dan Tunai yang naik 45% YoY dan 85% YoY.
- Pembeli cenderung mengejar waktu penyelesaian transaksi sebelum berganti tahun. Mengingat kebijakan tersebut dijadwalkan akan berakhir pada Desember 2021. Hal tersebut dapat menjadi tantangan tersendiri bagi penjualan CTRA tahun depan.

Kerjasama dengan PTPN II Kembangkan Lahan di Medan

- CTRA membangun kerjasama operasi dengan PT Perkebunan Nusantara II (PTPN II) untuk mengembangkan proyek rumah tapak di Medan.
- Proyek ini akan dibagi beberapa fase. Fase pertama bernama CitraLand KDM Helvetia, kemudian dilanjutkan dengan pengembangan fase selanjutnya.
- Ke depannya, CTRA akan fokus membangun cluster baru pada proyek eksisting di CitraRaya Tangerang, Citra Sentul Raya, Citra Maja Raya, dan CitraLand Surabaya.

Rekomendasi BUY dengan TP Rp1.400

- Kami mempertahankan *rating* BUY, dengan TP sebesar Rp1.400 menggunakan estimasi *discount to NAV* 77,4% (-2,4 SD 3 tahun terakhir). Saat ini CTRA di diperdagangkan pada *discount to NAV* 83%.
- Risiko perubahan TP kami adalah 1) perubahan kebijakan insentif pemerintah, 2) kenaikan tingkat suku bunga, 3) munculnya varian baru Covid-19 yang menyebabkan kembali melambatnya mobilitas.

Ciputra Development Tbk | Summary

	2020A	2021F	2022F	2023F
Revenue	8,071	9,879	10,042	10,582
Growth	6.1%	22.4%	1.6%	5.4%
Net Profit	1,321	1,851	1,922	2,140
Growth	14.1%	40.1%	3.9%	11.3%
EPS (IDR)	71	100	104	115
P/E	13.8x	14.0x	13.5x	12.1x
P/BV	1.0x	1.3x	1.2x	1.1x
EV/EBITDA	8.5x	8.3x	7.9x	7.1x
ROE	7.5%	10.0%	9.5%	9.8%
DER	57.4%	51.3%	56.0%	55.0%
Net Debt	4,748	3,297	3,202	3,169

Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Company Update | Dec 08, 2021

BUY

Target Price (IDR)	1,400
Consensus Price (IDR)	1,382
TP to Consensus Price	+1.3%
Potential Upside	+30.8%

Shares data

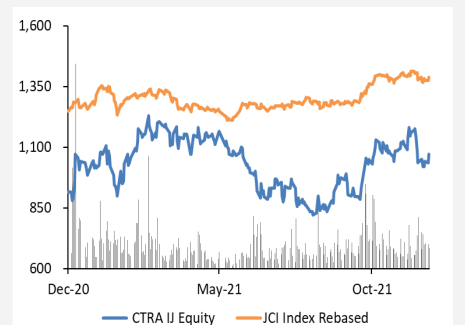
Last Price (IDR)	1,070
Price Date as of	Dec 07, 2021
52 wk Range (Hi/Low)	1,350/815
Free Float (%)	46.7
Outstanding sh. (mn)	18,560
Market Cap. (IDR bn)	19,860
Market Cap. (USD mn)	1,384
Avg. Trd Vol - 3M (mn)	38.47
Avg. Trd Val - 3M (bn)	40.11
Foreign Ownership	17.0%

Property

Real Estate Owner & Developer

Bloomberg	CTRA IJ
Reuters	CTRA.IK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	3.4%	-2.3%	8.6%	16.3%
Rel. Ret.	-4.8%	-1.8%	8.9%	5.0%

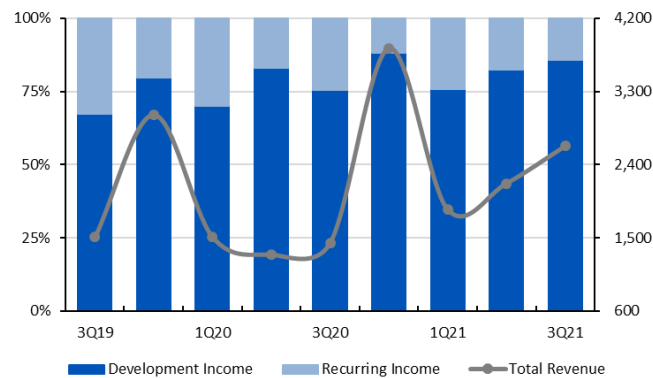
Ajeng Kartika Hapsari

(021) 5088 9130

ajeng@nhsec.co.id

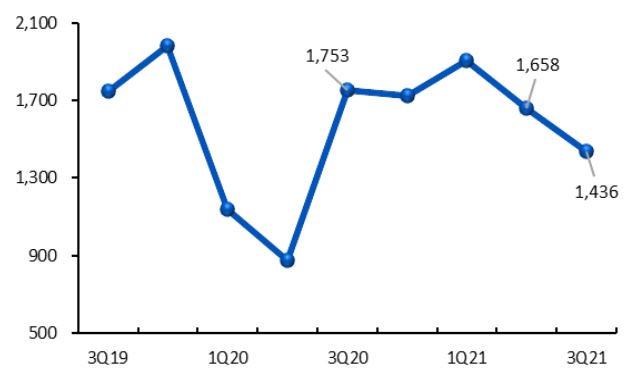
Performance Highlights in Charts

CTRA Quarterly Income (IDR bn) | 3Q19 - 3Q21



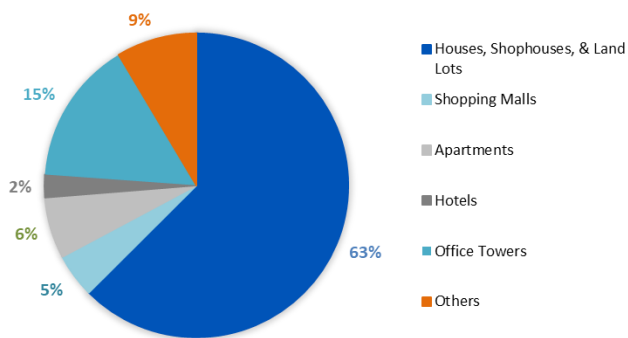
Source: Company Data, NHKSI Research

CTRA Quarterly Marketing Sales | 3Q19 - 3Q21



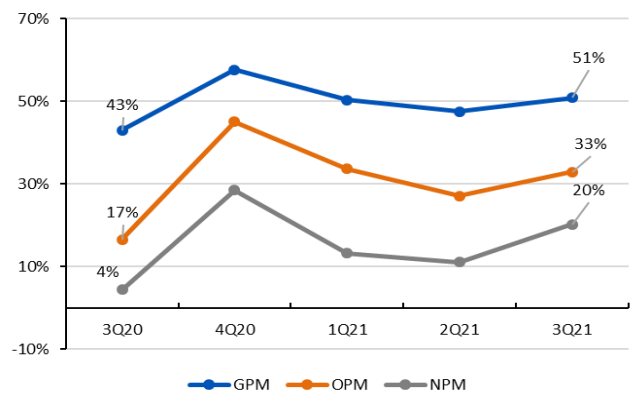
Source: Company Data, NHKSI Research

9M21's Revenue Breakdown



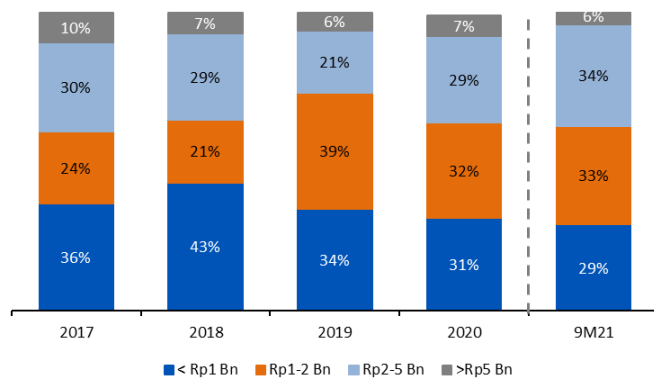
Source: Company Data, NHKSI Research

Margin Ratio



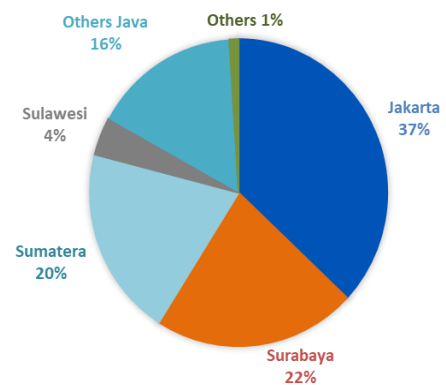
Source: Company Data, NHKSI Research

Pre Sales per Unit Price



Source: Company Data, NHKSI Research

Pre Sales per Location



Source: Company Data, NHKSI Research

Company Overview



Pada 22 Oktober 1981 didirikan perusahaan dengan nama PT Citra Habitat Indonesia yang berubah nama menjadi PT Ciputra Development (CTRA) pada tahun 1990. CTRA kemudian tercatat di Bursa Efek Indonesia (BEI) pada tahun 1994. Perusahaan memiliki 3 (tiga) anak perusahaan yang bergerak dibidang properti residensial dan 6 (enam) anak perusahaan dibidang properti komersial.

CTRA bergerak dalam bisnis pengembangan properti untuk dijual, pengembangan dan manajemen properti komersial. CTRA telah menggarap lebih dari 75 proyek di 33 kota di Indonesia. Proyek terbesar CTRA yang ada di Jakarta dan sekitarnya diantaranya Citra Garden City, Ciputra International, Mall & Hotel Ciputra, Citra Tower Kemayoran, Ciputra World Jakarta, CitraRaya Tangerang, dan Citra Maja Raya.

Analysis of Asia-Pacific Peers

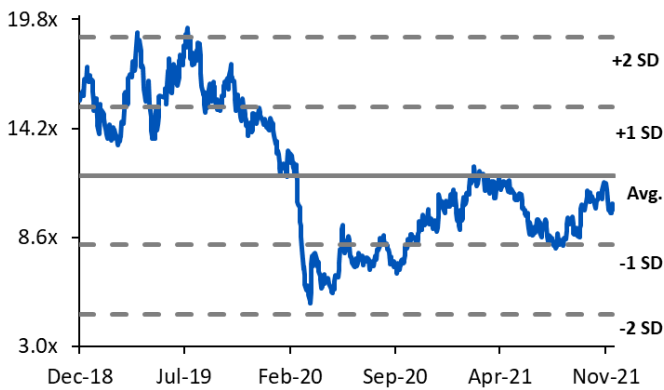
	Market Cap (USD mn)	Asset (USD mn)	Sales Growth	Gross Margin	Operating Margin	Net Profit Growth	ROE (LTM)	P/E (LTM)	P/BV
Indonesia									
PT Bumi Serpong Damai Tbk	1,564	4,371	-12.76%	68.8%	32.1%	107.7%	3.5%	21.2x	0.7x
PT Ciputra Development Tbk	1,384	2,819	6.08%	51%	29.9%	116.0%	13.6%	9.4x	1.2x
PT Pakuwon Jati Tbk	1,631	1,900	-44.78%	49%	31.7%	-10.2%	7.1%	22.3x	1.5x
PT Summarecon Agung Tbk	1,009	1,790	-15.34%	46%	21.5%	92.7%	4.6%	36.5x	1.7x
Singapore									
Capitaland Ltd	-	63,854	4.78%	45%	1%	-	-3.2%	-	-
Malaysia									
SP Setia Bhd	1,195	7,556	-17.84%	20%	10%	-	0.7%	59.3x	0.4x
IOI Properties Group Bhd	1,409	8,057	17.59%	48%	28%	26.2%	3.5%	8.8x	0.3x
Thailand									
Land & Houses PUB Co Ltd	3,034	4,086	-0.3%	30.1%	21.8%	-18.5%	15.2%	13.8x	2.1x
WHA Corp PCL	1,536	2,754	-33.92%	44%	38%	-11.5%	7.0%	25.6x	1.9x
Philippines									
Megaworld Corp	1,959	7,825	-36.62%	62%	32%	-15.3%	5.9%	9.3x	0.6x

Unit: USD mn, %, X

Source: Bloomberg, NHKSI Research

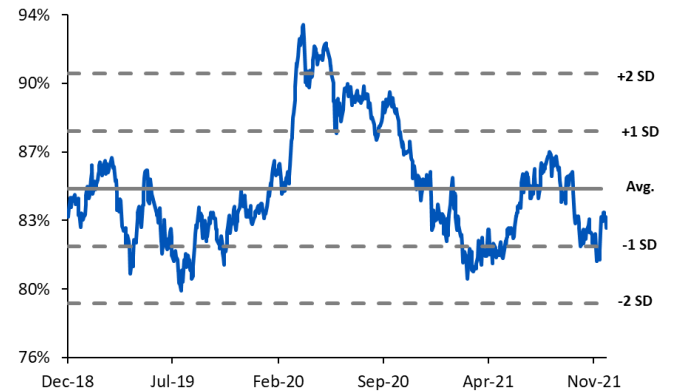
Valuation Highlights in Charts

3-Year Forward P/E Band



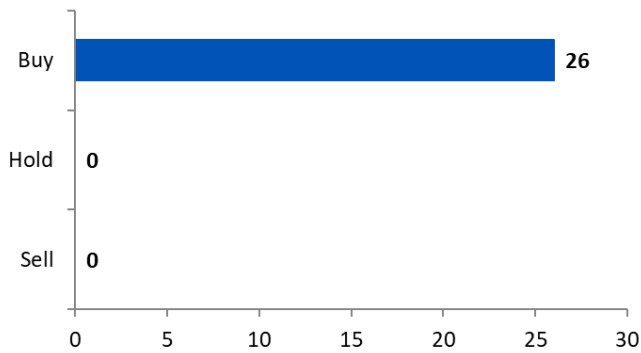
Source: Bloomberg, NHKSI Research

3-Year Discount to NAV Band



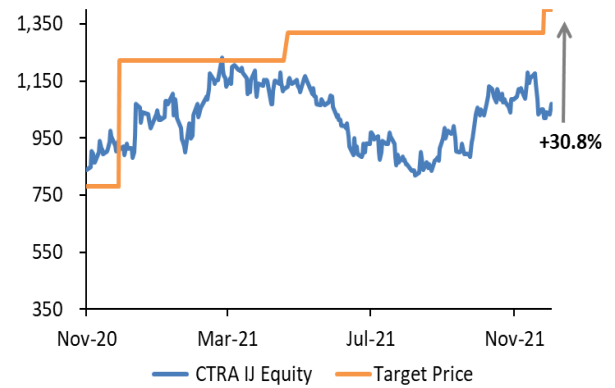
Source: Bloomberg, NHKSI Research

Recommendations by Analysts



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
03/06/2020	Buy	810	665	871	21.8%	-7.0%
24/09/2020	Buy	780	645	881	20.9%	-11.5%
11/12/2020	Buy	1,220	900	1,032	35.6%	18.2%
29/04/2021	Overweight	1,320	1,160	1,313	13.8%	0.5%
09/07/2021	Buy	1,320	970	1,343	36.1%	-1.7%
14/09/2021	Buy	1,320	965	1,322	36.8%	-0.2%
08/12/2021	Buy	1,400	1,070	1,385	30.8%	1.1%

Source: NHKSI Research, Bloomberg

Summary of Financials

INCOME STATEMENT

In IDR bn	2020/12A	2021/12E	2022/12E	2023/12E
Revenues	8,071	9,879	10,042	10,582
Growth (% y/y)	6.1%	22.4%	1.6%	5.4%
COGS	(3,949)	(4,846)	(4,533)	(4,685)
Gross Profit	4,121	5,034	5,510	5,898
Gross Margin	51.1%	50.9%	54.9%	55.7%
Operating Expenses	(1,705)	(1,799)	(2,085)	(2,081)
EBIT	2,417	3,234	3,425	3,816
EBIT Margin	29.9%	32.7%	34.1%	36.1%
Depreciation	299	286	285	301
EBITDA	2,716	3,520	3,710	4,118
EBITDA Margin	33.6%	35.6%	36.9%	38.9%
Interest Expenses	(1,235)	(313)	(825)	(669)
EBT	1,428	2,205	2,390	2,653
Income Tax	(57)	(47)	(273)	(296)
Minority Interest	(50)	(306)	(194)	(217)
Net Profit	1,321	1,851	1,922	2,140
Growth (% y/y)	14.1%	40.1%	3.9%	11.3%
Net Profit Margin	16.4%	18.7%	19.1%	20.2%

PROFITABILITY & STABILITY

	2020/12A	2021/12E	2022/12E	2023/12E
ROE	7.5%	10.0%	9.5%	9.8%
ROA	3.5%	4.5%	4.4%	4.6%
Inventory Turnover	0.3x	0.4x	0.3x	0.3x
Receivables Turnover	7.6x	10.6x	10.6x	8.9x
Payables Turnover	2.1x	2.6x	3.5x	3.8x
Dividend Yield (%)	0.8%	0.6%	1.0%	0.9%
Payout Ratio (%)	11.2%	8.5%	13.7%	11.1%
DER	57%	51%	56%	55%
Net Gearing	122%	121%	143%	153%
Equity Ratio	44%	45%	48%	47%
Debt Ratio	26%	23%	27%	26%
Financial Leverage	161%	223%	216%	211%
Current Ratio	1.78	2.05	2.54	2.38
Quick Ratio	39%	41%	50%	51%
Par Value (IDR)	250	250	250	250
Total Shares (mn)	18,560	18,560	18,560	18,560
Share Price (IDR)	985	1,400	1,400	1,400
Market Cap (IDR tn)	18.3	26.0	26.0	26.0

BALANCE SHEET

In IDR bn	2020/12A	2021/12E	2022/12E	2023/12E
Cash	5,276	6,650	8,518	9,420
Receivables	937	931	968	1,416
Inventories	12,240	14,408	12,686	15,060
Total Current Assets	20,646	24,131	24,334	28,078
Net Fixed Assets	15,681	16,090	17,116	18,147
Other Non Current Assets	2,929	2,741	2,554	2,367
Total Non Current Assets	18,610	18,832	19,670	20,514
Total Assets	39,255	42,963	44,004	48,593
Payables	1,985	1,739	844	1,632
ST Debt	3,152	1,370	1,615	1,734
Total Current Liabilities	11,609	11,752	9,570	11,805
LT Debt	6,872	8,577	10,106	10,855
Total Liabilities	21,798	23,574	23,076	25,703
Capital Stock + APIC	8,210	8,210	8,210	8,210
Retained Earnings	7,135	8,829	10,488	12,390
Shareholders' Equity	17,458	19,388	20,929	22,890

CASH FLOW STATEMENT

In IDR bn	2020/12A	2021/12E	2022/12E	2023/12E
Operating Cash Flow	1,214	2,514	1,445	1,715
Investing Cash Flow	(838)	(839)	(969)	(1,504)
Financing Cash Flow	658	(303)	1,391	691
Net Changes in Cash	1,034	1,372	1,867	903

VALUATION INDEX

	2020/12A	2021/12E	2022/12E	2023/12E
Price /Earnings	13.8x	14.0x	13.5x	12.1x
PE/EPS Growth	1.0x	0.3x	3.5x	1.1x
Price /Book Value	1.0x	1.3x	1.2x	1.1x
EV/EBITDA	8.5x	8.3x	7.9x	7.1x
EV (IDR bn)	23,030	29,281	29,187	29,154
Revenue CAGR (3-Yr)	7.8%	8.8%	9.7%	9.5%
Net Income CAGR (3-Yr)	13.9%	16.0%	18.4%	17.4%
Basic EPS (IDR)	71	100	104	115
BVPS (IDR)	941	1,045	1,128	1,233
DPS (IDR)	7.99	8.49	14.18	12.81

OWNERSHIP

Shareholders	%
PT Sang Pelopor	53.2
Vanguard Group Inc	2.9
Norgers Bank	2.5
Schroder Investment Management	1.7
Others	39.6
By Geography	%
Indonesia	83.0
United States	8.5
Norway	3.8
Luxembourg	2.9

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%

DISCLAIMER

This document is strictly confidential and is being supplied to you solely for your information. The recipients of this report must make their own independent decisions regarding any securities or financial instruments mentioned herein. This document may not be quoted, reproduced, exhibited, redistributed, transmitted, edited, translated, or published, in whole or in part, for any purpose without notice. Any failure to comply with this restriction may constitute a violation of civil or criminal laws.

This report and any electronic access hereto are restricted and intended only for the clients and related entities 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 be suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from 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 are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein. All rights reserved by PT NH Korindo Sekuritas Indonesia.