Wijaya Karya Tbk (WIKA)

Kontrak Baru Menopang Kinerja Perseroan

WIKA membukukan penjualan senilai IDR 17,8 triliun di tahun 2021, atau tumbuh 7,7% YoY. Adapun, kontributor penjualan terbesar adalah segmen Infrastruktur dan Bangunan. Kemudian, diikuti Energi dan Pabrik Industri, Industri, Realti dan Properti, serta Investasi. Pertumbuhan penjualan WIKA, didukung oleh aktivitas operasi yang pulih secara bertahap, mengindikasikan pemulihan positif bagi Perseroan.

Penyelesaian Sejumlah Proyek

- WIKA mampu menyelesaikan sejumlah proyek seperti bendungan, jalan tol, maupun Engineering, Procurement, Construction & Commissioning (EPCC).
- Peningkatan penjualan, dan penyelesaian sejumlah proyek pada tahun 2021, memungkinkan Perseroan untuk melanjutkan kinerja positifnya tahun 2022. Kami juga mengharapkan operasional WIKA pulih ke tingkat sebelum pandemi.

Reprofile Pinjaman Jangka Pendek

- WIKA mencatatkan laba bersih senilai IDR 214,42 miliar, dengan penurunan beban bunga sebesar 5,26% YoY menjadi IDR 1,16 triliun.
- Penurunan beban bunga ini seiring keputusan WIKA melakukan reprofile bunga tinggi, maupun pinjaman jangka pendek.
- Perseroan menggantikannya dengan penerbitan obligasi dan Sukuk Mudharabah yang memiliki tenor lebih panjang dan kupon lebih rendah.

Peluang Ibu Kota Baru dan G20

- Kami memproyeksikan pemulihan bertahap ekonomi domestik di tahun 2022, dengan peran penting sektor kontruksi.
- Hingga akhir Februari 2022, WIKA telah mendapatkan kontrak baru senilai IDR 6,1 triliun atau memiliki porsi hingga 14% dari target di tahun 2022.
- Adapun kontrak baru tersebut antara lain: Jalan Akses Pelabuhan Baru Makassar, Jalan Tol Pondok Aren Serpong, Jalan Tol Semarang-Demak Seksi 1B, serta pekerjaan rekonstruksi dan rehabilitasi di Pelabuhan Donggala.
- Selain itu, WIKA juga akan berpartisipasi dalam pembangunan infrastruktur Ibu Kota Baru, dan infrastruktur pendukung acara KTT G20.

Mempertahankan *rating BUY* dengan TP IDR 1.280

- Kami mempertahankan rekomendasi BUY dengan TP Rp1.280 berdasarkan metode forward P/E 13,8x. TP kami memiliki *potential return* 41,7% dari harga terakhir.
- Risiko perubahan TP kami yaitu: 1) Pencapaian kontrak baru di bawah target, 2) Posisi tingkat hutang yang melemah, 3) Hasil divestasi asset WIKA.

Wijaya Karya Tbk | Summary

	2021A	2022F	2023F	2024F
Revenue	17,810	21,575	26,638	30,504
Growth	*7.7%*	*21.1%*	*23.5%*	*14.5%*
Net Profit	118	834	1,095	1,218
Growth	*-36.7%*	*608.5%*	*31.3%*	*11.3%*
EPS (IDR)	13	93	122	136
P/E	84.2x	13.8x	13.8x	10.5x
P/BV	0.6x	0.6x	0.7x	0.6x
EV/EBITDA	-302.0x	20.7x	13.5x	9.5x
ROE	*0.7%*	*4.7%*	*5.7%*	*5.7%*
DER	163%	171%	170%	182%
Dividen Yield	*2.2%*	*2.2%*	*2.2%*	*2.2%*

Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH KORINDO SEKURITAS INDONESIA

Company Update | Apr. 5, 2022

BUY

Target Price (IDR)	**1,410**
Consensus Price (IDR)	1,347
TP to Consensus Price	+4.7%
Potential Upside	+41.7%

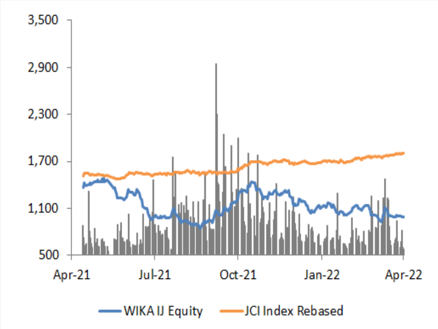
Shares data

Last Price (IDR)	995
Price Date as of	Apr. 5, 2022
52 wk Range (Hi/Lo)	1,545/850
Free Float (%)	34.9
Outstanding sh. (mn)	8,970
Market Cap. (IDR bn)	8,925
Market Cap. (USD mn)	621
Avg. Trd Vol - 3M (mn)	24.28
Avg. Trd Val - 3M (bn)	25.53
Foreign Ownership	6.1%

Infrastructure
Construction

Bloomberg	**WIKA IJ**
Reuters	**WIKA.JK**

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-10.0%	-1.5%	-12.7%	-35.2%
Rel. Ret.	-17.5%	-3.8%	-18.9%	-52.9%

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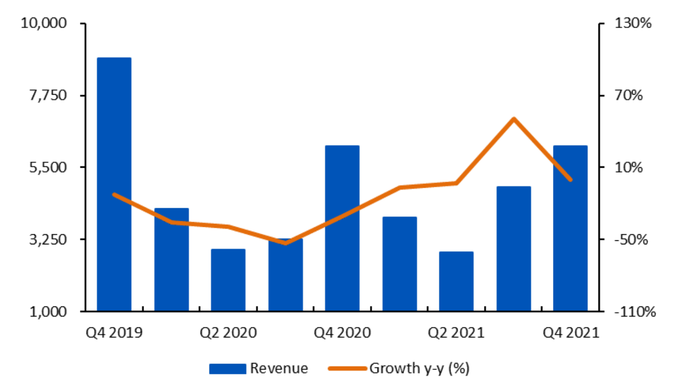
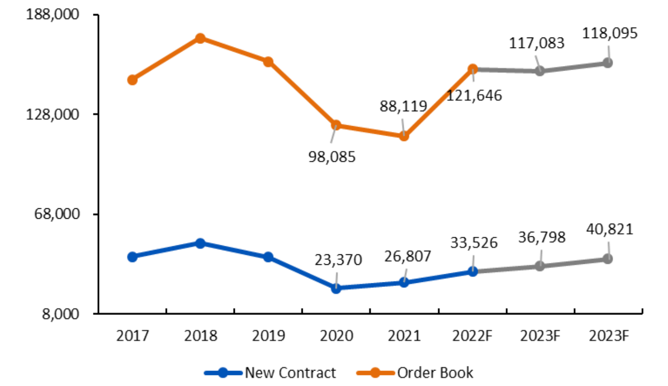
Performance Highlights in Charts

Quarterly Revenue (IDR bn) | 4Q19 - 4Q21



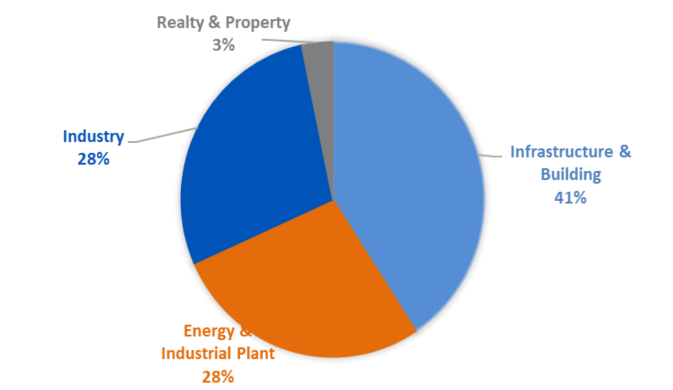
Source: Company Data, NHKSI Research

Order Book & New Contract



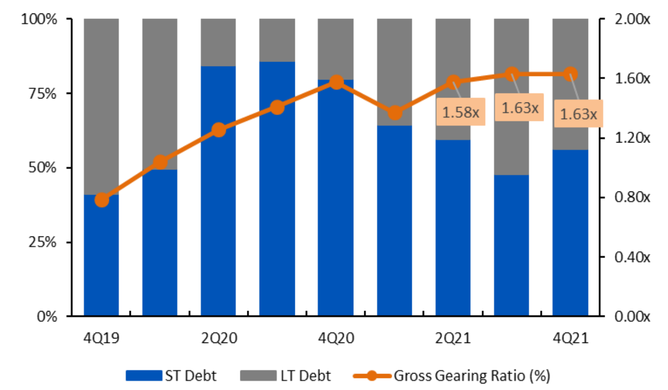
Source: Company Data, NHKSI Research

4Q21's Revenue Breakdown



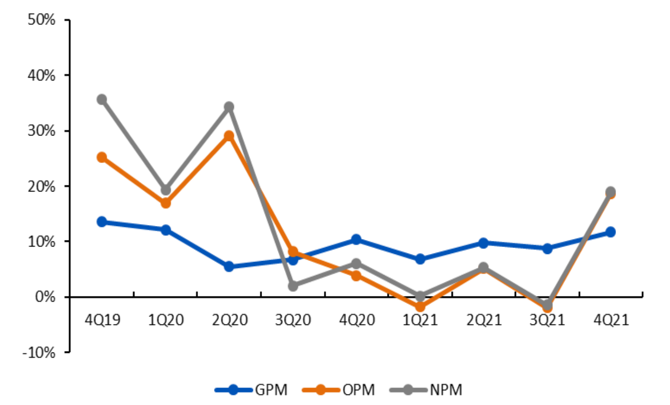
Source: Company Data, NHKSI Research

Debt Portion



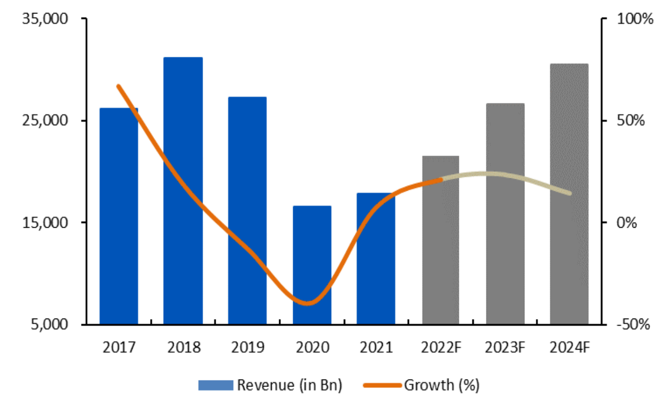
Source: Company Data, NHKSI Research

Margin Ratios



Source: Company Data, NHKSI Research

Yearly Revenue (IDR bn) | FY19 - FY21



Source: Company Data, NHKSI Research

Summary of Financials

INCOME STATEMENT

In IDR bn	2021/12A	2022/12F	2023/12F	2024/12F
Revenue	**17,810**	**21,575**	**26,638**	**30,504**
Growth (% y/y)	7.7%	21.1%	23.5%	14.5%
Cost of Revenue	(16,115)	(19,426)	(23,676)	(26,828)
Gross Profit	**1,695**	**2,149**	**2,962**	**3,676**
Gross Margin	9.5%	10.0%	11.1%	12.1%
Operating Expenses	(2,252)	(1,250)	(1,170)	(915)
EBIT	**(557)**	**899**	**1,792**	**2,761**
EBIT Margin	-3.1%	4.2%	6.7%	9.1%
Depreciation	437	818	1,477	1,700
EBITDA	**(121)**	**1,717**	**3,268**	**4,461**
EBITDA Margin	-0.7%	8.0%	12.3%	14.6%
Interest Expenses	-	(1,081)	(1,274)	(2,502)
EBT	**197**	**1,070**	**1,583**	**1,709**
Income Tax	18	152	(174)	(197)
Minority Interest	(97)	(388)	(314)	(293)
Net Profit	**118**	**834**	**1,095**	**1,218**
Growth (% y/y)	-36.7%	608.5%	31.3%	11.3%
Net Profit Margin	0.7%	3.9%	4.1%	4.0%

PROFITABILITY & STABILITY

	2021/12A	2022/12F	2023/12F	2024/12F
ROE	0.7%	4.7%	5.7%	5.7%
ROA	0.2%	1.1%	1.3%	1.3%
Inventory Turnover	1.6x	1.6x	1.9x	2.0x
Receivables Turnover	8.0x	6.5x	5.5x	5.4x
Payables Turnover	1.2x	1.3x	2.0x	2.0x
Dividend Yield (%)	0.0%	0.0%	1.3%	2.1%
Payout Ratio (%)	0%	0%	24%	24%
DER	163%	171%	170%	182%
Net Gearing	127%	110%	118%	104%
Equity Ratio	25%	21%	24%	21%
Debt Ratio	41%	35%	41%	39%
Financial Leverage	359%	448%	406%	478%
Current Ratio	101%	103%	135%	121%
Quick Ratio	71%	77%	103%	91%
Par Value (IDR)	100	100	100	100
Total Shares (mn)	8,970	8,970	8,970	8,970
Share Price (IDR)	1,105	1,280	1,681	1,424
Market Cap (IDR tn)	9.9	11.5	15.1	12.8

BALANCE SHEET

In IDR bn	2021/12A	2022/12F	2023/12F	2024/12F
Cash	6,311	11,074	10,407	17,343
Receivables	2,267	4,472	5,162	6,037
Inventories	10,934	13,867	10,782	15,678
Total Current Assets	**37,187**	**54,170**	**45,483**	**62,945**
Net Fixed Assets	18,088	18,843	21,095	23,665
Other Non Current Assets	14,111	14,700	16,457	18,462
Total Non Current Assets	**32,199**	**33,542**	**37,552**	**42,127**
Total Assets	**69,386**	**87,712**	**83,035**	**105,073**
Payables	12,824	15,003	8,998	17,463
ST Debt	15,999	17,422	11,334	16,615
Total Current Liabilities	**36,970**	**52,577**	**33,614**	**52,143**
LT Debt	12,436	13,543	22,918	23,877
Total Liabilities	**51,951**	**69,604**	**62,887**	**82,824**
Capital Stock + APIC	7,452	7,452	7,452	7,452
Retained Earnings	4,457	5,228	6,122	7,078
Shareholders' Equity	**17,435**	**18,108**	**20,148**	**22,249**
	-	-	-	-

VALUATION INDEX

	2021/12A	2022/12F	2023/12F	2024/12F
Price /Earnings	84.2x	13.8x	13.8x	10.5x
PE/EPS Growth	-2.3x	0.0x	0.4x	0.9x
Price /Book Value	0.6x	0.6x	0.7x	0.6x
EV/EBITDA	-302.0x	20.7x	13.5x	9.5x
EV (IDR bn)	36,425	35,497	44,194	42,338
Revenue CAGR (3-Yr)	-12.0%	-11.5%	-0.7%	22.6%
Net Profit CAGR (3-Yr)	-53.9%	-21.6%	-21.8%	87.2%
Basic EPS (IDR)	13	93	122	136
BVPS (IDR)	1,944	2,019	2,246	2,480
DPS (IDR)	-	-	22.30	29.29

CASH FLOW STATEMENT

In IDR bn	2021/12A	2022/12F	2023/12F	2024/12F
Operating Cash Flow	(5,453)	4,633	(2,284)	5,640
Investing Cash Flow	(3,818)	(2,239)	(2,615)	(5,828)
Financing Cash Flow	1,296	2,432	4,232	7,123
Net Changes in Cash	**(7,975)**	**4,826**	**(667)**	**6,936**

OWNERSHIP

Shareholders	%
Republic of Indonesia	65.1
Norges Bank	1.8
Vanguard Group	1.2
Blackrock	0.9
Others	31.1

By Geography	%
Indonesia	92.9
United States	3.8
Norway	2.6
Others	7.1

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