

Wijaya Karya Tbk (WIKA)

Program Infrastruktur Strategis Dorong Kontrak Baru

Hingga 7M22, WIKA mencatatkan pertumbuhan kontrak baru 22,6% YoY menjadi senilai IDR14,7 triliun. Segmen Infrastruktur dan Gedung memiliki kontribusi terbesar, hingga 58,4%; diikuti oleh Industri, Energi & Industrial Plant, serta Reali & Properti, masing-masing sebesar 22,7%; 15,2% dan 3,3%. Adapun, pertumbuhan Kontrak Baru didukung oleh program pengembangan infrastruktur strategis, dan berpotensi meningkat seiring berjalannya lelang proyek IKN.

Mencatatkan Pendapatan Bersih Investasi

- Laba Kotor WIKA senilai IDR627,2 miliar (+14,7% YoY) didukung oleh Pendapatan Bersih senilai IDR7,2 triliun (+6,2% YoY), didukung oleh segmen Infrastruktur dan Gedung yang tumbuh 1,9% YoY. Kemudian, diikuti oleh Industri serta Realty & Properti, masing-masing bertumbuh 9,7% YoY dan 167,6% YoY.
- Adapun, pertumbuhan signifikan Pendapatan Bersih Realty & Properti, seiring dijalkannya proses holding hotel BUMN oleh anak usaha WIKA, yaitu WIKA Realty. Lebih lanjut, pada periode 1H22 WIKA mencatatkan Pendapatan Bersih Investasi senilai IDR39,3 miliar, di mana periode sama tahun sebelumnya tidak mencatatkan pendapatan untuk segmen ini.

Efisiensi Sejumlah Segmen Beban Usaha

- WIKA berhasil menekan turun Beban dari Pendanaan menjadi IDR1,3 miliar (-50,7% YoY) dan Beban Umum & Administrasi IDR348,7 miliar (-6,4% YoY), serta mencatatkan Pendapatan Lain-lain IDR666,1 miliar (+62,1% YoY). Namun, pada periode 1H22 WIKA mencatatkan Beban Lain-lain senilai IDR391 miliar, seiring adanya Pencadangan Kerugian periode ini.
- Hal ini membuat Laba Usaha tertekan 5,2% YoY menjadi senilai IDR552,2 miliar. Lebih lanjut, WIKA mencatatkan Laba Bersih senilai IDR12,4 miliar pada 1H22, dibandingkan periode sama tahun sebelumnya yang mencatatkan IDR136,1 miliar.
- Adapun, penurunan Beban dari Pendanaan seiring keputusan WIKA melakukan Reprofitting utang bunga tinggi maupun utang jangka pendek, guna memitigasi risiko seiring tren kenaikan BI 7DRRR. WIKA juga melakukan refinancing sejumlah utang menjadi obligasi maupun sukuk. Di sisi lain, WIKA memiliki tantangan biaya yang meningkat untuk proyek kereta cepat.

Mempertahankan Rekomendasi Buy dengan Target Price IDR1.280

- NHKS Research mempertahankan rekomendasi Buy dengan Target Price IDR1.280 untuk periode 12 bulan ke depan berdasarkan metode forward P/E 13,8x. TP kami memiliki potential upside hingga 23,1% dari harga terakhir.
- Di sisi lain, kami tetap mencermati risiko pencapaian kontrak baru di bawah target, seiring potensi kenaikan biaya konstruksi dan bahan bangunan, serta suku bunga kredit. Kami juga tetap mencermati hambatan pembebasan lahan dan relokasi proyek kereta cepat yang membuat estimasi biaya menjadi meningkat.

Wijaya Karya Tbk | Summary

	2021A	2022F	2023F	2024F	
Revenue	17,810	21,575	26,638	30,504	
	<i>Growth</i>	7.7%	21.1%	23.5%	14.5%
Net Profit	118	834	1,095	1,218	
	<i>Growth</i>	-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, NHKS Research

Please consider the rating criteria & important disclaimer

BUY

Target Price (IDR)	1,280
Consensus Price (IDR)	1,153
TP to Consensus Price	+11.0%
Potential Upside	+23.1%

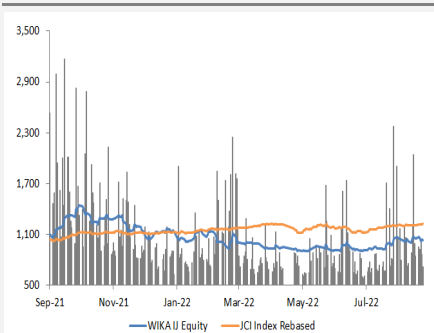
Shares data

Last Price (IDR)	1,040
Price Date as of	Sept. 12, 2022
52 wk Range (Hi/Lo)	1,470 / 885
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	6.9%

Infrastructure Construction

Bloomberg	WIKAIJ
Reuters	WIKAJK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-6.3%	4.5%	7.3%	1.0%
Rel. Ret.	-16.4%	2.6%	6.4%	-18.4%

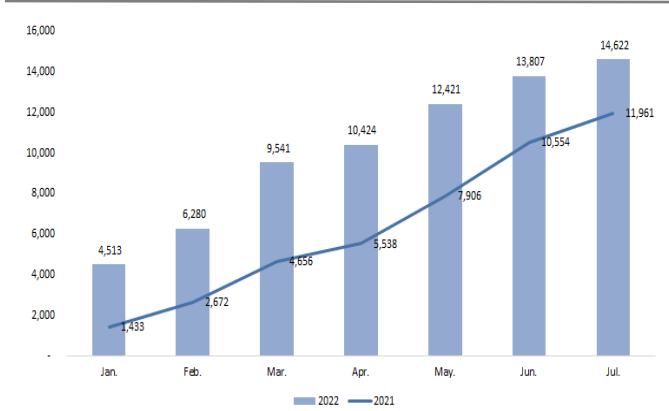
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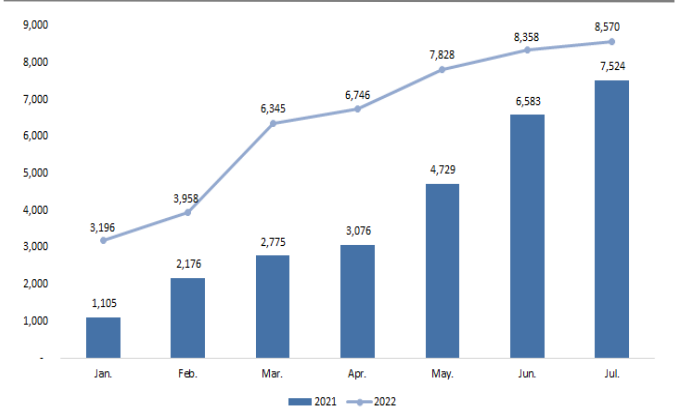
Performance Highlights in Charts

New Contract (IDR Bn)



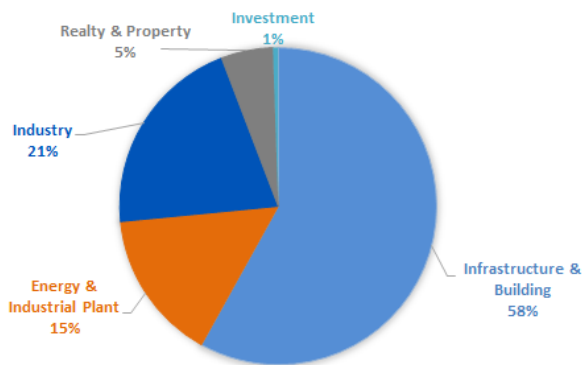
Source: Company Data, NHKSI Research

Infra. & Building New Contract (IDR Bn)



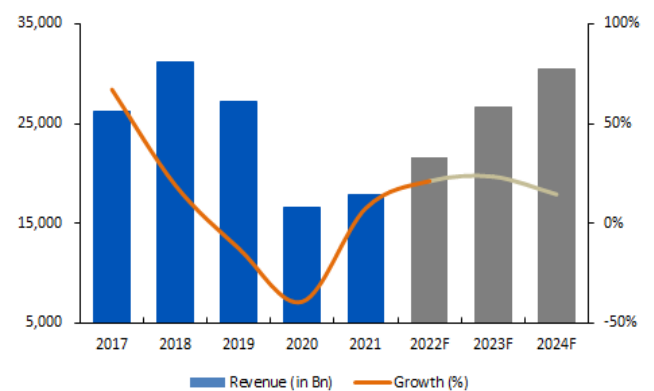
Source: Company Data, NHKSI Research

1H22's Revenue Breakdown



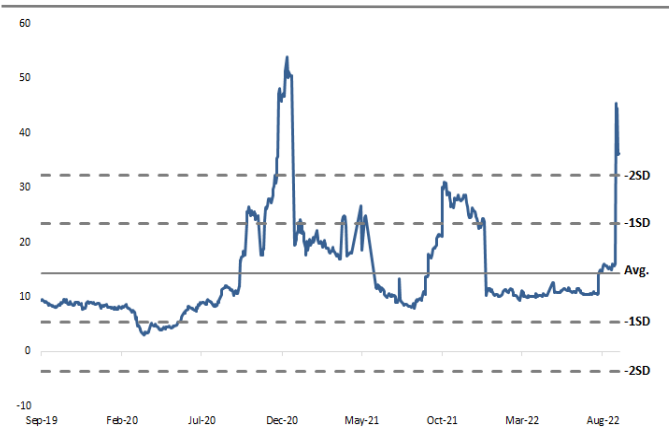
Source: Company Data, NHKSI Research

Yearly Revenue (IDR Bn) | FY17-FY21



Source: Company Data, NHKSI Research

P/E Ratio | Last 3-Years



Source: Company Data, NHKSI Research

EV/EBITDA Ratio | Last 3-Years



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

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

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

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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