

# Pembangunan Perumahan Tbk (PTPP)

## Kinerja FY20 di Bawah Estimasi

Kinerja PTPP pada FY20 mengalami penurunan. Pendapatan dan laba turun 36% YoY dan 86% YoY. Di sisi lain, PTPP berhasil meraih kontrak baru sebesar Rp22,26 triliun atau tercapai 87% dari target. Tahun ini, PTPP akan fokus mencari kontrak baru dari segmen infrastruktur yang diproyeksikan naik 107,25% YoY. Kami memproyeksi perolehan kontrak baru tahun ini naik 26,7% YoY.

### Kinerja FY20 Menurun

- PTPP membukukan pendapatan FY20 sebesar Rp15,8 triliun atau turun 36% YoY (vs Rp24,6 triliun FY19). Pendapatan dari segmen konstruksi, EPC, dan Property & Realty sebagai 3 kontributor terbesar masing-masing turun 34%, 68%, dan 18% YoY.
- Tahun ini PTPP akan fokus dengan menerapkan strategi; pemasaran pada proyek dengan pendanaan yang jelas, memperluas segmentasi pasar, dan memaksimalkan pengerjaan proyek yang diperoleh pada tahun lalu. Maka dari itu kami proyeksikan pendapatan dari ketiga segmen di atas akan tumbuh dalam rentang 15%-28% YoY pada tahun ini.
- Laba PTPP 4Q20 turun 73,5% YoY menjadi Rp102 miliar. Sementara laba FY20 juga turun 86% YoY menjadi Rp129 miliar, atau 48,4% di bawah estimasi kami.

### Perolehan GPM pada 4Q20 Melonjak

- PTPP mencatatkan rekor GPM tertinggi pada 4Q20 sebesar 17,9% atau lebih tinggi dari 3Q20 (13,1%) dan 4Q19 (15,6%).
- GPM segmen konstruksi naik menjadi 15% (vs 12% 3Q20), sementara segmen EPC stabil pada angka 24%. Di sisi lain GPM segmen property & realty turun menjadi 33% (vs 48% 3Q20).

### Tahun 2021, Fokus Tingkatkan Kontrak Baru dari Infrastruktur

- Sepanjang FY20, PTPP menggenggam kontrak baru sebesar Rp22,26 triliun, mencapai 87% dari target.
- Kontrak baru FY20 didominasi oleh proyek bangunan, infrastruktur, dan industry dengan porsi masing-masingnya 33%, 30% dan 22% dari total capaian kontrak baru.
- Di tahun ini, PTPP akan fokus mencari kontrak baru dari proyek infrastruktur yang ditargetkan naik 107,25% YoY.
- Kami melihat dari maraknya proyek yang tertunda pada tahun 2020, PTPP akan mampu mendongkrak perolehan kontrak baru, termasuk dari proyek infrastruktur tahun ini. Kami estimasi raihan kontrak baru di 2021 sebesar Rp28,21 triliun (+26,7% YoY).

### Rating Buy dengan TP Rp1,870

- Pemerintah baru saja mengeluarkan kebijakan relaksasi Pph Final Jasa Konstruksi yang turun dari 3% menjadi 2,65%. Kami menilai kebijakan tersebut akan cukup berdampak terhadap kenaikan margin profit dan perbaikan *cashflow*.
- Kami merevisi turun estimasi laba FY21 PTPP menjadi Rp497 miliar (-22,6% dari estimasi sebelumnya). Melihat bahwa PTPP baru akan melakukan divestasi atas 5 aset besarnya pada tahun 2022. Namun estimasi laba FY21 akan naik signifikan 286% YoY.
- Kami merekomendasikan BUY dengan TP yang lebih rendah di Rp1,870 berdasarkan forward P/E 23,3x (+0,1 SD rata-rata 3 tahun terakhir). TP kami mencerminkan potensi kenaikan 36% dari harga terakhir.

### Pembangunan Perumahan (PP) Tbk | Summary

|                | 2019A  | 2020A  | 2021F  | 2022F  |
|----------------|--------|--------|--------|--------|
| Revenue        | 24,660 | 15,831 | 20,127 | 23,171 |
| Growth         | -1.8%  | -35.8% | 27.1%  | 15.1%  |
| Net Profit     | 930    | 129    | 497    | 778    |
| Growth         | -38.1% | -86.2% | 286.4% | 56.4%  |
| EPS (IDR)      | 150    | 21     | 80     | 125    |
| P/E            | 10.6x  | 89.8x  | 23.3x  | 14.9x  |
| P/BV           | 10.6x  | 0.8x   | 0.8x   | 0.7x   |
| EV/EBITDA      | 8.2x   | 17.0x  | 14.5x  | 13.0x  |
| ROE            | 5.8%   | 0.9%   | 3.5%   | 5.1%   |
| DER            | 105%   | 132%   | 138%   | 145%   |
| Dividend Yield | 3.1%   | 1.8%   | 0.2%   | 1.0%   |

Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Company Update | April 05, 2021

## BUY

|                       |        |
|-----------------------|--------|
| Target Price (IDR)    | 1,870  |
| Consensus Price (IDR) | 2,077  |
| TP to Consensus Price | -10.0% |
| vs. Last Price        | +36.0% |

### Shares data

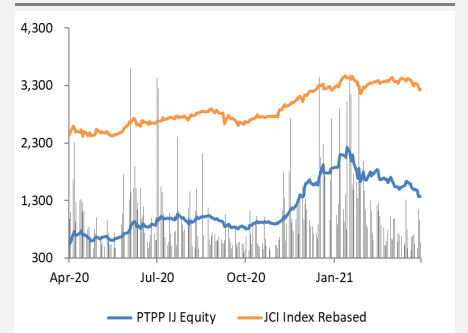
|                        |                |
|------------------------|----------------|
| Last Price (IDR)       | 1,375          |
| Price Date as of       | April 01, 2021 |
| 52 wk Range (Hi/Lo)    | 2,360/580      |
| Free Float (%)         | 49.0           |
| Outstanding sh. (mn)   | 6,200          |
| Market Cap. (IDR bn)   | 8,525          |
| Market Cap. (USD mn)   | 585            |
| Avg. Trd Vol - 3M (mn) | 76.51          |
| Avg. Trd Val - 3M (bn) | 140.69         |
| Foreign Ownership      | 14.2%          |

### Property

#### Construction

|           |         |
|-----------|---------|
| Bloomberg | PTPP IJ |
| Reuters   | PTPP.JK |

### Share Price Performance



|           | YTD    | 1M     | 3M     | 12M    |
|-----------|--------|--------|--------|--------|
| Abs. Ret. | -27.1% | -19.4% | -27.1% | 167.0% |
| Rel. Ret. | -25.5% | -14.2% | -25.5% | 132.4% |

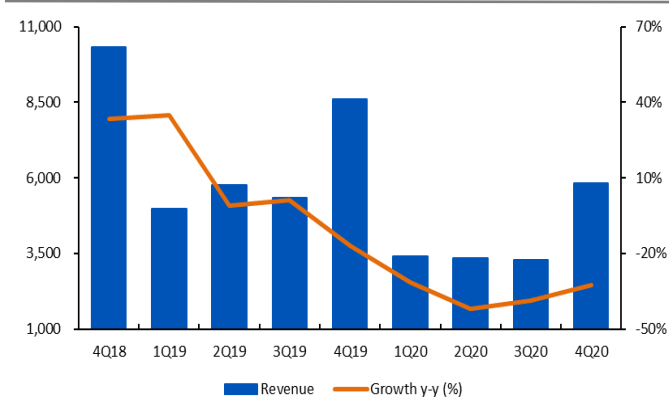
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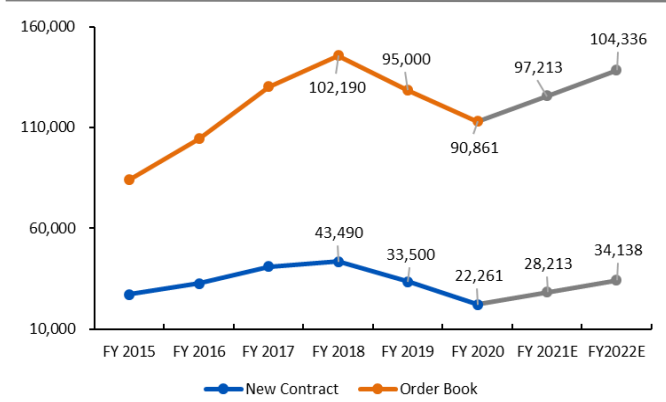
## Performance Highlights in Charts

PTPP Quarterly Revenue (IDR bn) | 4Q18 - 4Q20



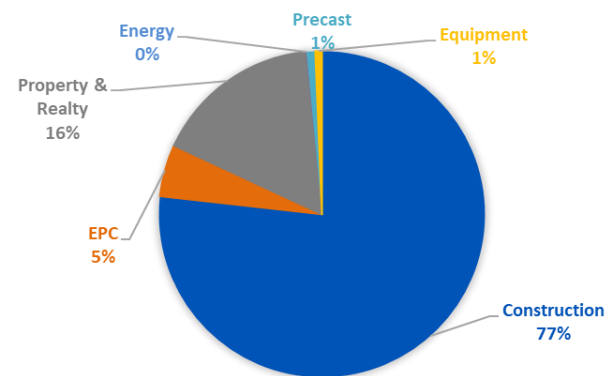
Source: Company Data, NHKSI Research

PTPP Order Book & New Contract



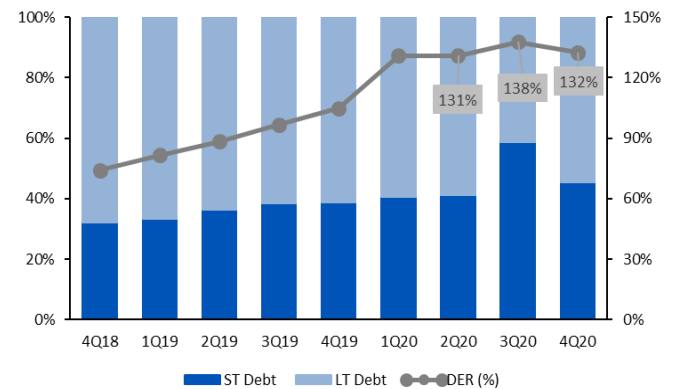
Source: Company Data, NHKSI Research

4Q20's Revenue Breakdown



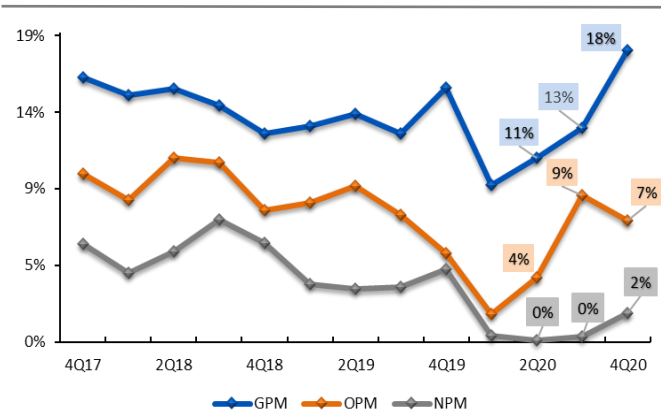
Source: Company Data, NHKSI Research

Debt Portion



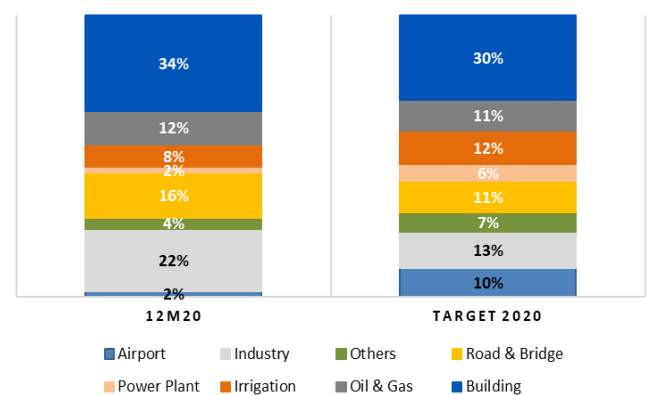
Source: Company Data, NHKSI Research

Margin Ratios



Source: Company Data, NHKSI Research

New Project based on Type of Project | 12M20 & 2020 Target



Source: Company Data, NHKSI Research

## Company Overview



CONSTRUCTION & INVESTMENT

PT Pembangunan Perumahan (PP) Tbk (PTPP) didirikan pada tahun 1953 dengan nama NV Pembangunan Perumahan. PTPP resmi melantai di Bursa Efek Indonesia (IDX) pada 9 February 2010. Memiliki 5 (lima) anak perusahaan yaitu; PP Property, PP Infrastructure, PP Energy, PP Urban, PP Presisi.

PTPP memiliki dua pilar bisnis: Construction (Building, Civil, EPC, Specialist, Plant, and Equipment), Investment. Sebanyak 51,00% pemegang saham merupakan Pemerintah, 0.03% oleh Shareholder Employee Cooperative, sementara sisanya 48,97% dipegang oleh publik. Proyek infrastruktur nasional yang sedang digarap PTPP adalah Jalan Tol Medan – Kualanamu – Tebingtinggi, Jalan Tol North Sumatera, Serang – Panimbang, Jalan Tol Semarang – Demak, Konstruksi Tower dari BPJS Ketenagakerjaan.

## Analysis of Asia-Pacific Peers

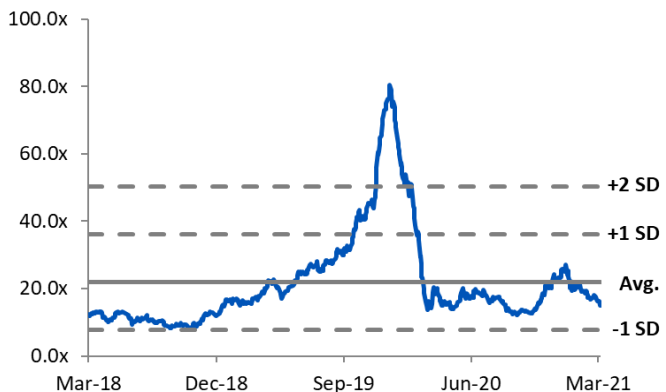
|                               | Market Cap<br>(USD mn) | Asset (USD<br>mn) | Net Profit<br>Growth (LTM) | Net Profit Margin | DER    | ROE (LTM) | P/E     | P/BV |
|-------------------------------|------------------------|-------------------|----------------------------|-------------------|--------|-----------|---------|------|
| <b>Indonesia</b>              |                        |                   |                            |                   |        |           |         |      |
| PT PP PERSERO TBK             | 416                    | 3,840             | -86%                       | 0.8%              | 132%   | 0.9%      | 23.3x   | 0.8x |
| PT WASKITA KARYA PERSERO TBK  | 1,052                  | 8,853             | -                          | 3.0%              | 238%   | -18.1%    | -       | 1.1x |
| PT WIJAYA KARYA PERSERO TBK   | 944                    | 4,891             | -92%                       | 1.1%              | 158%   | 1.1%      | 74.1x   | 0.8x |
| PT ADHI KARYA PERSERO TBK     | 274                    | 2,637             | -50%                       | 4.3%              | 154%   | 5.4%      | 12.2x   | 0.7x |
| <b>Thailand</b>               |                        |                   |                            |                   |        |           |         |      |
| CH. KARNCHANG PUBLIC CO LTD   | 969                    | 2,760             | -65.6%                     | 3.7%              | 161.9% | 2.3%      | 50.6x   | 1.1x |
| SINO THAI ENGR & CONSTR PCL   | 780                    | 1,468             | -26.3%                     | 3.0%              | 16.8%  | 7.6%      | 22.3x   | 1.7x |
| UNIQUE ENGINEERING & CON PCL  | 226                    | 1,119             | -69.8%                     | 2.0%              | 190.8% | 2.7%      | 32.1x   | 0.9x |
| <b>Philippines</b>            |                        |                   |                            |                   |        |           |         |      |
| MEGAWIDE CONSTRUCTION CORP    | 263                    | 1,593             | -                          | 4.3%              | 265.3% | -6.5%     | -       | 1.0x |
| EEI CORPORATION               | 155                    | 553               | -                          | 4.9%              | 107.9% | -6.8%     | 6.5x    | 1.0x |
| HOUSE OF INVESTMENTS          | 58                     | 1,026             | -                          | 2.9%              | 62.2%  | -1.1%     | -       | 0.2x |
| <b>Vietnam</b>                |                        |                   |                            |                   |        |           |         |      |
| FLC FAROS CONSTRUCTION JSC    | 111                    | 454               | -99.4%                     | 0.0%              | 11.0%  | 0.0%      | 4300.7x | 0.4x |
| HO CHI MINH CITY INFRASTRUCT  | 269                    | 1,279             | 97.5%                      | 4.7%              | 213.0% | 5.1%      | 25.2x   | 1.3x |
| HOA BINH CONSTRUCTION GROUP   | 181                    | 670               | -82.1%                     | 0.7%              | 125.5% | 2.1%      | 56.1x   | 1.2x |
| <b>Malaysia</b>               |                        |                   |                            |                   |        |           |         |      |
| GAMUDA BHD                    | 2,206                  | 4,370             | -64.0%                     | 10.1%             | 68.6%  | 3.6%      | 35.8x   | 1.1x |
| IJM CORP BHD                  | 1,500                  | 5,435             | -24.6%                     | 3.8%              | 59.6%  | 3.3%      | 19.7x   | 0.6x |
| SUNWAY CONSTRUCTION GROUP BHD | 569                    | 474               | -43.7%                     | 4.7%              | 48.0%  | 11.6%     | 32.4x   | 3.7x |

Unit: USD mn, %, X

Source: Bloomberg, NHKSI Research

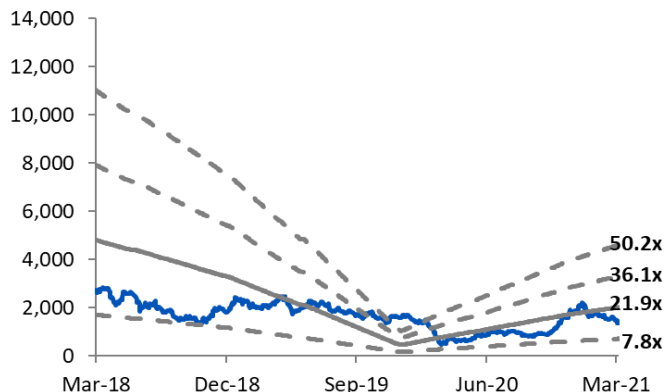
### Valuation Highlights in Charts

3-Years Forward P/E Band



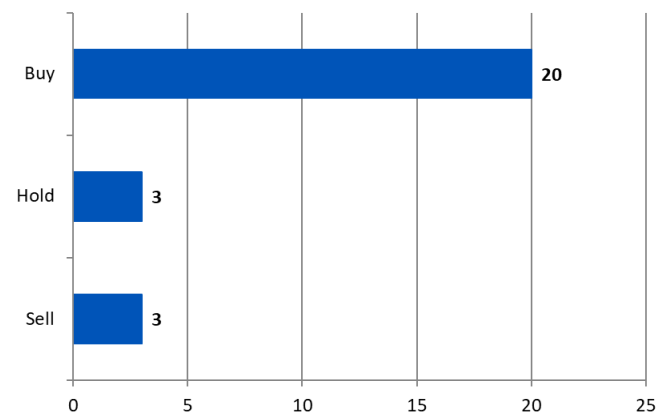
Source: Bloomberg, NHKSI Research

3-Years Dynamic Forward P/E band



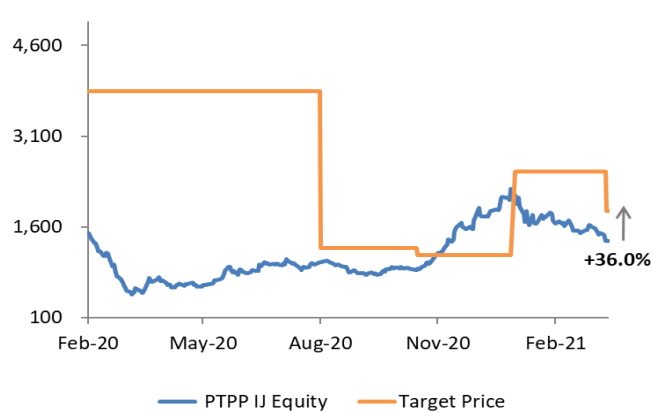
Source: Bloomberg, NHKSI Research

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 | vs Last Price | vs Consensus |
|------------|------------|------------------|------------|-----------|---------------|--------------|
| 28/08/2020 | Buy        | 1,250 (12 Month) | 1,005      | 1,131     | +24.4%        | +10.5%       |
| 10/11/2020 | Buy        | 1,140 (12 Month) | 935        | 1,156     | +21.9%        | -1.4%        |
| 18/01/2021 | Overweight | 2,510 (12 Month) | 2,230      | 1,859     | +12.6%        | +35.0%       |
| 05/04/2021 | Buy        | 1,870 (12 Month) | 1,375      | 2,077     | +36.0%        | -10.0%       |

Source: NHKSI Research, Bloomberg

## Summary of Financials

### INCOME STATEMENT

| In IDR bn                | 2019/12A | 2020/12A | 2021/12E | 2022/12E |
|--------------------------|----------|----------|----------|----------|
| <b>Revenue</b>           | 24,660   | 15,831   | 20,127   | 23,171   |
| <i>Growth (% y/y)</i>    | -1.8%    | -35.8%   | 27.1%    | 15.1%    |
| Cost of Revenue          | (21,175) | (13,658) | (17,205) | (19,844) |
| <b>Gross Profit</b>      | 3,485    | 2,173    | 2,922    | 3,327    |
| <i>Gross Margin</i>      | 14.1%    | 13.7%    | 14.5%    | 14.4%    |
| Operating Expenses       | (1,628)  | (1,257)  | (1,568)  | (1,725)  |
| <b>EBIT</b>              | 1,857    | 916      | 1,354    | 1,602    |
| <i>EBIT Margin</i>       | 7.5%     | 5.8%     | 6.7%     | 6.9%     |
| Depreciation             | 560      | 580      | 554      | 718      |
| <b>EBITDA</b>            | 2,418    | 1,496    | 1,908    | 2,320    |
| <i>EBITDA Margin</i>     | 9.8%     | 9.4%     | 9.5%     | 10.0%    |
| Interest Expenses        | (4)      | (7)      | (5)      | (6)      |
| <b>EBT</b>               | 1,240    | 290      | 767      | 1,239    |
| Income Tax               | (31)     | (23)     | (59)     | (96)     |
| Minority Interest        | (278)    | (138)    | (210)    | (365)    |
| <b>Net Profit</b>        | 930      | 129      | 497      | 778      |
| <i>Growth (% y/y)</i>    | -38.1%   | -86.2%   | 286.4%   | 56.4%    |
| <i>Net Profit Margin</i> | 3.8%     | 0.8%     | 2.5%     | 3.4%     |

### PROFITABILITY & STABILITY

|                      | 2019/12A | 2020/12A | 2021/12E | 2022/12E |
|----------------------|----------|----------|----------|----------|
| ROE                  | 5.8%     | 0.9%     | 3.5%     | 5.1%     |
| ROA                  | 1.7%     | 0.2%     | 0.9%     | 1.3%     |
| Inventory Turnover   | 3.0x     | 1.4x     | 1.7x     | 1.9x     |
| Receivables Turnover | 3.3x     | 3.3x     | 3.6x     | 3.5x     |
| Payables Turnover    | 1.1x     | 0.8x     | 1.1x     | 1.2x     |
| Dividend Yield (%)   | 3.1%     | 1.8%     | 0.2%     | 1.0%     |
| Payout Ratio (%)     | 32%      | 163%     | 6%       | 14%      |
| DER                  | 1.0x     | 1.3x     | 1.4x     | 1.5x     |
| Net Gearing          | 42%      | 75%      | 84%      | 95%      |
| Equity Ratio         | 28%      | 26%      | 26%      | 26%      |
| Debt Ratio           | 29%      | 35%      | 36%      | 37%      |
| Financial Leverage   | 341%     | 371%     | 384%     | 387%     |
| Current Ratio        | 132%     | 121%     | 123%     | 125%     |
| Quick Ratio          | 99%      | 87%      | 87%      | 88%      |
| Par Value (IDR)      | 100      | 100      | 100      | 100      |
| Total Shares (mn)    | 6,200    | 6,200    | 6,200    | 6,200    |
| Share Price (IDR)    | 1,585    | 1,865    | 1,870    | 1,870    |
| Market Cap (IDR tn)  | 9.8      | 11.6     | 11.6     | 11.6     |

### BALANCE SHEET

| In IDR bn                   | 2019/12A | 2020/12A | 2021/12E | 2022/12E |
|-----------------------------|----------|----------|----------|----------|
| Cash                        | 9,712    | 8,012    | 7,919    | 7,847    |
| Receivables                 | 4,445    | 5,211    | 5,836    | 7,589    |
| Inventories                 | 9,566    | 9,525    | 10,272   | 10,388   |
| <b>Total Current Assets</b> | 38,568   | 33,925   | 34,829   | 35,669   |
| Fixed Assets                | 12,689   | 12,597   | 15,019   | 17,563   |
| Other Non Current Assets    | 4,933    | 6,951    | 7,130    | 7,556    |
| Total Non Current Assets    | 17,622   | 19,548   | 22,148   | 25,120   |
| <b>Total Assets</b>         | 56,190   | 53,472   | 56,977   | 60,789   |
| Payables                    | 18,100   | 15,526   | 15,969   | 16,009   |
| ST Debt                     | 6,325    | 8,442    | 7,898    | 7,745    |
| Total Current Liabilities   | 29,288   | 27,987   | 28,308   | 28,617   |
| LT Debt                     | 9,980    | 10,114   | 12,461   | 15,035   |
| <b>Total Liabilities</b>    | 40,638   | 39,465   | 42,224   | 45,079   |
| Capital Stock + APIC        | 5,330    | 5,308    | 5,308    | 5,308    |
| Retained Earnings           | 4,653    | 3,149    | 3,618    | 4,284    |
| <b>Shareholders' Equity</b> | 15,552   | 14,007   | 14,753   | 15,710   |

### CASH FLOW STATEMENT

| In IDR bn                  | 2019/12A | 2020/12A | 2021/12E | 2022/12E |
|----------------------------|----------|----------|----------|----------|
| Operating Cash Flow        | 564      | (80)     | 962      | 1,046    |
| Investing Cash Flow        | (3,289)  | (3,573)  | (3,108)  | (3,718)  |
| Financing Cash Flow        | 3,195    | 2,067    | 2,052    | 2,601    |
| <b>Net Changes in Cash</b> | 470      | (1,586)  | (93)     | (72)     |

### VALUATION INDEX

|                        | 2019/12A | 2020/12A | 2021/12E | 2022/12E |
|------------------------|----------|----------|----------|----------|
| Price /Earnings        | 10.6x    | 89.8x    | 23.3x    | 14.9x    |
| PE/EPS Growth          | -0.3x    | -1.0x    | 0.1x     | 0.3x     |
| Price /Book Value      | 0.6x     | 0.8x     | 0.8x     | 0.7x     |
| EV/EBITDA              | 8.2x     | 17.0x    | 14.5x    | 13.0x    |
| EV (IDR bn)            | 19,789   | 25,489   | 27,586   | 30,256   |
| Revenue CAGR (3-Yr)    | 14.4%    | -9.7%    | -7.1%    | -2.1%    |
| Net Profit CAGR (3-Yr) | -3.0%    | -55.4%   | -30.8%   | -5.8%    |
| Basic EPS (IDR)        | 150      | 21       | 80       | 125      |
| BVPS (IDR)             | 2,508    | 2,259    | 2,380    | 2,534    |
| DPS (IDR)              | 48.5     | 33.8     | 4.7      | 18.1     |

### OWNERSHIP

| Shareholders          | %    |
|-----------------------|------|
| Republic of Indonesia | 51.0 |
| Norges Bank           | 2.8  |
| Vanguard Group Inc    | 1.3  |
| Value Partners Ltd    | 1.3  |
| Others                | 42.4 |
| By Geography          | %    |
| Indonesia             | 85.8 |
| United States         | 5.1  |
| Norway                | 4.6  |
| Hong Kong             | 2.1  |

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%

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