

2Q24 Results: 31 July 2024

(IDRBn)	2Q23	1Q24	2Q24	QoQ (%)	YoY (%)	6M23	6M24	YoY (%)	6M24/ SSI (%)	6M24/ Cons. (%)
Revenue	1,503	1,757	1,572	(10.5)	4.6	3,032	3,329	9.8	46.6	47.2
Gross Profit	455	619	607	(2.1)	33.3	1,015	1,226	20.8	48.5	42.8
EBITDA	104	274	133	(51.5)	27.3	227	406	79.1	45.2	34.1
Operating Profit	(6)	215	134	(37.6)	n.a	60	349	485.0	69.4	39.0
Net Profit	3	191	137	(28.0)	4,975.6	69	328	372.4	57.8	41.2
Key Ratios										
GPM (%)	30.3	35.3	38.6	-	-	33.5	36.8	-	-	-
EBITDA Margin (%)	6.9	15.6	8.4	-	-	7.5	12.2	-	-	-
OPM (%)	(0.4)	12.2	8.5	-	-	2.0	10.5	-	-	-
NPM (%)	0.2	10.8	8.7	-	-	2.3	9.8	-	-	-

SWOT Analysis of The Results (SSI: In-line; Cons: Below)

Strength

In 2Q24, SCMA experienced YoY revenue growth of 4.6% and improvement in NPM to 8.7% as the impact of ASO normalized; as of June 2024, SCMA held the second-largest audience share (30.4%), while Vidio (SCMA's OTT platform) posted 49% YoY revenue increase in 1H24, driven by high enthusiasm for Premier League

Weakness

Weak consumer spending led to lower ad spend, particularly from e-commerce and cigarettes, severely impacting SCMA's 2Q24 FTA ad revenue (-18.5% QoQ, -2.5% YoY); with FTA accounting for 73.7% of SCMA's 2Q24 revenue, the underperformance of this segment will adversely affect the company's overall numbers

Opportunity

The completion of Indonesia's analog switch-off (ASO) program presents an opportunity for SCMA to capture larger audience through digital TV (97% penetration in 11 cities as of March 2024, based on Nielsen); severe market under-performance may provide buying opportunity

Threat

IDR depreciation against USD could lead to higher costs for consumer companies, potentially reducing their ad spend; rapid technological advancements could affect ad budgets and consumer spending on subscription services, posing a risk to SCMA's revenue streams

Peer Comparables

Company Ticker	Last Price (IDR)	Market Cap. (IDRTn)	Rating	Target Price	Ytd Net Buy (Sell) (IDRBn)	2024F			
						P/E (x)	P/BV (x)	EV/EBITDA (x)	ROE (%)
FILM IJ	4,750	45.18	BUY	5,500	795.5	257.6	24.9	354.6	10.1
SCMA IJ	128	9.47	HOLD	134	(62.1)	20.9	1.1	13.8	5.5
MNCN IJ	310	4.67	HOLD	340	(290.2)	3.8	0.2	2.6	4.9
Sector		59.32			443.2	236.6	22.8	325.2	9.7

Relative Performance vs JCI

