# Pakuwon Jati (PWON): IDR 472 BUY - SSI TP: IDR 590; Cons. TP: IDR 575



#### 3Q24 Results: 29 October 2024

				QoQ	YoY			YoY	9M24/	9M24/
(IDRbn)	3Q24	2Q24	3Q23	(%)	(%)	9M24	9M23	(%)	•	Cons. (%)
Revenue	1,525	1,731	1,673	(11.9)	(8.8)	4,786	4,569	4.7	71.1	71.8
Gross Profit	869	996	893	(12.7)	(2.7)	2,716	2,511	8.2	73.7	73.9
<b>Operating Profit</b>	658	785	705	(16.2)	(6.6)	2,107	1,977	6.6	71.6	74.4
Net Profit	816	515	388	58.4	110.2	1,663	1,487	11.8	76.4	78.8
Core Profit	441	685	546	(35.7)	(19.2)	1,585	1,433	10.6	72.9	75.1
Key Ratios										
GPM (%)	57.0	57.5	53.4	-	-	56.8	55.0	-	-	-
OPM (%)	43.2	45.4	42.1	-	-	44.0	43.3	-	-	-
NPM (%)	53.5	29.8	23.2	-	-	34.7	32.5	-	-	-

### **Peer Comparables**

	Market Cap. (IDR Tn)	Last Price (IDR)	Target Price (IDR	2024F						
Ticker				Disc. to NAV (%)	9M24 MS/ Land (%)	P/B (x)	P/E (x)	EPS Gwt (%)	Div. Yield (%)	
BSDE IJ	26.0	1,225	1,500	76.7	4.2	0.6	7.4	39.6	0.7	
MKPI IJ	25.3	26,700	32,000	58.4	-	3.7	26.9	12.0	2.0	
CTRA IJ	24.5	1,315	1,600	57.4	2.8	1.1	11.7	17.6	1.3	
PWON IJ	23.1	472	590	51.9	7.9	1.1	11.0	6.2	1.8	
SMRA IJ	10.9	645	800	85.7	0.9	1.0	9.6	32.5	1.4	
Sector	110			63.8	3.4	1.6	13.8	20.6	1.4	

# SWOT Analysis of The Results (In-line)

# Strength

Hospitality income (24% of top-line) jumped +21% QoQ/+10% YoY in 3Q24 on the back of seasonality, leading to +9% QoQ/+12% YoY increase in recurring revenue (89%) to IDR 1.3tn; IDR 375bn forex gain provided additional boost to net profit (2Q24: -IDR 170bn forex loss)

#### Weakness

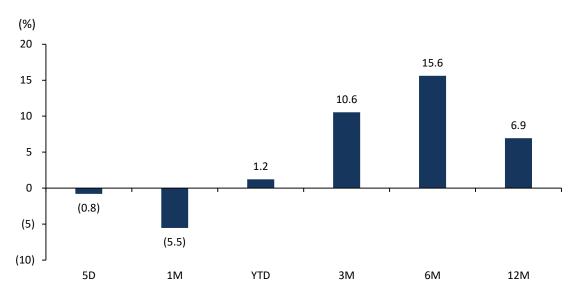
In 3Q24, development revenue (11% of sales) saw considerable decline of -65% QoQ/-63% YoY to IDR 170bn, driven mainly by low handover; VAT-exempted pre-sales fell -37% YoY to IDR 177bn in 3Q24 amid weak purchasing power

### Threat

PWON has high proportion of mortgage payers, c. 50%, and will therefore benefit from the anticipated rate cuts; unexciting Ytd market performance provides investors with buying opportunities

Rupiah depreciation may hinder PWON's net profit growth, as forex gains account for 37% of the company's pre-tax profit; 6M market outperformance may lead to some profit-taking

# **Relative Performance vs JCI**



Sources: Company, Bloomberg, SSI Research

Opportunity