

# Summarecon Agung (SMRA): IDR 555 BUY - SSI TP: IDR 800; Cons. TP: IDR 829

## 3Q24 Results: 22 November 2024

(IDRbn)			QoQ		YoY		YoY		9M24/ 9M24/	
	3Q24	2Q24	3Q23	(%)	(%)	9M24	9M23	(%)	SSI (%)	Cons. (%)
Revenue	1,868	3,539	2,116	(47.2)	(11.7)	7,541	5,081	48.4	81.4	90.4
Gross Profit	1,013	1,874	1,031	(45.9)	(1.7)	3,987	2,572	55.0	90.3	94.6
Operating Profit	547	1,509	636	(63.7)	(13.9)	2,773	1,545	79.5	111.6	114.4
Net Profit	180	312	219	(42.4)	(17.8)	934	653	43.0	79.6	82.6
<b>Key Ratios</b>										
GPM (%)	54.2	52.9	48.7	-	-	52.9	50.6	-	-	-
OPM (%)	29.3	42.6	30.1	-	-	36.8	30.4	-	-	-
NPM (%)	9.6	8.8	10.4	-	-	12.4	12.9	-	-	-

## SWOT Analysis of The Results (Above)

### Strength

Mall revenue (64% of recurring income) rose +24.6% YoY to IDR 515bn, driven by the opening of Summarecon Mall Bandung in 1Q24, contributing to +19.2% YoY growth in 3Q24 recurring revenue (43% of SMRA's top-line) to IDR 810bn

### Opportunity

Summarecon Mall Bekasi phase 2, expected to open in 4Q25, will expand NLA from 58,000 sqm to 100,744 sqm, potentially boosting top-line growth by c.8–11% in 2026F; this potential rate cuts and market underperformance may improve price sentiment

### Weakness

Housing sales (43% of SMRA's top-line) plunged -39.0% YoY to IDR 804bn as consumers frontloaded purchases in 2Q24, anticipating VAT incentives would end by July 2024, resulting in -11.7% YoY decline in 3Q24 revenue to IDR 1.9tn

### Threat

SMRA's top-performing clusters (Bekasi: 172% of target in 9M24; Karawang: 124%) with the lowest ASP at IDR 1.7bn indicate low purchasing power, and with no rate cut expected this year, further market underperformance may follow

## Peer Comparables

Ticker	Market Cap. (IDR Tn)	Last Price (IDR)	Target Price (IDR)	Disc. to NAV (%)	9M24 MS/Land (%)	2025F			
						P/B (x)	P/E (x)	EPS Gwt (%)	Div. Yield (%)
MKPI IJ	23.6	24,875	32,000	61.2	n.a.	3.5	27.0	14.2	2.1
BSDE IJ	21.4	1,010	1,500	80.8	5.9	0.5	6.6	28.0	2.5
PWON IJ	20.7	430	590	56.2	1.8	0.9	8.7	21.2	2.1
CTRA IJ	19.7	1,065	1,600	65.5	11.3	0.8	8.8	26.0	2.0
<b>SMRA IJ</b>	<b>9.2</b>	<b>555</b>	<b>800</b>	<b>87.7</b>	<b>1.1</b>	<b>0.8</b>	<b>9.8</b>	<b>9.7</b>	<b>2.1</b>
<b>Sector</b>	94.6			<b>68.0</b>	<b>4.2</b>	<b>1.4</b>	<b>12.9</b>	<b>20.9</b>	<b>2.2</b>

## Relative Performance vs JCI

