

Surya Citra Media (SCMA): IDR 130 – SELL, SSI TP:IDR 110; Cons. TP: IDR 200



3Q24 Results: 30 October 2024			QoQ	YoY	YoY	9M24/	9M24/			
(IDRbn)	3Q23	2Q24	3Q24	(%)	(%)	9M23	9M24	(%)	SSI (%)	Cons. (%)
Revenue	1,758	1,572	1,815	15.5	3.2	4,790	5,143	7.4	72.5	72.9
Gross Profit	592	607	673	11.0	13.8	1,607	1,899	18.2	70.8	64.5
EBITDA	204	192	265	37.6	29.6	431	731	69.5	67.0	61.4
Operating Profit	164	116	347	111.7	46.8	261	549	110.6	63.3	61.9
Net Profit	167	137	182	32.5	8.6	237	509	115.3	56.0	58.8
Key Ratios										
GPM (%)	33.7	38.6	37.1	-	-	33.5	36.9	-	-	-
EBITDA Margin (%)	11.6	12.2	14.6	-	-	9.0	14.2	-	-	-
OPM (%)	9.6	7.4	13.6	-	-	5.4	10.7	-	-	-
NPM (%)	9.5	8.7	10.0	-	-	4.9	9.9	-	-	-

SWOT Analysis of The Results (Below Ours and Cons.)

Strength

3Q24 bottom-line growth was driven by declined OpEx to IDR 425.7bn (-13.0% QoQ, +0.7% YoY), alongside improved TV revenue (69% of sales) of IDR 1,255bn (+14.0% QoQ, -9.4% YoY) and EBIT of IDR 199.9bn (+49% QoQ, -0.48% YoY)

Weakness

SCMA's OTT (Over-The-Top) business-line (Vidio.com) posted 3Q24 net loss of IDR 154.8bn, mainly due to overbidding; GPM slipped -50 bps QoQ, attributed to higher program and amortization costs of IDR 1.1tn (+17.1% QoQ, -2.0% YoY)

Opportunity

SCMA's new studios facilities are expected to bolster its content production capabilities, potentially attracting more ads; recent market underperformance may provide buying opportunities for investors

Threat

Stringent fiscal policy, elevated interest rate levels, and IDR depreciation, which all exert pressure on FMCG advertising budgets, combined with reduced consumer spending on subscription, are likely to weigh on earnings growth

Peer Comparables

Ticker	Market Cap. (IDRtn)	Last Price (IDR)	Rating	Target Price (IDR)	2024F				
					P/E (x)	P/BV (x)	EV/EBITDA (x)	EPS Growth (%)	ROE (%)
FILM	30.3	3,120	BUY	7,000	172.8	16.4	112.0	77.2	10.2
SCMA	9.6	130	SELL	110	12.3	0.9	8.4	99.2	7.6
MNCN	4.7	308	SELL	300	2.1	0.2	1.8	4.3	9.1
Sector	44.5				120.2	11.3	78.1	74.3	9.5

Relative Performance vs JCI

