

Mitra Keluarga Karyasehat

BUY (unchanged)

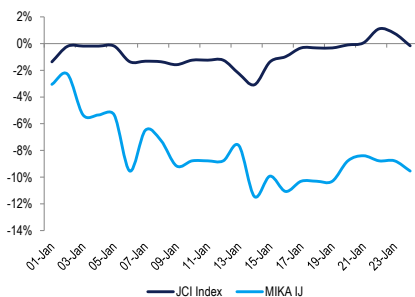
Company Update | Healthcare | MIKA IJ | 24 January 2025

Stock Data

Target price	Rp3,450
Prior TP	Rp3,450
Current price	Rp2,370
Upside/downside	+45.6%
Shares outstanding (mn)	13,907
Market cap (Rp bn)	32,961
Free float	35%
Avg. 6m daily T/O (Rp bn)	31

Price Performance

	3M	6M	12M
Absolute	-16.8%	-21.3%	-9.5%
Relative to JCI	-9.7%	-20.2%	-9.4%
52w low/high (Rp)	2,320 – 3,270		



Major Shareholders

PT Griyanisani Cakrasadaya	62%
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FY24F indicative result: solid EBITDA delivery amid higher revenue intensity

- We project MIKA's FY24F EBITDA to reach Rp1.8tr and was above consensus at 103%, revenue achievement of c.Rp4.9tr was in-line.
- 4Q24 revenue growth of +13% yoy shall be driven by +9.6% revenue intensity growth, in our view.
- Maintain Buy with unchanged TP of RP3,450

FY24F indicative EBITDA was above consensus estimate

Based on MIKA's indicative FY24F result, FY24 EBITDA rose to c.Rp1.8tr (+22% yoy) and this was above at 103% of consensus, but in-line at 100% of our estimate. EBITDA margin grew by 230bps yoy to 37.5% while FY24F revenue grew at 13.5-15% yoy to c.Rp4.9tr, also in-line at 98/101% of ours/consensus estimate. It is worth noting that FY24F revenue growth and EBITDA margin was also in-line with latest company guidance of 13-15% yoy and 37-38%.

4Q24 revenue growth was driven by revenue intensity

Inferring from FY24 indicative numbers, 4Q24 EBITDA rose to c.Rp451bn (+2.5% qoq/+20% yoy) with EBITDA margin of c.36% (vs. 37.7/34.0% in 3Q24/4Q23). Concurrently, 4Q24 revenue grew by 7.2% qoq to Rp1.3tr (+13% yoy) and this was driven by higher revenue intensity (+1% qoq/+9.6% yoy). To note, 4Q24 inpatient days improved by 3.7% qoq (vs. 3yr avg of -2.9% qoq) due to low base effect in 3Q24. MIKA also shared that 4Q24 traffic was also driven by private patient as the cashless program has been resolved since Sep24, leading to 4Q24 revenue intensity growth.

FY25F outlook: double digit top-line growth with EBITDA margin expansion

MIKA resolved the cashless program issue with private insurance in Sep24 and this will remain in effect for two years resulting in improvement in private patient traffic since Sep24. It is worth noting that 3Q24 private patient dropped by 13% yoy due to issues with the cashless program (reimbursement system). Looking into FY25F, MIKA guided a double digit topline growth. In addition, MIKA shared that 50% of FY25F sales growth shall come from ASP hike and revenue intensity, while the rest shall come from traffic growth.

Maintain BUY with unchanged TP of Rp3,450/sh

We are reviewing our forecast as we await details from audited report. We maintain our BUY rating for MIKA with unchanged TP of Rp3,450/sh, based on 22.0x FY25F EV/EBITDA (at its 5-yr mean). Risk is lower than expected revenue growth.

Financial Summary (Rp bn)	2022A	2023A	2024F	2025F	2026F
Net Revenue	4,049	4,264	4,990	5,736	6,311
EBITDA	1,518	1,501	1,834	2,148	2,391
EBITDA growth	-14.0%	-1.1%	22.2%	17.1%	11.3%
Net profit	1,008	916	1,154	1,357	1,508
EPS (Rp)	71	64	81	95	106
EPS growth	-18.0%	-9.1%	26.0%	17.6%	11.2%
ROE	18.8%	16.3%	18.7%	19.7%	19.6%
ROIC	27.5%	21.0%	24.7%	27.4%	28.7%
PER (x)	34.9	38.4	30.5	25.9	23.3
EV/EBITDA (x)	22.0	22.2	17.9	15.1	13.4
Dividend yield	1.4%	1.5%	1.3%	1.7%	2.0%
Forecast change			0%	0%	0%
IPS vs. consensus			101%	107%	101%

Source: Company, Indo Premier

Share price closing as of: 24 January 2025

Fig. 1: MIKA FY24 indicative result

(Rp bn)	4Q24	4Q23	% YoY	3Q24	% QoQ	12M24	12M23	% YoY	IPS FY24F	% IPS	Cons. FY24F	% Cons	Notes
Net sales	1,251	1,107	13.0%	1,166	7.2%	4,870	4,264	14.2%	4,990	98%	4,841	101%	Company shared FY24 revenue to grow at 13.5-15%
EBITDA	451	376	19.9%	440	2.5%	1,826	1,501	21.7%	1,834	100%	1,777	103%	
Margin (%)													
EBITDA margin	36.0%	34.0%		37.7%		37.5%	35.2%						Company shared FY24 EBITDA margin at range of 37-38%
Traffic													
Inpatient admissions ('000)	77.0	76.6	0.4%	76.0	1.3%	316.0	296.8	6.5%					
Inpatient days ('000)	205.3	208.0	-1.3%	198.0	3.7%	858.0	819.1	4.7%					
Bed Occupancy Rate (BOR)	55.0%	59.1%	-4.0%	53.7%	1.3%	57.8%	58.0%	-0.2%					
Outpatient visit ('000)	765.7	739.0	3.6%	754.5	1.5%	3,007.0	2,858.3	5.2%					
Inpatient revenue per day (Rp mn/day)*	3.9	3.6	9.6%	3.9	1.0%	3.8	3.5	8.4%					Indo Premier Estimate
Outpatient revenue/visit (Rp mn/visit)*	0.6	0.5	18.7%	0.5	10.6%	0.5	0.5	9.8%					Indo Premier Estimate

Source: Company, Indo Premier

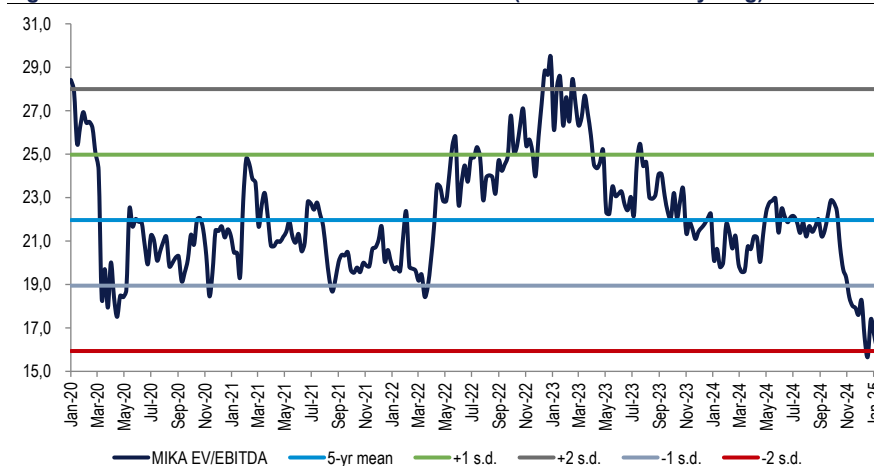
*Indo Premier Estimate

Fig. 2: MIKA' FY24 earnings indicative and FY25F guidance

	2024 (Indicative)	FY25F
Revenue growth	+13.5 to +15.5% yoy	Double Digit Growth
EBITDA Margin	37.0 to 38.0%	Margin Expansion
Capex (Rp bn)	700 to 800	800 to 1,000

Source: Company, Indo Premier

Fig. 3: MIKA is traded at 15.8 fwd. 12M EV/EBITDA (-2.0 s.d. from its 5yr avg)



Source: Bloomberg, Company, Indo Premier

Income Statement (Rp bn)	2021A	2022A	2023F	2024F	2025F
Net revenue	4,049	4,264	4,990	5,736	6,311
Cost of sales	(1,972)	(2,136)	(2,360)	(2,693)	(2,955)
Gross profit	2,077	2,128	2,630	3,043	3,356
SG&A Expenses	(793)	(952)	(1,115)	(1,245)	(1,347)
Operating profit	1,284	1,176	1,515	1,797	2,009
Net interest	46	57	63	63	63
Forex gain (loss)	0	0	0	0	0
Others	0	0	0	0	0
Pre-tax income	1,330	1,233	1,578	1,861	2,072
Income tax	(292)	(267)	(354)	(416)	(463)
Net income	1,008	916	1,154	1,357	1,508
Core income	963	892	1,130	1,333	1,484

Balance Sheet (Rp bn)	2021A	2022A	2023F	2024F	2025F
Cash & equivalent	696	843	1,292	1,680	2,203
Receivable	430	690	608	695	711
Inventory	63	82	72	84	93
Other current assets	145	162	162	162	162
Total current assets	1,333	1,777	2,134	2,622	3,169
Fixed assets	3,430	3,810	4,161	4,480	4,768
Other non-current assets	658	560	560	560	560
Total non-current assets	4,088	4,370	4,720	5,040	5,328
Total assets	5,421	6,146	6,855	7,661	8,496
ST loans	0	0	0	0	0
Payable	173	196	218	257	276
Other payables	0	0	0	0	0
Current portion of LT loans	480	360	360	360	360
Total current liab.	653	556	578	617	636
Long term loans	0	0	0	0	0
Other LT liab.	134	185	185	185	185
Total liabilities	786	741	763	802	821
Equity	748	814	814	814	814
Retained earnings	4,676	5,009	5,695	6,463	7,279
Minority interest	708	777	777	777	777
Total SHE + minority int.	6,132	6,600	7,286	8,054	8,870
Total liabilities & equity	6,918	7,341	8,049	8,856	9,691

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2021A	2022A	2023F	2024F	2025F
Profit before tax	1,341	1,207	1,546	1,828	2,040
Depr. & amortization	218	258	288	320	351
Changes in working capital	(199)	(256)	114	(60)	(6)
Others	(198)	(445)	(392)	(471)	(531)
Cash flow from operating	1,161	764	1,556	1,617	1,854
Capital expenditure	(952)	(639)	(639)	(639)	(639)
Others	(81)	292	0	0	0
Cash flow from investing	(1,033)	(347)	(639)	(639)	(639)
Loans	(0)	0	0	0	0
Equity	(353)	186	0	0	0
Dividends	(488)	(583)	(468)	(589)	(693)
Others	0	0	0	0	0
Cash flow from financing	(841)	(397)	(468)	(589)	(693)
Changes in cash	(713)	20	449	388	522

Key Ratios	2021A	2022A	2023F	2024F	2025F
Gross margin	51.3%	49.9%	52.7%	53.0%	53.2%
Operating margin	33.1%	28.3%	31.0%	31.9%	32.3%
Pre-tax margin	34.2%	29.6%	32.2%	33.0%	33.3%
Net margin	24.9%	21.5%	23.1%	23.7%	23.9%
ROA	14.6%	12.8%	15.0%	16.1%	16.3%
ROE	18.8%	16.3%	18.7%	19.7%	19.6%
Acct. receivables TO (days)	31.0	47.9	44.5	44.2	41.1
Inventory TO (days)	12.0	12.3	11.1	11.4	11.5
Payable TO (days)	35.0	31.5	33.7	34.8	34.1
Debt to equity	0.0%	0.0%	0.0%	0.0%	0.0%
Interest coverage ratio (x)	-104.1	-77.9	-99.7	-118.0	-131.6
Net gearing	-12.8%	-14.5%	-19.8%	-23.1%	-27.2%

Source: Company, Indo Premier

INVESTMENT RATINGS

BUY	: Expected total return of 10% or more within a 12-month period
HOLD	: Expected total return between -10% and 10% within a 12-month period
SELL	: Expected total return of -10% or worse within a 12-month period

ANALYSTS CERTIFICATION

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