

Nusantara Sejahtera Raya

BUY (unchanged)

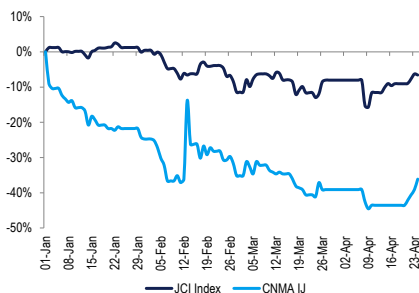
Company Update | Consumer Discretionary | CNMA IJ | 24 April 2025

Stock Data

Target price	Rp200
Prior TP	Rp200
Current price	Rp129
Upside/downside	+55%
Shares outstanding (mn)	83,345
Market cap (Rp bn)	10,752
Free float	46%
Avg. 3m daily T/O (Rp bn)	4

Price Performance

	3M	6M	12M
Absolute	-17.8%	-35.2%	-39.7%
vs. JCI	-9.0%	-20.1%	-33.7%
52w low/high (Rp)	112 – 230		



Major Shareholders

Pt Harkatjaya Bumipersada	54.0%
Salween Investment Private Limited	22.5%
PT Adi Pratama Nusantara	13.5%

Andrianto Saputra

PT Indo Premier Sekuritas
andrianto.saputra@ipc.co.id
+62 21 5088 7168 ext. 712

Nicholas Bryan

PT Indo Premier Sekuritas
nicholas.bryan@ipc.co.id
+62 21 5088 7168 ext. 722

1Q25 results: net loss from negative operating leverage

- 1Q25 net loss of -Rp69bn was below our/consensus estimate. 1Q25 revenue of Rp929bn (-28.7% yoy) was also below.
- CNMA experienced negative operating leverage from soft topline growth of -28.7% yoy, while opex increased by +10.2% yoy.
- We view strong International movie slate in 2Q25F onwards to improve admissions and F&B/movie ratio. Maintain buy with TP of Rp200/sh.

1Q25 net profit was below consensus estimate

CNMA posted 1Q25 net loss of -Rp69bn (vs. Rp142/199bn in 1Q24/4Q24) and this was below our/consensus estimate at -8/-7% (vs. 3yr avg of 2%). 1Q25 revenue of Rp929bn (-28.7% yoy/-35.4% qoq) was below our/consensus estimate at 14% (vs. 3yr avg of 18%). Soft top-line growth was driven by -34.1% yoy drop in admissions amid weak movie slate in 1Q25.

Negative operating leverage from soft movie slate in 1Q25

1Q25 GPM slightly improved by +23bps yoy to 59.4% on the back of higher F&B/movie of 53.0% (+93bps yoy). Higher 1Q25 F&B/movie was attributed to the increase of International movies to admissions of 41% (vs. 32% in 1Q24). However, Opex to sales increased to 67.2% (+2,380bps yoy) due to +10.4% yoy increase in opex and -28.7% yoy sales decline, resulting in negative operating leverage. We note that the company recorded THR disbursement of Rp29bn in 1Q25 (vs. 2Q24 in the previous year); excluding this cost, opex to sales would have been 64.1% (+2,070bps yoy).

Stronger movie slate in 2Q25F shall boost admission

Based on Cinepoint, Apr25 cinema industry admissions run-rate stood at c.18mn and most of the admissions were attributed by 4 local box office movies (Jumbo, Komang, Pabrik Gula and Qodrat 2). Assuming CNMA holds a 70% market share, its Apr25 admissions run-rate would reach c.12.6mn or c.90% of its 1Q25 admissions. This suggests that the movie-going trend in tier-2 and tier-3 cities is likely to continue in 2Q25F. In addition, we estimate International movie market share to improve in 2Q25F on the back of strong movie slate (Fig. 2), resulting in higher F&B/movie ratio.

Maintain BUY with unchanged TP of Rp200/sh

In sum, we maintain our BUY rating for CNMA with unchanged TP of Rp200/sh, based on DCF, implying FY25F PE of 18.9x. Key risk: Hollywood movies flop.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	5,231	5,712	6,648	7,604	8,638
EBITDA	1,754	1,798	2,090	2,458	2,832
EBITDA growth	25.9%	2.5%	16.3%	17.6%	15.2%
Net Profit	688	729	875	1,098	1,334
EPS	8.3	8.7	10.5	13.2	16.0
EPS growth	59.3%	5.9%	20.0%	25.6%	21.4%
ROE	19.1%	16.0%	19.4%	23.1%	26.2%
PER (x)	15.6	14.8	12.3	9.8	8.1
EV/EBITDA (x)	4.6	4.9	3.9	3.1	2.5
Dividend Yield	5.7%	10.0%	6.1%	7.3%	9.2%
Forecast change			0%	0%	0%
IPS/consensus			87%	87%	121%

Sources: Company, Indo Premier

Share Price Closing as of : 24 April 2025

Fig. 1: CNMA 1Q25 result summary

(Rp bn)	1Q25	1Q24	%yoy	4Q24	%qoq	IPS FY25F	% IPS	Cons FY25F	%Cons	3yr Avg
Revenue	929	1,303	-28.7%	1,438	-35.4%	6,648	14%	6,573	14%	18%
Cost of revenue	(377)	(532)	-29.1%	(567)	-33.4%					
Gross profit (loss)	552	771	-28.4%	871	-36.6%					
Operating expenses	(625)	(566)	10.4%	(587)	6.4%					
Operating profit	(73)	205	N/A	284	N/A	1,291	-6%	1,452	-5%	6%
Profit (loss) before income tax	(90)	190	N/A	265	N/A					
Income tax benefit (expenses)	24	(36)		(48)						
Net profit	(67)	154	N/A	217	N/A					
Minority interest	(3)	(12)		(18)						
NPATMI	(69)	142	N/A	199	N/A	875	-8%	1,007	-7%	2%
GPM	59.4%	59.2%	0.23%	60.6%	-1.20%					
EBIT margin	-7.9%	15.7%	-23.6%	19.8%	-27.6%					
NPM	-7.5%	10.9%	-18.3%	13.8%	-21.3%					
Opex to sales	-67.2%	-43.4%	-23.8%	-40.8%	-26.4%					
Revenue breakdown										
Movie	582	826	-29.5%	871	-33.2%					
Food and beverages	308	430	-28.2%	491	-37.3%					
GPM										
Movie	50.0%	50.0%		50.0%						
Food and beverages	73.1%	73.4%	-0.33%	74.1%	-0.98%					
Operational Data										
Admissions (mn)	13.9	21.1	-34.1%	21.0	-33.9%					
Avg. ticket price (Rp k)	46.1	43.0	7.2%	45.6	1.3%					
FNB % of Movie	53.0%	52.0%	0.93%	56.4%	-3.44%					

Source: Company, Indo Premier

Fig. 2: Potential box office movie in FY25F

No	FY25F International movie pipeline	Date release
2Q25		
1	A Minecraft Movie	Apr-25
2	Thunderbolts	May-25
3	Final Destination: Bloodlines	May-25
4	Mission: Impossible 8	May-25
5	Lilo & Stitch	Jun-25
6	How to Train Your Dragon	Jun-25
3Q25		
1	Jurassic World: Rebirth	Jul-25
2	I Know What You Did Last Summer	Jul-25
3	Superman: Legacy	Jul-25
4	The Smurfs Movie	Jul-25
5	The Fantastic Four: First Steps	Jul-25
6	The Conjuring: Last Rites	Sep-25
4Q25		
1	Tron: Ares	Oct-25
2	Mortal Kombat 2	Oct-25
3	Now You See Me 3	Nov-25
4	Wicked 2	Nov-25
5	Zootopia 2	Nov-25
6	Avatar: Fire and Ash	Dec-25

Source: Imdb, Indo Premier

Fig. 3: Potential local movies in FY25F

No	FY25F Local movie pipeline	Date release
1	Perang Kota	2Q25
2	Tabayyun	2Q25
3	Dasim	2Q25
4	Gundik	2Q25
5	Waktu Maghrib II	2Q25
6	Gow ok	2Q25
7	Jalan Pulang	2Q25
8	Keluarga Super Irit	2Q25
9	Sore: Istri Dari Masa Depan	2Q25
10	Jodoh 3 Bujang	2Q25
11	Rego Nyow o	2Q25
12	La Tahzan	2Q25

Source: Imdb, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	5,231	5,712	6,648	7,604	8,638
Cost of sales	(2,098)	(2,302)	(2,678)	(3,059)	(3,470)
Gross profit	3,133	3,410	3,970	4,544	5,167
SG&A Expenses	(2,077)	(2,370)	(2,678)	(2,938)	(3,241)
Operating profit	1,056	1,040	1,291	1,606	1,927
Net interest	(95)	(57)	(18)	(8)	15
Forex gain (loss)	0	0	0	0	0
Others	(10)	16	0	0	0
Pre-tax income	950	999	1,273	1,599	1,941
Income tax	(208)	(196)	(280)	(352)	(427)
Minority interest	(54)	(74)	(118)	(149)	(181)
Net income	688	729	875	1,098	1,334

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent	2,687	2,025	2,695	3,205	3,811
Receivable	51	75	73	84	95
Inventory	93	104	114	131	148
Other current assets	26	50	45	51	58
Total current assets	2,858	2,253	2,928	3,470	4,113
Fixed assets	4,155	4,397	4,052	3,988	3,896
Goodwill	358	358	358	358	358
Total non-current assets	4,513	4,755	4,410	4,346	4,254
Total assets	7,370	7,009	7,337	7,816	8,367
ST loans	0	0	0	0	0
Payable	293	274	330	377	428
Other payables	378	422	418	416	415
Current portion of LT loans	0	0	0	0	0
Total current liab.	671	696	748	793	842
Long term loans	0	0	0	0	0
Other LT liab.	1,740	1,712	1,651	1,625	1,600
Total liabilities	2,411	2,408	2,399	2,418	2,443
Equity	2,917	2,917	2,917	2,917	2,917
Retained earnings	1,818	1,473	1,691	2,003	2,348
Minority interest	224	211	329	478	658
Total SHE + minority int.	4,959	4,601	4,938	5,398	5,924
Total liabilities & equity	7,370	7,009	7,337	7,816	8,367

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
EBIT	688	729	875	1,098	1,334
Depr. & amortization	698	757	799	851	905
Changes in working capital	(82)	(33)	49	12	13
Others	99	(28)	(61)	(26)	(25)
Cash flow from operating	1,404	1,425	1,661	1,935	2,228
Capital expenditure	(822)	(964)	(578)	(787)	(813)
Others	223	0	0	0	0
Cash flow from investing	(599)	(964)	(578)	(787)	(813)
Loans	(1,697)	0	0	0	0
Equity	2,172	0	0	0	0
Dividends	(608)	(1,074)	(656)	(787)	(988)
Others	54	(13)	118	149	181
Cash flow from financing	(79)	(1,087)	(537)	(638)	(808)
Changes in cash	726	(626)	546	510	607

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	59.9%	59.7%	59.7%	59.8%	59.8%
Operating margin	20.2%	18.2%	19.4%	21.1%	22.3%
Pre-tax margin	18.2%	17.5%	19.2%	21.0%	22.5%
Net margin	13.1%	12.8%	13.2%	14.4%	15.4%
ROA	9.7%	10.1%	12.2%	14.5%	16.5%
ROE	19.1%	16.0%	19.4%	23.1%	26.2%
Acct. receivables TO (days)	4.2	4.0	4.0	4.0	4.0
Inventory TO (days)	16.5	15.6	15.6	15.6	15.6
Payable TO (days)	64.0	45.0	45.0	45.0	45.0
Debt to equity	0.0%	0.0%	0.0%	0.0%	0.0%
Interest coverage ratio (x)	10.8	12.5	14.6	17.9	20.9
Net gearing	-54.2%	-44.0%	-54.6%	-59.4%	-64.3%

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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