

# Mitra Adiperkasa

**BUY** (unchanged)

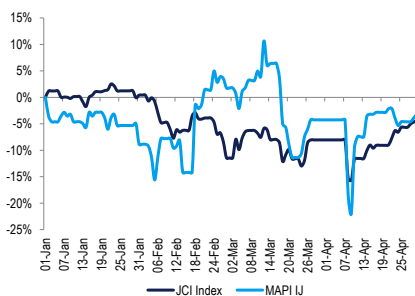
Company Update / Consumer Discretionary / MAPI IJ / 30 April 2025

## Stock Data

Target price	Rp1,700
Prior TP	Rp1,950
Current price	Rp1,365
Upside/downside	+24.5%
Shares outstanding (mn)	16,600
Market cap (Rp bn)	22,659
Free float	49%
Avg. 6m daily T/O (Rp bn)	32

## Price Performance

	3M	6M	12M
Absolute	2.2%	-19.2%	-5.2%
Relative to JCI	7.8%	-8.2%	-0.3%
52w low/high (Rp)	1,100 – 1,850		



## Major Shareholders

PT Satya Mulia Gema Gemilang	51.0%
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## Soft 1Q25 from weaker than expected GPM improvement during Eid

- 1Q25 net profit of Rp496bn (+19.9% yoy) was below our/consensus estimate at 21% (vs. 3yr lebaran avg of 30%). 1Q25 sales was in-line.
- Soft 1Q25 domestic sales of +4.3% yoy, indicating a softer Lebaran.
- Maintain Buy with a lower TP of Rp1,700/sh.

### 1Q25 net profit was below our/consensus estimate

MAPI booked 1Q25 net profit of Rp496bn (+19.9% yoy) and this was below our/consensus estimate at 21% (vs. 3yr lebaran avg of 30%). 1Q25 revenue of Rp9.3tr (+5.8% yoy) was in-line with consensus estimate at 22% (vs. 3yr lebaran avg of 24%); but slightly below our estimate at 21%. 1Q25 GPM improved to 43.9% (+128bps yoy), but still below its 3yr Lebaran avg of 45%. In addition, opex/sales increased to 35.7% (+112bps yoy) amid higher salary to sales ratio of 11.0% (+60bps yoy). Hence, EBIT margin slightly improved by +37bps yoy to 5.1%.

### Soft 1Q25 domestic sales growth despite shift in Lebaran

We note that 1Q25 domestic sales growth was soft at +4.3% yoy (vs. 3yr avg of 20.4% yoy), indicating a softer Lebaran 2025. In addition, we estimate 1Q25 sales growth to be driven by store opening as we estimate SSSG to be at low single digit. In terms of segment, department store delivered the highest sales growth of 9.5% yoy, followed by specialty store at +6.6% (MAPA's +17.0% yoy). On the other hand, F&B sales declined by -8.7% yoy and has yet recovered from pre-Boycott period in 4Q23.

### We revised down our FY25/26F earnings by -12/-13%

Mar25 inventory days increased to 162 days (vs. 126 days in Dec24) due to soft 1Q25 topline growth. Since the management aims to reduce inventory days to FY23 level, we view a significant inventory clearance ahead which may result soft GPM in coming quarters. As a result, we revised down our FY25/26F earnings forecast by -11.8/-12.8%.

### Maintain Buy with a lower TP of Rp1,700/sh

In sum, we maintain our BUY rating with lower TP of Rp1,700/sh, based on 14.0x FY25F PE (-0.5s.d. from its 3yr mean). Key risk is prolonged soft purchasing power.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net Revenue	33,319	37,836	42,734	47,820	53,175
EBITDA	4,497	4,474	5,035	5,703	6,327
EBITDA growth	15.9%	-0.5%	12.5%	13.3%	10.9%
Net profit	1,894	1,768	2,000	2,266	2,536
EPS	114	106	120	137	153
EPS growth	-10.6%	-6.7%	13.1%	13.3%	11.9%
ROE	20.9%	16.3%	15.7%	15.3%	14.7%
PER (x)	12.0	12.8	11.3	10.0	8.9
EV/EBITDA (x)	4.9	4.7	3.7	3.0	2.3
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%
Forecast change			0%	0%	0%
IPS vs. consensus			93%	95%	102%

Source: Company, Indo Premier

Share price closing as of: 30 April 2025

Fig. 1: MAPI 1Q25 result summary

(Rp bn)	1Q25	1Q24	% yoy	4Q24	% qoq	IPS FY25F	% IPS	Cons FY25F	% Cons	3yr avg (lebaran quarter)
<b>Net sales</b>	<b>9,300</b>	<b>8,788</b>	<b>5.8%</b>	<b>10,220</b>	<b>-9.0%</b>	<b>44,182</b>	<b>21%</b>	<b>42,329</b>	<b>22%</b>	<b>24%</b>
COGS	(5,216)	(5,041)	3.5%	(5,903)	-11.7%					
<b>Gross profit</b>	<b>4,085</b>	<b>3,748</b>	<b>9.0%</b>	<b>4,316</b>	<b>-5.4%</b>					
Opex	(3,316)	(3,035)	9.3%	(3,254)	1.9%					
<b>EBIT</b>	<b>769</b>	<b>713</b>	<b>7.8%</b>	<b>1,062</b>	<b>-27.6%</b>	<b>4,109</b>	<b>19%</b>	<b>4,174</b>	<b>18%</b>	<b>28%</b>
Other income (charges)	(91)	(105)	-13.7%	(277)	-67.1%					
<b>PBT</b>	<b>678</b>	<b>608</b>	<b>11.6%</b>	<b>786</b>	<b>-13.7%</b>					
Tax benefit (expense)	(111)	(107)	4.4%	(257)	-56.6%					
Minorities	94	87	8.5%	61	54.4%					
<b>NPATMI</b>	<b>472</b>	<b>414</b>	<b>14.1%</b>	<b>468</b>	<b>1.0%</b>	<b>2,268</b>	<b>21%</b>	<b>2,203</b>	<b>21%</b>	<b>30%</b>
<b>Margin (%)</b>										
Gross margin	43.9%	42.6%	1.28%	42.2%	1.68%					
EBIT margin	8.3%	8.1%	0.15%	10.4%	-2.13%					
NPATMI margin	5.1%	4.7%	0.37%	4.6%	0.50%					
Opex to sales	-35.7%	-34.5%	-1.12%	-31.8%	-3.81%					
Domestic	7,659	7,345	4.3%	8,212	-6.7%					
Overseas	1,642	1,443	13.7%	2,007	-18.2%					
<b>Segment information</b>										
<b>Net Sales</b>										
Dept store	760	694	9.5%	745	2.0%					
Specialty fashion & sports	7,791	7,305	6.6%	8,634	-9.8%					
F&B	719	788	-8.7%	807	-10.8%					
Others	63	75	-16.0%	73	-13.7%					
Elimination	(32)	(73)	-55.7%	(39)	-16.3%					
<b>EBIT</b>	<b>769</b>	<b>713</b>	<b>7.8%</b>	<b>1,062</b>	<b>-27.6%</b>					
Dept store	141	101	39.6%	151	-6.7%					
Specialty fashion & sports	696	606	14.9%	921	-24.5%					
F&B	(62)	(26)	135.1%	(12)	427.5%					
Others	(6)	33	-117.3%	1	-521.0%					
<b>EBIT Margin</b>										
Dept store	18.6%	14.6%		20.3%						
Specialty fashion & sports	8.9%	8.3%		10.7%						
F&B	-8.6%	-3.4%		-1.5%						
Others	-9.0%	43.8%		1.8%						
Salary	1,079	963		971						
Rental	920	869		838						
% to sales										
Salary	11.6%	11.0%		9.5%						
Rental	9.9%	9.9%		8.2%						

Source: Company, Indo Premier

Fig. 2: MAPI forecast changes

	Previous			Current			Changes		
	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
<b>Financial Performance</b>									
Net sales, Rp bn	44,182	49,599	55,082	42,734	47,820	53,175	-3.3%	-3.6%	-3.5%
Gross profit, Rp bn	19,383	21,813	24,224	18,199	20,417	22,761	-6.1%	-6.4%	-6.0%
EBIT, Rp bn	4,109	4,625	4,969	3,841	4,339	4,792	-6.5%	-6.2%	-3.6%
NPATMI, Rp bn	2,268	2,599	3,780	2,000	2,266	2,536	-11.8%	-12.8%	-32.9%
<b>Margins (%)</b>									
Gross margin	43.9%	44.0%	44.0%	42.6%	42.7%	42.8%	-1.3%	-1.3%	-1.2%
EBIT margin	9.3%	9.3%	9.0%	9.0%	9.1%	9.0%	-0.3%	-0.3%	0.0%
Net profit margin	5.1%	5.2%	6.9%	4.7%	4.7%	4.8%	-0.5%	-0.5%	-2.1%

Source: Company, Indo Premier

Fig. 3: MAPI is traded at 10.7x 12M forward P/E (-1.1 s.d. from its 5yr avg ex-covid period)



Source: Bloomberg, Company, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	33,319	37,836	42,734	47,820	53,175
Cost of sales	(18,225)	(21,695)	(24,534)	(27,403)	(30,414)
<b>Gross profit</b>	<b>15,094</b>	<b>16,140</b>	<b>18,199</b>	<b>20,417</b>	<b>22,761</b>
SG&A Expenses	(11,498)	(12,690)	(14,358)	(16,079)	(17,969)
<b>Operating profit</b>	<b>3,596</b>	<b>3,450</b>	<b>3,841</b>	<b>4,339</b>	<b>4,792</b>
Net interest	(386)	(516)	(467)	(470)	(437)
Forex gain (loss)	(33)	(37)	0	0	0
Others	26	(64)	(87)	(95)	(102)
<b>Pre-tax income</b>	<b>3,203</b>	<b>2,834</b>	<b>3,286</b>	<b>3,774</b>	<b>4,254</b>
Income tax	(858)	(686)	(796)	(914)	(1,030)
Minority interest	(452)	(380)	(491)	(594)	(687)
<b>Net income</b>	<b>1,894</b>	<b>1,768</b>	<b>2,000</b>	<b>2,266</b>	<b>2,536</b>

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent	3,675	4,040	4,546	6,229	8,428
Receivable	765	815	920	1,030	1,145
Inventory	8,088	8,290	9,260	10,343	11,480
Other current assets	2,464	2,700	2,344	2,623	2,917
<b>Total current assets</b>	<b>14,992</b>	<b>15,846</b>	<b>17,070</b>	<b>20,225</b>	<b>23,969</b>
Fixed assets	4,741	5,645	6,585	7,264	7,772
Other non-current assets	0	0	0	0	0
<b>Total non-current assets</b>	<b>12,525</b>	<b>13,679</b>	<b>14,981</b>	<b>15,980</b>	<b>16,808</b>
<b>Total assets</b>	<b>27,517</b>	<b>29,525</b>	<b>32,051</b>	<b>36,204</b>	<b>40,777</b>
ST loans	2,856	2,303	492	492	492
Payable	2,603	3,140	3,550	3,966	4,401
Other payables	1,492	1,234	2,017	2,252	2,500
Current portion of LT loans	13	16	0	0	0
<b>Total current liab.</b>	<b>11,051</b>	<b>10,976</b>	<b>10,778</b>	<b>11,852</b>	<b>12,974</b>
Long term loans	0	0	0	0	0
Other LT liab.	4,054	4,098	4,332	4,551	4,778
<b>Total liabilities</b>	<b>15,105</b>	<b>15,074</b>	<b>15,110</b>	<b>16,403</b>	<b>17,752</b>
Equity	2,690	2,759	2,759	2,759	2,759
Retained earnings	7,307	8,943	10,942	13,208	15,745
Minority interest	2,414	2,749	3,240	3,834	4,521
<b>Total SHE + minority int.</b>	<b>12,412</b>	<b>14,451</b>	<b>16,941</b>	<b>19,801</b>	<b>23,025</b>
<b>Total liabilities &amp; equity</b>	<b>27,517</b>	<b>29,525</b>	<b>32,052</b>	<b>36,204</b>	<b>40,777</b>

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Profit before tax	3,203	2,834	3,286	3,774	4,254
Depr. & amortization	421	(6,335)	7,721	1,364	1,534
Changes in working capital	(3,261)	57	159	(507)	(534)
Others	(858)	(686)	(796)	(914)	(1,030)
<b>Cash flow from operating</b>	<b>(494)</b>	<b>(4,130)</b>	<b>10,371</b>	<b>3,717</b>	<b>4,224</b>
Capital expenditure	(1,873)	5,431	(8,661)	(2,043)	(2,043)
Others	(183)	(97)	623	8	18
<b>Cash flow from investing</b>	<b>(2,056)</b>	<b>5,334</b>	<b>(8,038)</b>	<b>(2,034)</b>	<b>(2,025)</b>
Loans	2,274	(556)	(1,827)	0	0
Equity	0	0	0	0	0
Dividends	0	0	0	0	0
Others	62	69	0	0	0
<b>Cash flow from financing</b>	<b>2,336</b>	<b>(487)</b>	<b>(1,827)</b>	<b>0</b>	<b>0</b>
<b>Changes in cash</b>	<b>(215)</b>	<b>717</b>	<b>506</b>	<b>1,683</b>	<b>2,199</b>

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	45.3%	42.7%	42.6%	42.7%	42.8%
Operating margin	10.8%	9.1%	9.0%	9.1%	9.0%
Pre-tax margin	9.6%	7.5%	7.7%	7.9%	8.0%
Net margin	5.7%	4.7%	4.7%	4.7%	4.8%
ROA	7.8%	6.2%	6.5%	6.6%	6.6%
ROE	20.9%	16.3%	15.7%	15.3%	14.7%
Acct. receivables TO (days)	91.3	103.7	117.1	131.0	145.7
Inventory TO (days)	128.0	137.8	137.8	137.8	137.8
Payable TO (days)	51.9	52.6	52.6	52.6	52.6
Debt to equity	28.7%	19.8%	3.6%	3.1%	2.7%
Interest coverage ratio (x)	7.6	5.7	6.9	7.8	8.6
Net gearing	-8.1%	-14.7%	-29.6%	-35.9%	-42.9%

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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