# FOCUS | Medikaloka Hermina

Transfer of Coverage | 12 November 2020

mandiri sekuritas


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Sector : Healthcare

## BUY

| | |
|---|---|
| Current Price | Rp3,310 |
| Target Price | Rp4,000 (+20.8%) |
| | *Prev. TP:Rp5,000* |
| 52-wk range | Rp3,800 - Rp1,850 |

**Stock Data**

| | |
|---|---|
| Bloomberg Code | HEAL IJ |
| Mkt.Cap (Rp bn/US$ mn) | 9,841 / 699 |
| Issued Shares (mn) | 2,973 |
| Avg. Daily T/O (Rp bn/US$ mn) | 1.8/0.1 |

**Major shareholder**

| | |
|---|---|
| Yulisar Khiat | 13.6% |
| Non Widjaja Kusuma | 8.4% |
| Binsar Parasian Simorangkir | 6.7% |

**EPS consensus**

| | Mansek | Cons | Diff |
|---|---|---|---|
| 2020F | 114.1 | 85.5 | 33.5 |
| 2021F | 134.4 | 118.3 | 13.6 |
| 2022F | 175.5 | 150.2 | 16.9 |

**Share price performance**

| | 3m | 6m | 12m |
|---|---|---|---|
| Absolute (%) | 4.4 | 14.1 | (12.4) |
| Relative to JCI (%) | (1.7) | (4.6) | (2.0) |

## Strongest Recovery among Peers; Maintain Buy

HEAL's 3Q20 result, in general, was the best among other hospitals under our coverage. Not only was its volume more resilient, but its case intensity (average revenue/patient) also saw the highest growth compared to others. Continuous operational efficiencies have boosted profitability since IPO, and there is still ample room for improvement in the next 2-3 years.

**3Q20 result review.** Revenue reached Rp1.2tn (+28% YoY) in 3Q20 as COVID-19 improved intensity despite lower patient traffic. COVID-19-related revenue contributed 25% of the total 3Q20 revenue. High COVID-19 intensity and several operational efficiencies—such as in procurement and labor—boosted EBITDA margin to 32% in 3Q20, the highest level since IPO. EBITDA grew by 70% YoY in 3Q20 to Rp363bn. HEAL booked Rp157bn earnings in 3Q20, up by 84% YoY, leading to a 9M20 earnings of Rp262bn (+25% YoY) and surpassing our and consensus FY20E earnings estimates.

**Three key points from the 3Q20 earnings call. 1)** Recovery trajectory in 3Q20 is expected to persist in 4Q20, as Jakarta's recent second lockdown (14-Sep to 12-Oct) had minimal impact on patient traffic. **2)** HEAL guided positive revenue growth and double-digit growth in EBITDA/earnings in FY20E. In the next 2-3 years, HEAL eyes 30% EBITDA margin from procurement initiatives using its large-scale hospital network as leverage and labor cost reduction from automation. **3)** HEAL has obtained shareholders' approval on its plan for a non-preemptive rights issue (max. 7% of its share capital). The rights issue will be exercised when an opportunity arises to acquire an attractive hospital network.

**Post-result adjustment.** After the 3Q20 result, we revised up our forecasts for FY20E revenue/EBITDA/NPAT by 6%/17%/34%. We expect +9% YoY revenue, +15% YoY EBITDA, and 100 bps YoY EBITDA margin expansion in FY20E. We forecast +12%/+22%/+24% revenue/ EBITDA/NPAT CAGR 2020-22E.

**Reiterate Buy, new TP of Rp4,000.** We derive our 1-year price target of Rp4,000 (+21% implied upside) using a 2022E EV/EBITDA target of 13x, which is at -1 SD below average since IPO. This report marks the transfer of coverage from *Lakshmi Rowter* to *Inggrid Gondoprastowo*

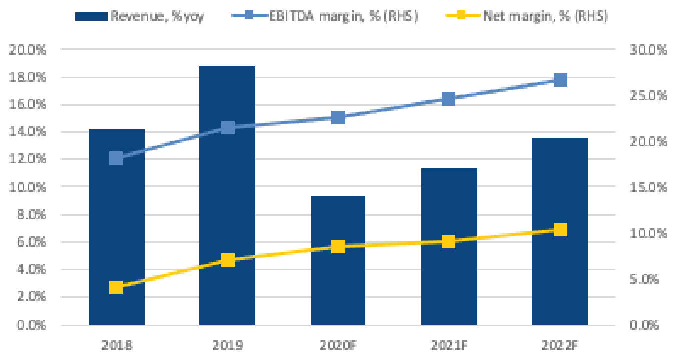
**FINANCIAL SUMMARY**

| YE Dec (Rp Bn) | 2018A | 2019A | 2020F | 2021F | 2022F |
|---|---|---|---|---|---|
| EBITDA | 553 | 779 | 897 | 1,090 | 1,339 |
| Net Profit | 124 | 255 | 339 | 400 | 522 |
| Fully-diluted EPS | 42 | 86 | 114 | 134 | 176 |
| Fully-diluted EPS growth (%) | 27.5 | 105.3 | 32.9 | 17.8 | 30.6 |
| P/E Ratio (x) | 79.1 | 38.5 | 29.0 | 24.6 | 18.9 |
| EV/EBITDA (x) | 19.7 | 14.3 | 12.6 | 10.4 | 8.4 |
| P/B Ratio (x) | 5.3 | 4.6 | 4.0 | 3.5 | 3.0 |
| Dividend Yield (%) | 0.0 | 0.3 | 0.4 | 0.5 | 0.6 |
| ROAE (%) | 10.7 | 12.7 | 14.8 | 15.2 | 17.2 |

Source: Company (2018-2019), Mandiri Sekuritas (2020-2022)

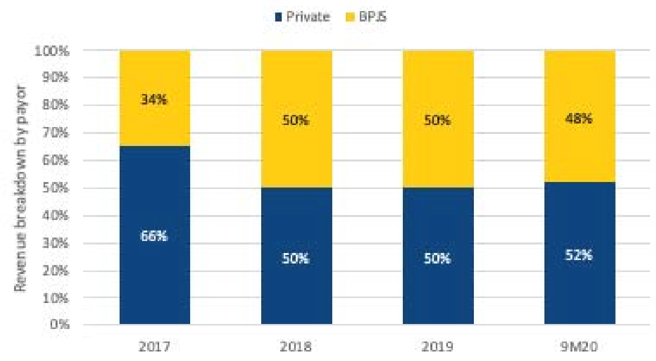
# HEAL - At a Glance

### FIGURE 1. REVENUE AND MARGIN TREND



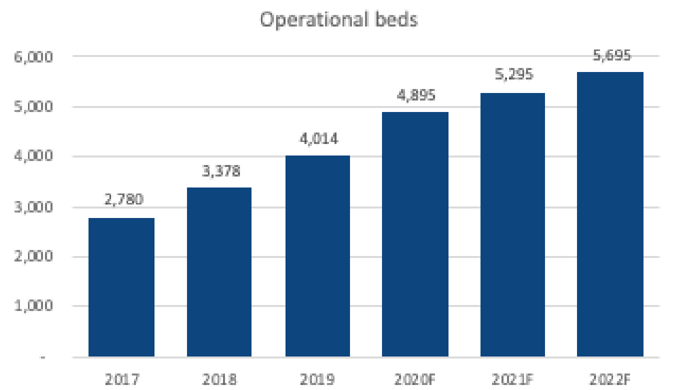

Source: Mandiri Sekuritas, Company

### FIGURE 2. REVENUE BREAKDOWN BY PAYOR



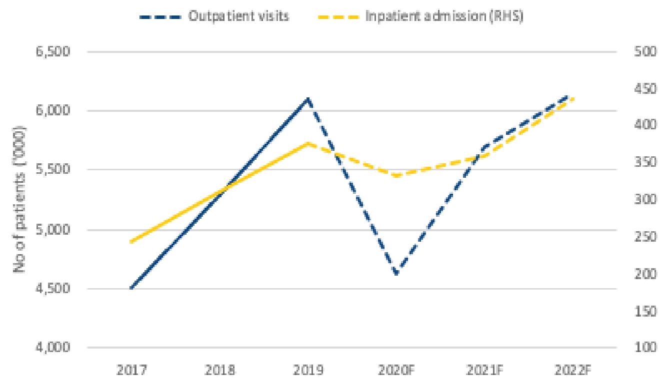

Source: Mandiri Sekuritas, Company

### FIGURE 3. NO. OF OPERATIONAL BEDS



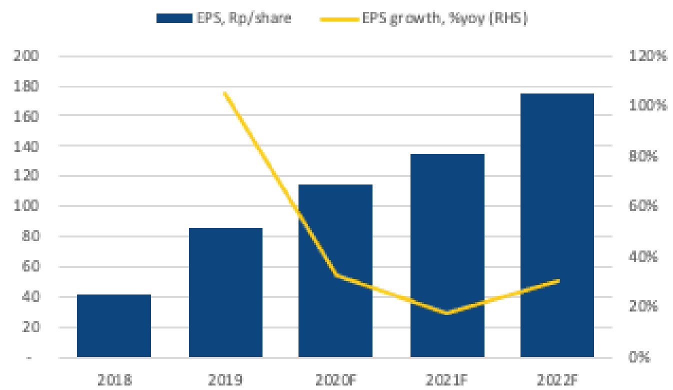

Source: Mandiri Sekuritas, Company

### FIGURE 4. NO. OF PATIENTS



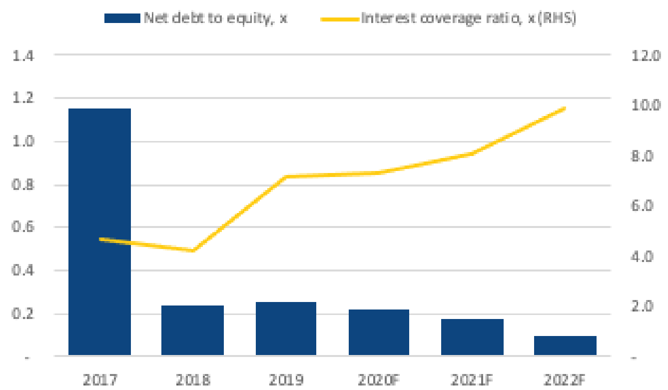

Source: Mandiri Sekuritas, Company

### FIGURE 5. EPS GROWTH TREND




Source: Mandiri Sekuritas, Company

### FIGURE 6. LEVERAGE TREND




Source: Mandiri Sekuritas, Company

## 3Q20 Result and Key Takeaways from Call

**HEAL's 3Q20 result, in general, was the best among other hospitals under our coverage (MIKA and SILO).** Indeed, as observed in other hospitals during this COVID-19 pandemic, revenue was mainly saved by the high intensity of cases amid low patient traffic. However, HEAL's patient volume proved to be more resilient than peers, and its case intensity (average revenue/patient) jumped the highest compared to others. The latter was partly due to the larger gap between its normal intensity and the COVID-19 payment by the government and the testing price. The COVID-19 high intensity, coupled with several cost initiatives, trickled down to the bottom line, bringing HEAL's 9M20 earnings to exceed our and consensus FY20E (103-105% FY20E) (see fig. 7).

- Revenue reached Rp1.2tn (+28% YoY) in 3Q20 as COVID-19 improved intensity despite lower patient traffic. The inpatient segment grew faster than outpatient during 3Q20, at +33% YoY and +19% YoY, respectively. The 9M20 revenue reached Rp2.9tn (+7% YoY), slightly above our and consensus FY20E (77-78% FY20E). BPJS Kesehatan/private-revenue-mix in 3Q20 were at 48%/52%, slightly higher than the 50:50 norm, as COVID-19 patients were regarded as private patients. COVID-19 related revenue contributed 25% of the total 3Q20 revenue.
- Operational wise, in 3Q20, outpatient traffic declined by 29% YoY (aligned with peers), whereas inpatient days dropped by 4% YoY (vs. MIKA/SILO by -5% YoY/ -23% YoY). On the other hand, both average revenue/outpatient and average revenue/inpatient day in 3Q20 leaped by 69% YoY (vs. MIKA/SILO at +37% YoY/+54% YoY) and 39% YoY (vs. MIKA/SILO +25% YoY/+20% YoY), respectively. This result was partly due to the government's high COVID-19 payment (on average Rp7mn/day vs. HEAL's inpatient intensity Rp2.3mn/day) and the testing price (on average Rp900k vs. HEAL's outpatient intensity Rp220k) (see fig. 8-13).
- High COVID-19 intensity and several operational efficiencies—such as in procurement and labor—boosted EBITDA margin to 32% in 3Q20 and 24% in 9M20, the highest level since IPO. EBITDA grew by 70% YoY in 3Q20 to Rp363bn. Cumulatively, the 9M20 EBITDA stood at Rp694bn (+17% YoY), accounting for 90% of our and consensus FY20E.
- We did not note any significant items below the operational line. HEAL booked Rp157bn earnings in 3Q20, up by 84% YoY, leading to a 9M20 earnings of Rp262bn (+25% YoY), surpassing our and consensus FY20E earnings.
- HEAL's gearing/net gearing stood at 0.5x/0.2x as of Sep-20 vs. 0.4x/0.2x as of Jun-20 after the issuance of Rp445bn in shelf registration bonds in Sep-20. After the bond issuance, the company aims to lower its cost of debt to 8.5% vs. before bond issuance at 9.0-9.3%. Cash stood slightly above Rp1tn as of Sep-20, c. Rp400bn above their usual comfortable level in case any M&A opportunity emerges.
- HEAL recorded lower working capital days as of Sep-20, mainly from shorter receivable days (79 days in Sep-20 vs. 81 days in Jun-20) and longer payable days (39 days in Sep-20 vs. 35 days in Jun-20). HEAL received payment from BPJS Kesehatan sooner, and it strived to improve its collection of receivables from the private side and manage its payables payment.
- As of Sep-20, HEAL owns 38 hospitals, will open the 39th in Tangerang in the next few weeks, and conclude 1 hospital acquisition, hence on track to achieve 40 hospitals by the end of 2020, as targeted during IPO.

**From the 3Q20 earnings call with CFO, we see three points to highlight:**

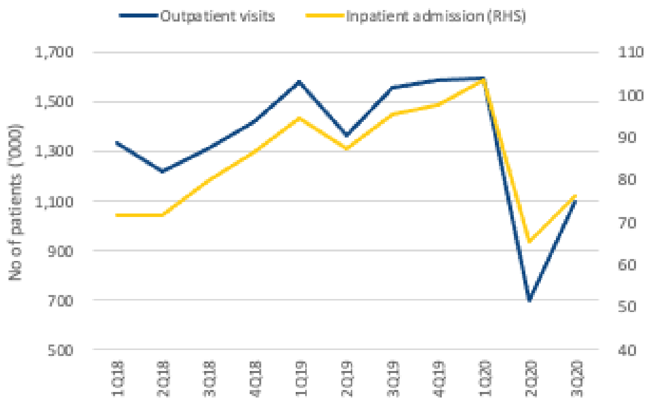
- **Recovery trajectory** in 3Q20 is expected to persist in 4Q20, as Jakarta's recent second lockdown (14-Sep to 12-Oct) had minimal impact on patient traffic. Strict health protocol and continuous branding on safe hospital environment also help in recovering non-COVID-19 patients.
- **Guidance.** HEAL guided to end 2020 with positive revenue growth and double-digit growth in EBITDA/earnings. The company also targets 25% EBITDA margin in FY20E. In 2021, HEAL expects positive revenue growth and margin expansion YoY from inorganic growth, pent-up demand from pending elective cases, and further efficiencies. According to the company, COVID-19 volume and intensity are expected to last at least until enough of the population is inoculated, by Sep-21 at the earliest; meanwhile, the pandemic's aftermath economic impact will increase BPJS Kesehatan patients vs. private patients. In the next 2-3 years, HEAL eyes 30% EBITDA margin, primarily from procurement initiatives using its large-scale hospital network as leverage and labor cost reduction from automation.
- **Non-preemptive rights issue.** HEAL has obtained shareholders' approval yesterday from EGMS on its recent plan for a non-preemptive rights issue (max. 7% of its share capital). The rights issue approval is valid for two years and will be exercised when an opportunity to acquire an attractive hospital network arises.

**FIGURE 7. HEAL 3Q20 RESULT SUMMARY**

| HEAL, Rp bn | 9M19 | 9M20 | %yoy | 1Q19 | 2Q19 | 3Q19 | 4Q19 | 1Q20 | 2Q20 | 3Q20 | %qoq | %yoy | %MANSEK | %Cons. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenues | 2,688 | 2,883 | *7.3* | 902 | 887 | 900 | 943 | 984 | 748 | 1,151 | *53.8* | *27.9* | *77.3* | *78.4* |
| Gross profit | 1,242 | 1,308 | *5.3* | 425 | 419 | 399 | 384 | 440 | 301 | 566 | *87.9* | *42.0* | *82.4* | *82.3* |
| Operating profit | 434 | 497 | *14.5* | 134 | 141 | 159 | 118 | 160 | 46 | 292 | *536.7* | *83.7* | *99.0* | *95.1* |
| EBITDA | 593 | 694 | *17.0* | 185 | 195 | 214 | 186 | 220 | 110 | 363 | *229.1* | *70.2* | *90.5* | *90.5* |
| Net interest | (56) | (68) | *20.6* | (18) | (25) | (13) | (22) | (22) | (21) | (24) | *13.7* | *92.6* | *91.8* | |
| Pre-tax income | 398 | 482 | *21.0* | 121 | 122 | 156 | 107 | 147 | 46 | 290 | *533.6* | *85.3* | *102.8* | *102.3* |
| Net profit | 210 | 262 | *24.6* | 56 | 68 | 85 | 45 | 72 | 32 | 157 | *385.9* | *84.3* | *103.5* | *105.4* |
| **Growth trend, %yoy** | | | | | | | | | | | | | | |
| Revenues | 17.5 | 7.3 | | 20.8 | 15.2 | 16.4 | 22.5 | 9.1 | -15.6 | 27.9 | | | | |
| EBITDA | 37.6 | 17.0 | | 32.2 | 33.7 | 46.7 | 52.0 | 18.9 | -43.2 | 70.2 | | | | |
| Net profit | 90.6 | 24.6 | | 52.2 | 107.0 | 112.5 | 220.4 | 27.3 | -52.5 | 84.3 | | | | |
| **(in %)** | | | | | | | | | | | | | | |
| Gross margin | 46.2 | 45.4 | | 47.1 | 47.2 | 44.3 | 40.7 | 44.7 | 40.3 | 49.2 | | | | |
| Opex to revenue | 30.0 | 28.1 | | 32.2 | 31.3 | 26.7 | 28.3 | 28.5 | 34.1 | 23.9 | | | | |
| Operating margin | 16.2 | 17.3 | | 14.9 | 16.0 | 17.7 | 12.5 | 16.3 | 6.1 | 25.3 | | | | |
| EBITDA margin | 22.1 | 24.1 | | 20.5 | 21.9 | 23.7 | 19.7 | 22.4 | 14.8 | 31.6 | | | | |
| Net margin | 7.8 | 9.1 | | 6.3 | 7.7 | 9.5 | 4.8 | 7.3 | 4.3 | 13.7 | | | | |

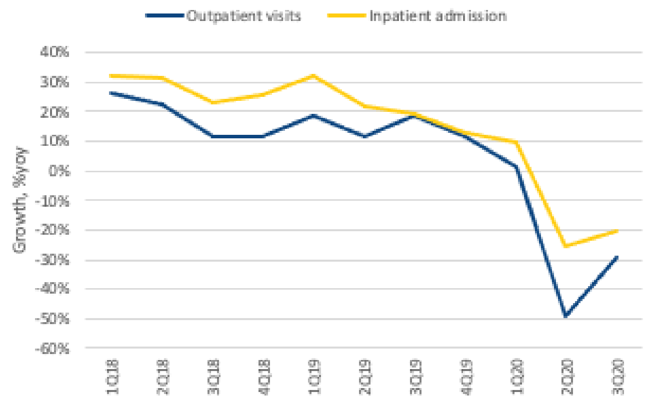
Source: Mandiri Sekuritas, Company, Bloomberg

### FIGURE 8. HEAL QUARTERLY PATIENT TRAFFIC



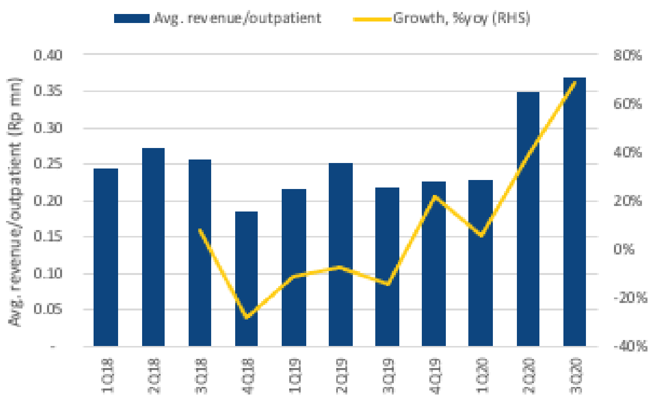

Source: Company

### FIGURE 9. HEAL QUARTERLY PATIENT TRAFFIC GROWTH



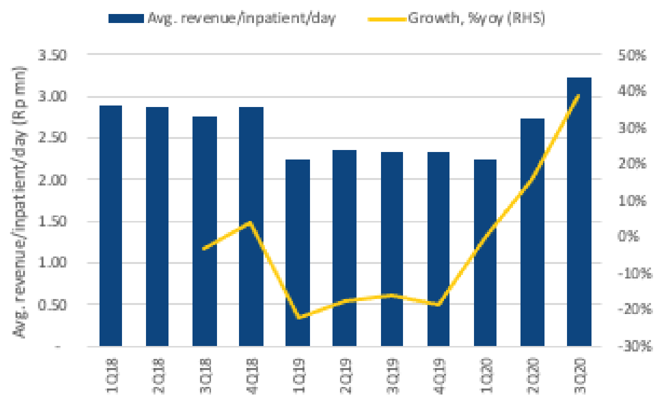

Source: Company

### FIGURE 10. HEAL QUARTERLY OUTPATIENT INTENSITY



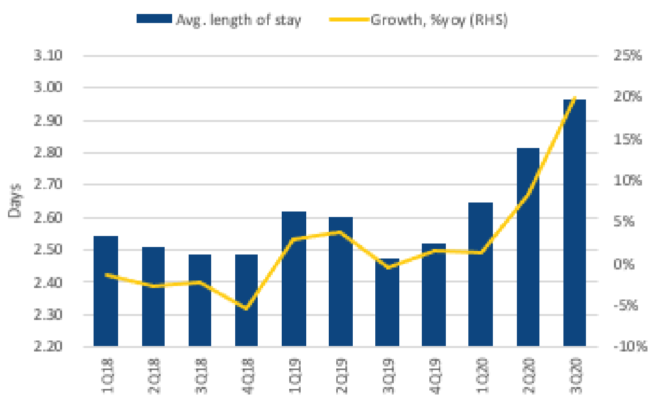

Source: Company

### FIGURE 11. HEAL QUARTERLY INPATIENT INTENSITY



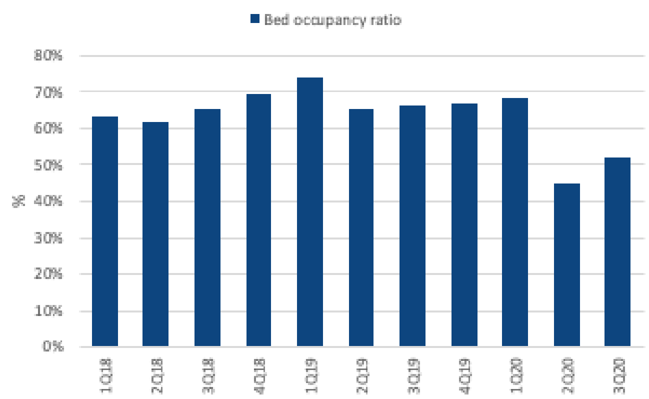

Source: Company

### FIGURE 12. HEAL AVERAGE LENGTH OF STAY




Source: Company

### FIGURE 13. HEAL BED OCCUPANCY RATIO




Source: Company

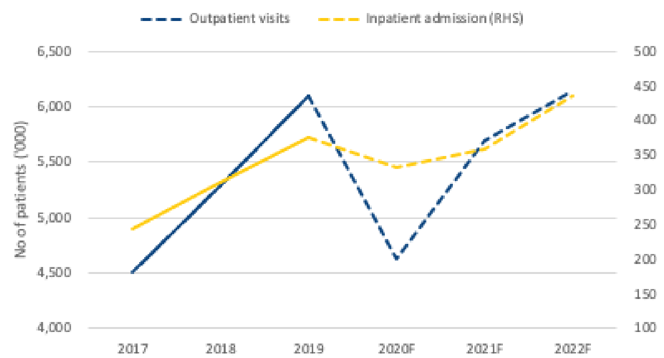
## Forecast and Valuation Adjustment

Post 3Q20 result, we revised up our forecasts for FY20E revenue/EBITDA/NPAT by 6%/17%/34% (see fig. 20). We expect +9% YoY revenue, +15% YoY EBITDA, and 100 bps YoY EBITDA margin expansion in FY20E, building upon: 1) a similar level of COVID-19 diagnostic testing, albeit at a new and lower ceiling price in 4Q20; 2) non-COVID-19 patient traffic recovery in 4Q20 due to pent-up demand from pending elective surgery and treatment, and; 3) reduction in COVID-19 patient admission in 4Q20, as seen in the current national COVID-19 trend. Our new FY20E revenue is 8% higher than consensus, and earnings are 37% higher than consensus, as we believe consensus may need to upgrade its numbers following better-than-expected results.

We forecast +12%/+22%/+24% revenue/EBITDA/NPAT CAGR 2020-22E due to volume recovery after the pandemic, stronger BPJS Kesehatan volume (50% of revenue) amidst a challenging post-pandemic economy, more margin expansion from procurement and labor efficiencies, lower cost of debt post bond issuance, and better working capital management.

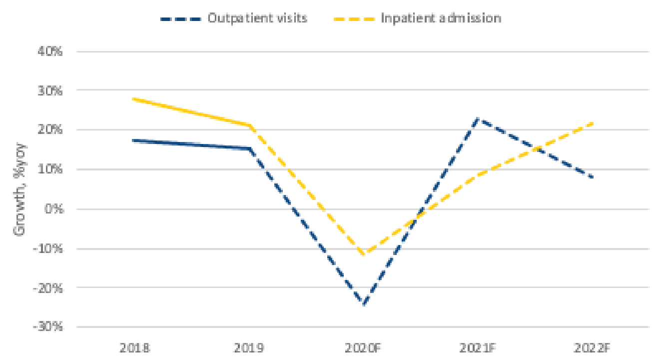
**Reiterate Buy call at new TP of Rp4,000 (+21% implied upside).** We derive our 1-year price target of Rp4,000 using a 2022E EV/EBITDA target of 13x, which is -1 SD below average since IPO (see fig. 19). We expect no rerating in the short-term due to HEAL's low liquidity and uncertainty during the COVID-19 pandemic. Nevertheless, we believe HEAL will see the strongest growth in the short-term, given its BPJS Kesehatan patient base in its revenue is the largest and considering the challenging economic situation after the pandemic, which may cause a temporary downgrade among patients. Currently, HEAL trades at 13x/10x EV/EBITDA for 2021E/22E, lower than ASEAN peers at 16-18x.

**FIGURE 14. HEAL PATIENT TRAFFIC**



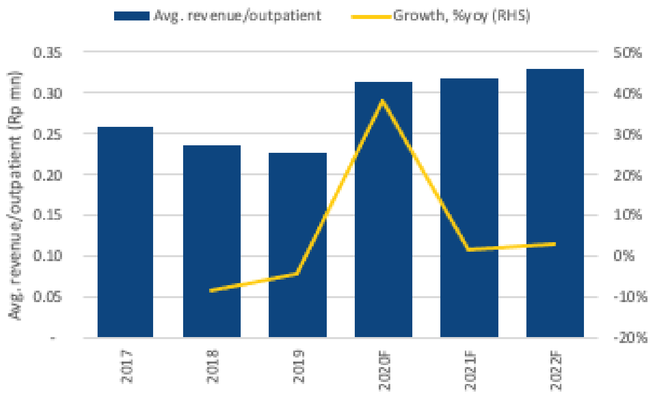

Source: Mandiri Sekuritas, Company

**FIGURE 15. HEAL PATIENT TRAFFIC GROWTH**



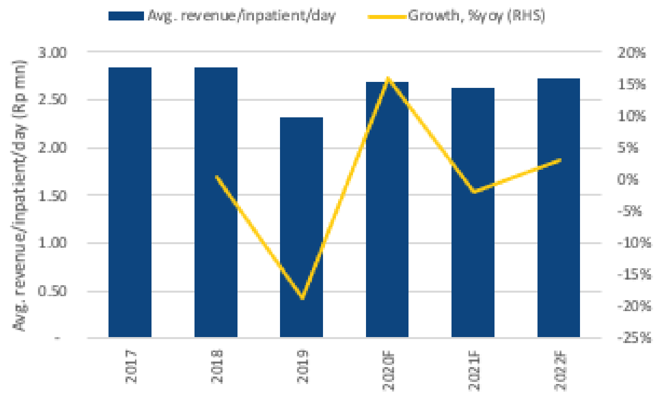

Source: Mandiri Sekuritas, Company

### FIGURE 16. HEAL OUTPATIENT INTENSITY



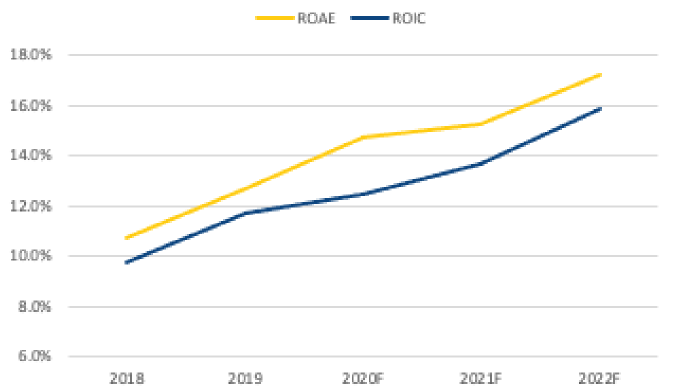

Source: Mandiri Sekuritas, Company

### FIGURE 17. HEAL INPATIENT INTENSITY



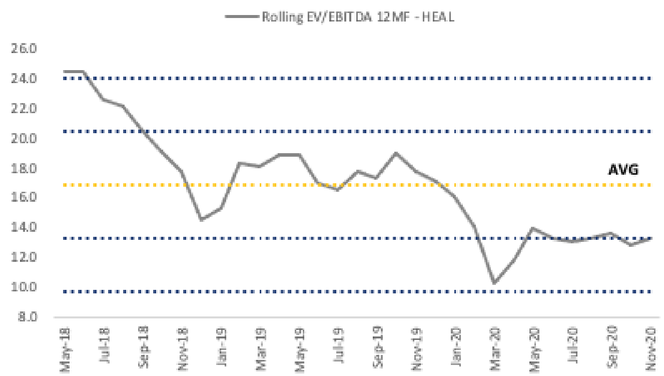

Source: Mandiri Sekuritas, Company

### FIGURE 18. HEAL RETURN ON EQUITY AND INVESTED CAPITAL




Source: Mandiri Sekuritas, Company

### FIGURE 19. HEAL CURRENTLY TRADES AT 13.3X EV/EBITDA 12MF (-1 SD)




Source: Mandiri Sekuritas, Company

### FIGURE 20. KEY FORECAST CHANGES

| HEAL | | New forecast | | | Old forecast | | | Change | | | Consensus | | | MANSEK/Consensus | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Rp bn | 2019A | 2020F | 2021F | 2022F | 2020F | 2021F | 2022F | 2020F | 2021F | 2022F | 2020F | 2021F | 2022F | 2020F | 2021F | 2022F |
| Revenues | 3,631 | 3,973 | 4,423 | 5,021 | 3,730 | 4,472 | 5,397 | 6% | -1% | -7% | 3,676 | 4,340 | 4,895 | 108% | 102% | 103% |
| Gross profit | 1,626 | 1,788 | 2,013 | 2,322 | 1,587 | 1,911 | 2,375 | 13% | 5% | -2% | 1,588 | 1,917 | 2,186 | 113% | 105% | 106% |
| Operating profit | 552 | 636 | 774 | 967 | 503 | 596 | 833 | 26% | 30% | 16% | 523 | 742 | 875 | 122% | 104% | 110% |
| EBITDA | 779 | 897 | 1,090 | 1,339 | 766 | 909 | 1,200 | 17% | 20% | 12% | 766 | 994 | 1,154 | 117% | 110% | 116% |
| NPAT | 255 | 339 | 400 | 522 | 253 | 289 | 412 | 34% | 38% | 27% | 248 | 344 | 423 | 137% | 116% | 123% |
| *%yoy* | | | | | | | | | | | | | | | | |
| Revenues | | 9% | 11% | 14% | 3% | 20% | 21% | | | | 1% | 18% | 13% | | | |
| Gross profit | | 10% | 13% | 15% | -2% | 20% | 24% | | | | -2% | 21% | 14% | | | |
| Operating profit | | 15% | 22% | 25% | -9% | 19% | 40% | | | | -5% | 42% | 18% | | | |
| EBITDA | | 15% | 22% | 23% | -2% | 19% | 32% | | | | -2% | 30% | 16% | | | |
| NPAT | | 33% | 18% | 31% | -1% | 14% | 42% | | | | -3% | 39% | 23% | | | |
| Gross margin | 44.8% | 45.0% | 45.5% | 46.3% | 42.6% | 42.7% | 44.0% | 2.4% | 2.8% | 2.2% | 43.2% | 44.2% | 44.7% | 1.8% | 1.3% | 1.6% |
| Operating margin | 15.2% | 16.0% | 17.5% | 19.3% | 13.5% | 13.3% | 15.4% | 2.5% | 4.2% | 3.8% | 14.2% | 17.1% | 17.9% | 1.8% | 0.4% | 1.4% |
| EBITDA margin | 21.5% | 22.6% | 24.6% | 26.7% | 20.5% | 20.3% | 22.2% | 2.0% | 4.3% | 4.4% | 20.8% | 22.9% | 23.6% | 1.7% | 1.7% | 3.1% |
| NPAT margin | 7.0% | 8.5% | 9.0% | 10.4% | 6.8% | 6.5% | 7.6% | 1.8% | 2.6% | 2.8% | 6.8% | 7.9% | 8.6% | 1.8% | 1.1% | 1.7% |

Source: Mandiri Sekuritas, Company, Bloomberg mandiri sekuritas

## Medikaloka Hermina

### Profit & Loss

| YE Dec (Rp Bn) | 2018A | 2019A | 2020F | 2021F | 2022F |
|---|---|---|---|---|---|
| Revenue | 3,058 | 3,631 | 3,973 | 4,423 | 5,021 |
| Gross Profit | 1,282 | 1,626 | 1,788 | 2,013 | 2,322 |
| Oper. Profit | 350 | 552 | 636 | 774 | 967 |
| **EBITDA** | **553** | **779** | **897** | **1,090** | **1,339** |
| **Net Interest** | **(110)** | **(78)** | **(81)** | **(84)** | **(76)** |
| Interest Expense | (131) | (109) | (123) | (135) | (135) |
| Interest Income | 20 | 31 | 41 | 51 | 59 |
| Forex Losses/Gains | 0 | 0 | 0 | 0 | 0 |
| Net Other | 36 | 31 | 74 | 50 | 50 |
| **Pre-Tax Profit** | **276** | **505** | **628** | **740** | **940** |
| Income Tax | (85) | (162) | (176) | (207) | (244) |
| Others | 0 | 0 | 0 | 0 | 0 |
| Minority Interests | (67) | (89) | (113) | (133) | (174) |
| **Net Profit** | **124** | **255** | **339** | **400** | **522** |

### Cash Flow

| YE Dec (Rp Bn) | 2018A | 2019A | 2020F | 2021F | 2022F |
|---|---|---|---|---|---|
| Operating Profit | 350 | 552 | 636 | 774 | 967 |
| Net Interest | (110) | (78) | (81) | (84) | (76) |
| Depr & Amort | 203 | 227 | 261 | 316 | 372 |
| Other expenses/income | 36 | 31 | 74 | 74 | 50 |
| Other Gain / Loss | 0 | 0 | 0 | 0 | 0 |
| Tax | (85) | (162) | (176) | (207) | (244) |
| Chg in Working Capital | (386) | (165) | 17 | (68) | (102) |
| Other Oper. Cash Flow | 233 | 167 | (116) | (124) | (163) |
| **Oper. Cash Flow** | **242** | **573** | **613** | **657** | **803** |
| Capital Expenditure | (592) | (448) | (754) | (726) | (714) |
| FCF (OPCF after Capex) | (350) | 125 | (141) | (69) | 89 |
| Other Investing CF | (289) | (158) | 84 | 28 | 31 |
| **CF From Investing** | **(881)** | **(606)** | **(670)** | **(698)** | **(682)** |
| Net Chg in Debts | (423) | 429 | 296 | 0 | 0 |
| Equity Funds Raised | 1,300 | 0 | 110 | 133 | 174 |
| Dividend | (31) | (62) | (36) | (47) | (56) |
| Other Financing CF | (225) | (44) | 0 | 0 | 0 |
| **CF From Financing** | **621** | **323** | **371** | **86** | **118** |
| Non-Recur. Inc (Exp) | 0 | 0 | 0 | 0 | 0 |
| Extraord. Inc(Exp) | 0 | 0 | 0 | 0 | 0 |
| **Net Change in Cash** | **(19)** | **289** | **314** | **45** | **239** |
| Cash at beginning | 322 | 304 | 593 | 908 | 952 |
| Cash at End | 304 | 593 | 908 | 952 | 1,191 |

### Valuation

| YE Dec | 2018A | 2019A | 2020F | 2021F | 2022F |
|---|---|---|---|---|---|
| PER (x) | 79.1 | 38.5 | 29.0 | 24.6 | 18.9 |
| EV/EBITDA (x) | 19.7 | 14.3 | 12.6 | 10.4 | 8.4 |
| P/BV (x) | 5.3 | 4.6 | 4.0 | 3.5 | 3.0 |
| P/CF (x) | 40.7 | 17.2 | 16.0 | 15.0 | 12.3 |
| Dividend Yield (%) | 0.0 | 0.3 | 0.4 | 0.5 | 0.6 |

### Balance Sheet

| YE Dec (Rp Bn) | 2018A | 2019A | 2020F | 2021F | 2022F |
|---|---|---|---|---|---|
| Cash & ST Investment | 304 | 593 | 908 | 952 | 1,191 |
| Acct. Receivable | 777 | 926 | 872 | 971 | 1,102 |
| Inventory | 55 | 51 | 67 | 64 | 72 |
| Others | 92 | 94 | 140 | 142 | 143 |
| Current Assets | 1,229 | 1,664 | 1,986 | 2,129 | 2,508 |
| Investments | 0 | 0 | 0 | 0 | 0 |
| Fixed Assets | 2,656 | 3,096 | 3,525 | 3,912 | 4,222 |
| Others | 286 | 288 | 355 | 378 | 410 |
| **Total Assets** | **4,171** | **5,048** | **5,866** | **6,419** | **7,140** |
| Curr. Liabilities | 1,040 | 1,044 | 843 | 882 | 932 |
| Acct. Payable | 203 | 208 | 237 | 261 | 292 |
| ST Borrowings | 265 | 230 | 26 | 26 | 26 |
| Others | 572 | 607 | 580 | 594 | 613 |
| **Long-Term Liabilities** | | | | | |
| Long-Term Payable | 601 | 1,065 | 1,565 | 1,565 | 1,565 |
| Others | 160 | 174 | 281 | 309 | 340 |
| **Total Liabilities** | **1,801** | **2,283** | **2,688** | **2,755** | **2,836** |
| **Shareholder's Equity** | **2,370** | **2,764** | **3,178** | **3,663** | **4,303** |

### Key Ratios

| YE Dec | 2018A | 2019A | 2020F | 2021F | 2022F |
|---|---|---|---|---|---|
| **Growth (% YoY)** | | | | | |
| Sales | 14.2 | 18.7 | 9.4 | 11.3 | 13.5 |
| EBIT | (7.3) | 57.8 | 15.1 | 21.8 | 24.9 |
| EBITDA | 2.1 | 40.8 | 15.1 | 21.5 | 22.8 |
| Net Profit | 27.5 | 105.3 | 32.9 | 17.8 | 30.6 |
| **Profitability (%)** | | | | | |
| Gross Profit Margin | 41.9 | 44.8 | 45.0 | 45.5 | 46.3 |
| Oper. Margin | 11.4 | 15.2 | 16.0 | 17.5 | 19.3 |
| EBITDA Margin | 18.1 | 21.5 | 22.6 | 24.6 | 26.7 |
| Net Margin | 4.1 | 7.0 | 8.5 | 9.0 | 10.4 |
| ROAA | 3.3 | 5.5 | 6.2 | 6.5 | 7.7 |
| ROAE | 10.7 | 12.7 | 14.8 | 15.2 | 17.2 |
| **Leverage** | | | | | |
| Net Debt / Equity (%) | 23.7 | 25.4 | 21.5 | 17.4 | 9.3 |
| EBITDA/Gross Int. (x) | 4.2 | 7.2 | 7.3 | 8.1 | 9.9 |
| **Per Share Data** (Rp) | | | | | |
| EPS | 42 | 86 | 114 | 134 | 176 |
| CFPS | 81 | 193 | 206 | 221 | 270 |
| BVPS | 628 | 722 | 823 | 942 | 1,099 |
| DPS | 0.0 | 11.0 | 12.0 | 15.9 | 18.8 |

Source: Company, Mandiri Sekuritas estimates

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**INVESTMENT RATINGS**: Indicators of expected total return (price appreciation plus dividend yield) within the 12-month period from the date of the last published report, are: Buy (15% or higher), Neutral (-15% to15%) and Sell (-15% or lower).