

Impack Pratama

IMPC IJ / IMPC.JK

Initiation | BCAS Virtue | Building Material Sector

Dome of steady growth and sustainability

Steady earnings growth; 2020-2023F CAGR 22.3%

We initiate IMPC with a BUY rating at TP IDR2,000, with 2021 EV/EBITDA target of 27.7x (+1.5sd of historical mean). We view its commitment for ESG movement and inclining ROE to be the attractive points for the Company. Along with the Company's expansion plan, we believe that IMPC will also be able to grasp the opportunities and gain an even greater market share. We anticipate 2021F earnings growth of 32.2% and 28.2% in 2022F. Upside risk will be coming from the faster than expected property and construction sectors recovery. Downside risk coming from the ongoing inclining raw material price trend.

"Stay-at-home" drives renovation behavior

While demand for home improvement surprisingly surge during the pandemic, we anticipate further boost on IMPC's demand supported by: 1) them capturing market share from the fallen of small competitors due to the economic downturn, 2) ongoing "stay at home" implementation that brings inclination of home renovation trend, 3) revival of property sector; 4) recovery of industrial estate and infrastructure development (including new capital city relocation, also to support capturing Eastern Indonesia market). Even though there is an arising concern on the export shipments that were hampered in the beginning of the year (export contributes 30.3%), the Company view the issues will be resolved with more rapid regional economic recovery throughout 2021. We project 2021F revenue growth of 16.6% YoY following the strong 20.2% YoY growth in 2020, driven by 14.6% volume growth (vs. 21.6% in 2020F).

Disruption in raw material price; IMPC one of the withstanders

While main issues in 2021 to be coming from the raw material price hike (4M21: +73.0% YoY, also from low-based in 2020), we expect the Company to maintain 0.6% YoY ASP growth in 2021F. Even though their fixed price purchase contract has allow them to procure the raw material at a way lower price than the market price in the beginning of the year, the difficulty of the supplier to withstand the price gap has pressured IMPC for an adjustment to higher price for the next quarters. However, the Company's competitive advantage of wide distribution network will also enable them to alleviate the risk from the higher cost as they would have the room to partially pass it on to customers. Thus, we estimate Company's gross margin to reach 35.2% before accelerating to 37.3% in 2022F with slight resolved raw material pricing issue.

Expansions to drive demand from 'untapped' regions

Going forward, IMPC aims to grasp the Eastern Indonesia (Kalimantan & Sulawesi) market, where penetration is relatively low and high potential growth with the new capital city reallocation plan. While currently 80% of their total sales came from West Java, IMPC aims to gain 40% of total sales coming from the Eastern Indonesia in the next 3-4 years. In the meanwhile, the Company's plan to open one factory and rent a distribution hub in East Java for 2021 as well as a distribution hub in Surabaya in 1Q22. They also aim to increase production capacity (~11k ton) this year, that will prepare IMPC for the demand from the recovery of property and construction sectors.

Exhibit 1. Financial Summary

YE to 31 Dec (IDR bn)	2019	2020	2021F	2022F	2023F
Revenue	1,496	1,798	2,096	2,423	2,747
EBITDA	281	302	355	457	576
EV/EBITDA (x)	31	29	25	19	15
Net Profit	104	125	165	219	280
BCAS/consensus (%)	-	-	59.0	68.1	-
EPS (IDR)	21	26	34	45	58
EPS Growth (%)	20.0	20.6	32.2	32.2	28.2
DPS (IDR)	252	252	15	20	26
PE (x)	80.4	66.7	50.4	38.2	29.8
Dividend yield (%)	-	0.6	0.9	1.2	1.5
BVPS (IDR)	244	258	277	302	334
PB (x)	7.1	6.7	6.2	5.7	5.2
ROE (%)	9.0	10.3	12.8	15.6	18.2
Net gearing (%)	37.1	30.5	30.7	26.5	18.0

Sources: Company, BCA Sekuritas

BUY

11 May 2021

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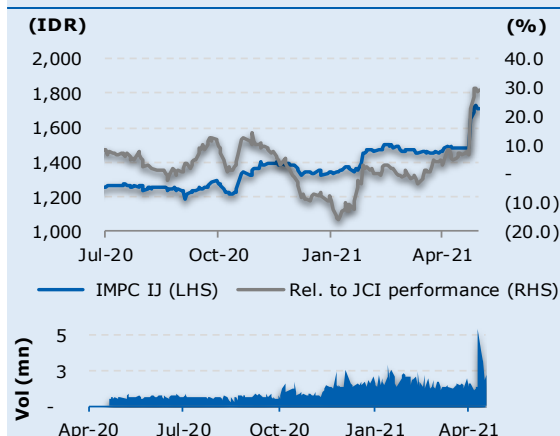
+6221 23587222 ext. 179

Current Price: IDR1,700

Target Price: IDR2,000

Upside/Downside: 18%

12M PRICE PERFORMANCE



Source: Bloomberg

STOCK PERFORMANCE

	YTD	1M	3M	12M
Absolute	28.3%	14.9%	16.4%	57.4%
JCI Return	-0.1%	-1.6%	-3.6%	30.0%
Relative	28.4%	16.4%	20.1%	27.4%

Source: Bloomberg

MARKET DATA

12M price range (IDR)	:	1,070 - 1,750
12M PE range (x)	:	36.8 - 66.7
Outstanding shares (mn)	:	4,834
Market cap (IDRbn)/(USDmn)	:	8,217 / 579
Avg daily turn. (IDRbn/USDmn)	:	2.3 / 0.2

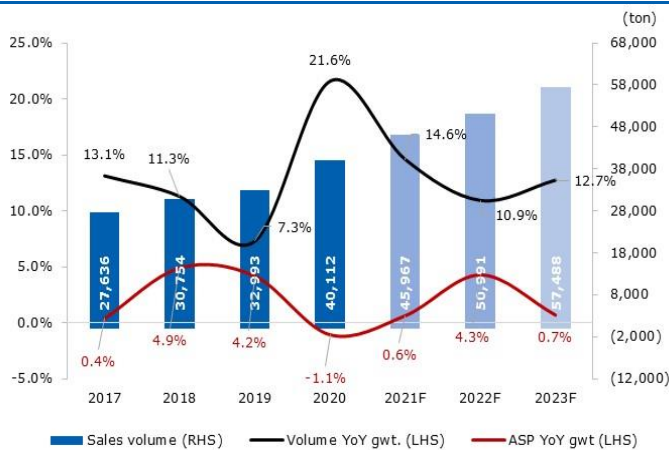
Source: Bloomberg

SHAREHOLDERS

Tunggal Jaya Investama	:	45.6%
Harimas Tunggal Perkasa	:	44.2%
Public (less than 5%)	:	10.2%

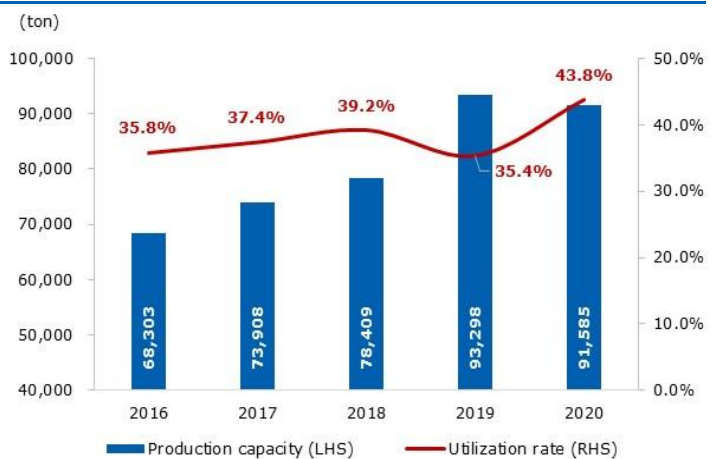
Source: Bloomberg

Exhibit 2. IMPC's to post ongoing double digit volume gwt. in 2021, slight decline only due to high-based effect



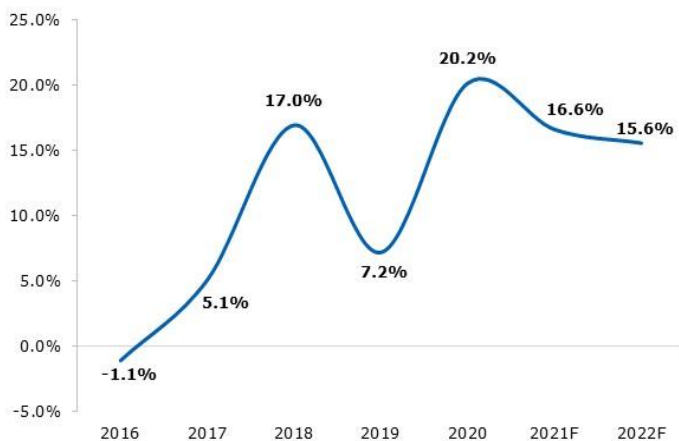
Sources: Company, BCA Sekuritas

Exhibit 3. IMPC's utilization rate trend; higher utilization rate with the robust growth demand in 2020



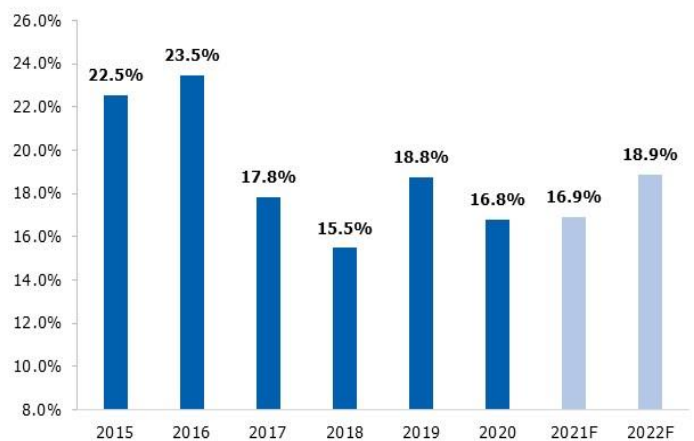
Sources: Company, BCA Sekuritas

Exhibit 4. Ongoing strong revenue growth capturing the Covid-19 momentum and recovery



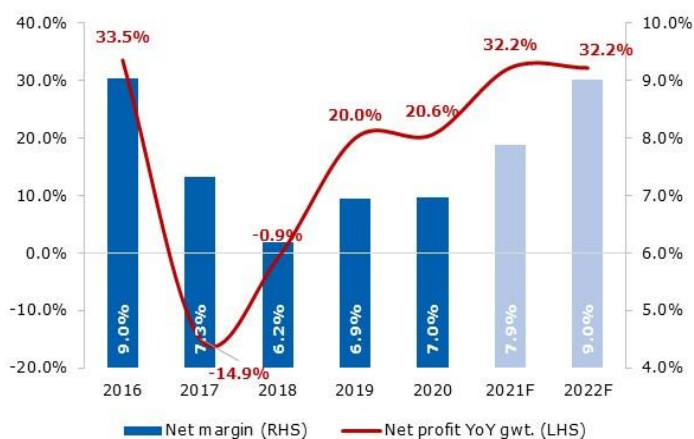
Sources: Company, BCA Sekuritas

Exhibit 5. IMPC's EBITDA margin trend, to recover in 2022F with alleviation of PC price



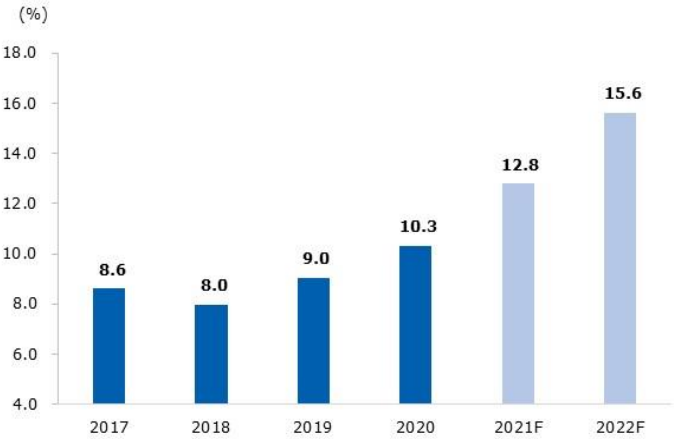
Sources: Company, BCA Sekuritas

Exhibit 6. Steady double digit net profit growth in the next 3 years



Sources: Company, BCA Sekuritas

Exhibit 7. ROE trend; solid double digit EPS growth in the upcoming years



Sources: Company, BCA Sekuritas

Impack Pratama solid track record

IMPC, as a leading plastic building material in Asia Pacific, has been offering premium home improvement building material since 1981. The Company started their story as being the first and only manufacturer of twinwall sheet in Indonesia (1982), the first to produce corrugated and solid flat PC sheet in Southeast Asia (1992), the first and only vinyl roofing sheet producer in Indonesia (1996). Since then, they have showcased their proven high-quality products throughout these years as they dominate the polycarbonate (PC) roofing in Indonesia with market share of 85%. Their extensive array of products, including their 2nd tier brands for more affordable items, along with its growing export has enable them to cover wider home improvement market.

Amid the pandemic, IMPC has proven its immunity against the economic downturn through its earnings improvement in FY20 (+20.6% YoY). The Company shares that the increasing trend for home improvement due to "stay-at-home" during PSBB/PPKM has supported their robust performance. Note, according to BPS' survey, around 53% of the respondents claimed that they have been experiencing increase on spending compared to early period of pandemic (PSBB). Along with this claims, spending on house improvement is showing an increasing trend (+32% for home improvement/gardening), with people taking more attention on the needs for renovations and house repairs.

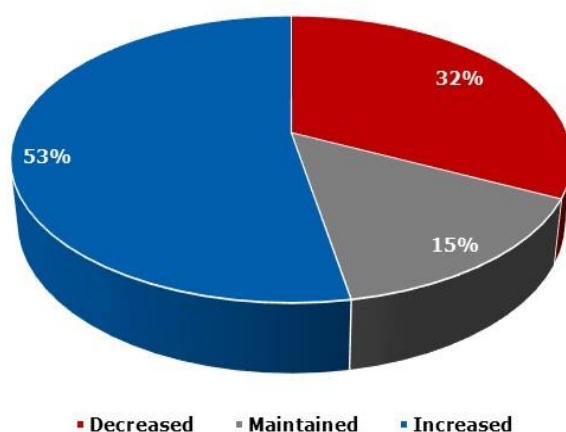
Outperform the market amid pandemic, posting 2020 earnings growth of +20.6% YoY.

Exhibit 8. Brands under IMPC



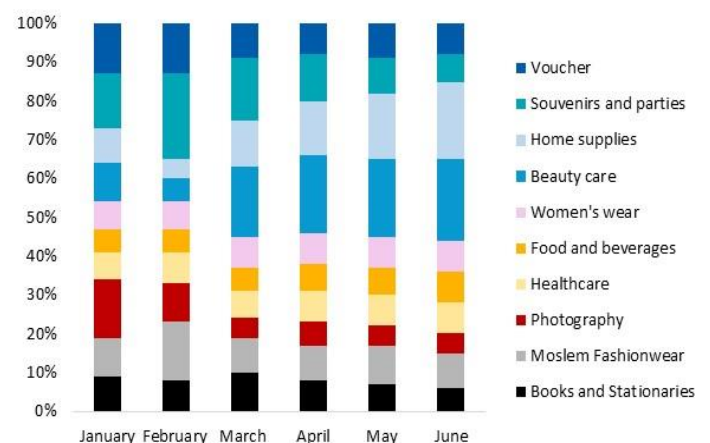
Sources: Company

Exhibit 9. Spending behavior shifts compared to previous and after PSBB (April-June)



Sources: BPS, BCA Sekuritas

Exhibit 10. 2020 proportion of product sold MoM shifts; increasing home supplies trend



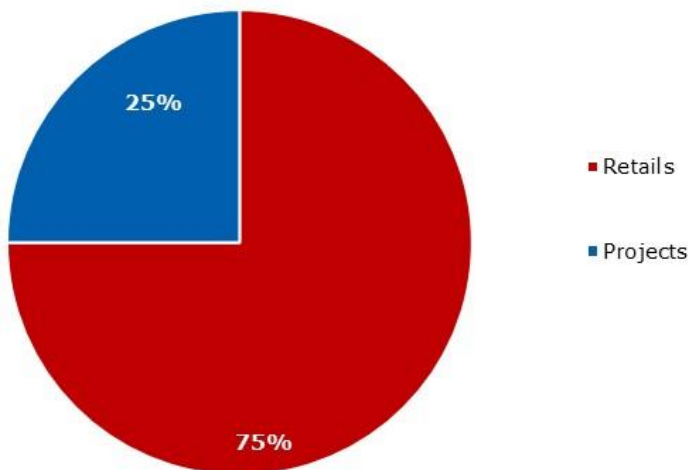
Sources: BPS, BCA Sekuritas

Grasping momentum from Covid-19

While the Company mentioned that home improvement market is actually getting more saturated, IMPC still successfully increased its market share in Indonesia supported by its high economic of scale as well as wide network distribution. This had allow the Company to outperform amid the pandemic (economic downturn); thus, capturing the market share left by the small players. Its extensive selection of products also strengthen their diversification in building material domain to absorb wider market. While we accept the potential comeback from the small players when the Covid-19 effect subsides, we also believe that the captured market to retain its partnership with a proven steady and stable Company, such as IMPC, going forward. IMPC's customer mix that consists of 75% retailers and 25% project based, also explains the stellar performance despite the pandemic (lack of project based segment).

IMPC's revenue contribution of 75% retailers and 25% projects have supported performance during pandemic.

Exhibit 11. IMPC sales breakdown by type of sales channel



Sources: Company, BCA Sekuritas

Additionally, we expect the recovery in property sector (2021F marketing sales growth +14.0%) along with government tax incentives and construction sector (2021F new contract growth 29.1%) will be the pivotal factors for IMPC in capturing the momentum. Along with its capability to grasp more market share amid the pandemic, the following surge of demands coming from these sectors are also expected to start giving significant impact starting 2H21-2022. Its 2020 utilization rate of 43.8% will also give room for the incoming pent up demand. Note that, the Company also plan to expand its capacity with an additional ~11k ton capacity. Thus, we estimate 14.6% YoY volume growth in 2021F following the shown strong performance in 2020 of 21.6% (high-based).

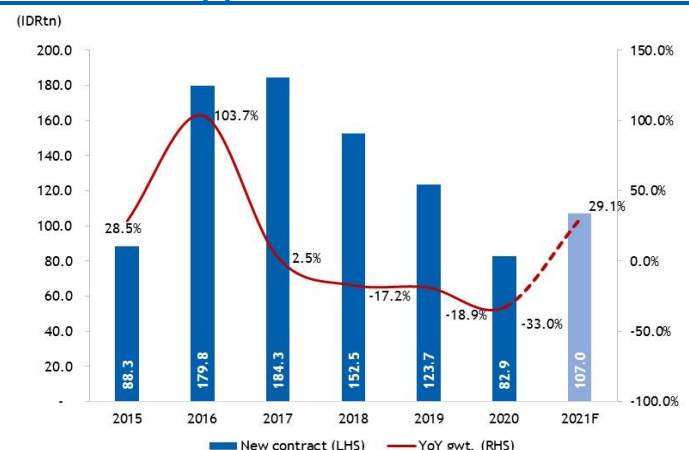
Property & construction recovery to boost demand.

Exhibit 12. Marketing sales trend; recovery had started to be seen in 3M21



Sources: Company, BCA Sekuritas

Exhibit 13. New contract trend; construction sector to start recovery phase in 2H21



Sources: Company, BCA Sekuritas

Domestic expansions to 'untapped' market

While currently 80% of IMPC sales contribution coming from the West Java area, the Company plans to tap into Eastern Indonesia market (Kalimantan & Sumatera) and expect its contribution to reach 40% in the next 3-4 years. We believe this expansion will be supported from the upcoming new capital city relocation to Kalimantan in 2024. We expect the extensive construction projects in the next 3-4 years and a surge in demand for house building material for the relocations. In preparing for the surge of demand, IMPC plans to open 1 distribution center in Surabaya as well as 1 factory in East Java. The Company prepares a total capex of IDR75bn-80bn for 2021F expansion plans.

Expansion to Eastern Indonesia to capture wider market.

Exhibit 14. IMPC's distribution network



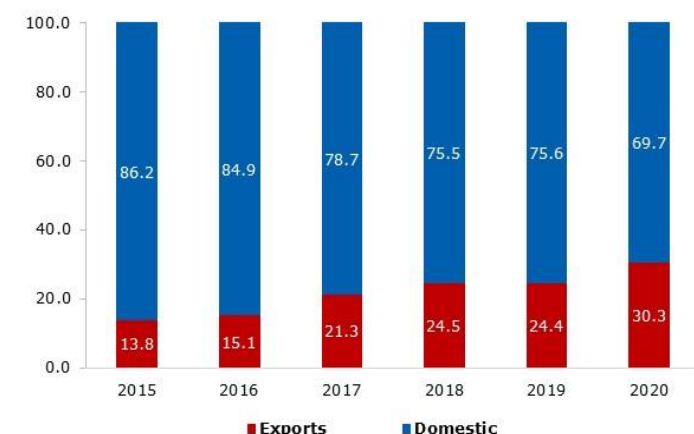
Sources: Company

Exports (30.4% contribution)

IMPC's export segment has grown significantly throughout the years. This is proven by its ability to bring 2016-2020F CAGR of 28.0% from 15.8% revenue contribution in 2015 (vs. 30.4% revenue contribution in 2020). IMPC's factories has reached Australia, Malaysia, Vietnam, and New Zealand, bringing transport cost efficiencies for the Company. Additionally, IMPC also plans to expand to Western part of Australia (Perth), and aim to reach the acquisition completion by this May-21, widening its network coverage to grasp more demand from the global market as well as efficiencies on their transport cost. IMPC targets to double their market share in Australia in the next 3 years. While they have reached breakeven point for their Malaysian branch, we expect them to reach this BE point for the Australia branch in the next 1-2 years.

Australian branch is expected to reach BE point in the next 1-2 years following its Malaysian branch.

Exhibit 15. IMPC's growing export contribution to total revenue



Sources: Company, BCA Sekuritas

Exhibit 16. IMPC's PC products packaged for exports



Sources: BCA Sekuritas

Extensive array of products

- **Roofing (72.0% contribution)**

Dominating the plastic roofing market in Indonesia (85%), the three main categories include the Polycarbonate (PC), Un-plasticized Polyvinyl Chloride (uPVC), and Fiber Reinforced Polyester (FRP). With its proven track record, IMPC maintain its confidence on its high-standard quality product equipped with durability and provide 15-years warranty. While IMPC expects 5-6% annual revenue growth for its PC roofing (reaching mature phase), they still foresee strong growth in PVC roofing for the next 3-5 years. Additionally, the Company also seek to absorb the demand shifts from asbestos through its Alderon RS. brand (PVC roofing). This is backed with the fact that the use of asbestos were increasingly prohibited in more areas (banned in 55 countries) due to healthy reasons (toxic mineral). The Company estimates this could to bring an additional IDR200-300bn market value opportunity.

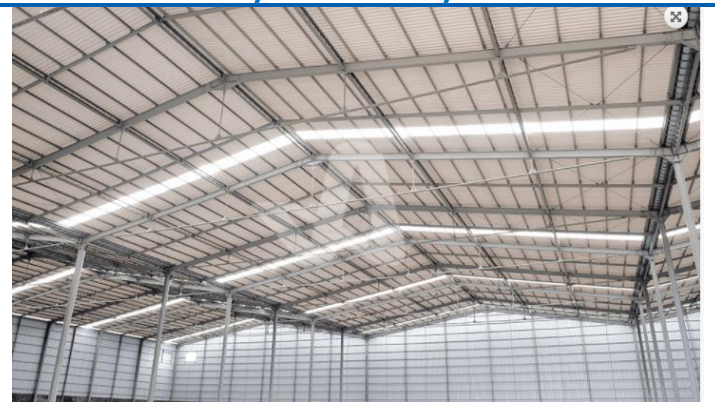
Still plenty of room for roofing segment growth, especially PVC products.

Exhibit 17. Factory application for PC roofing



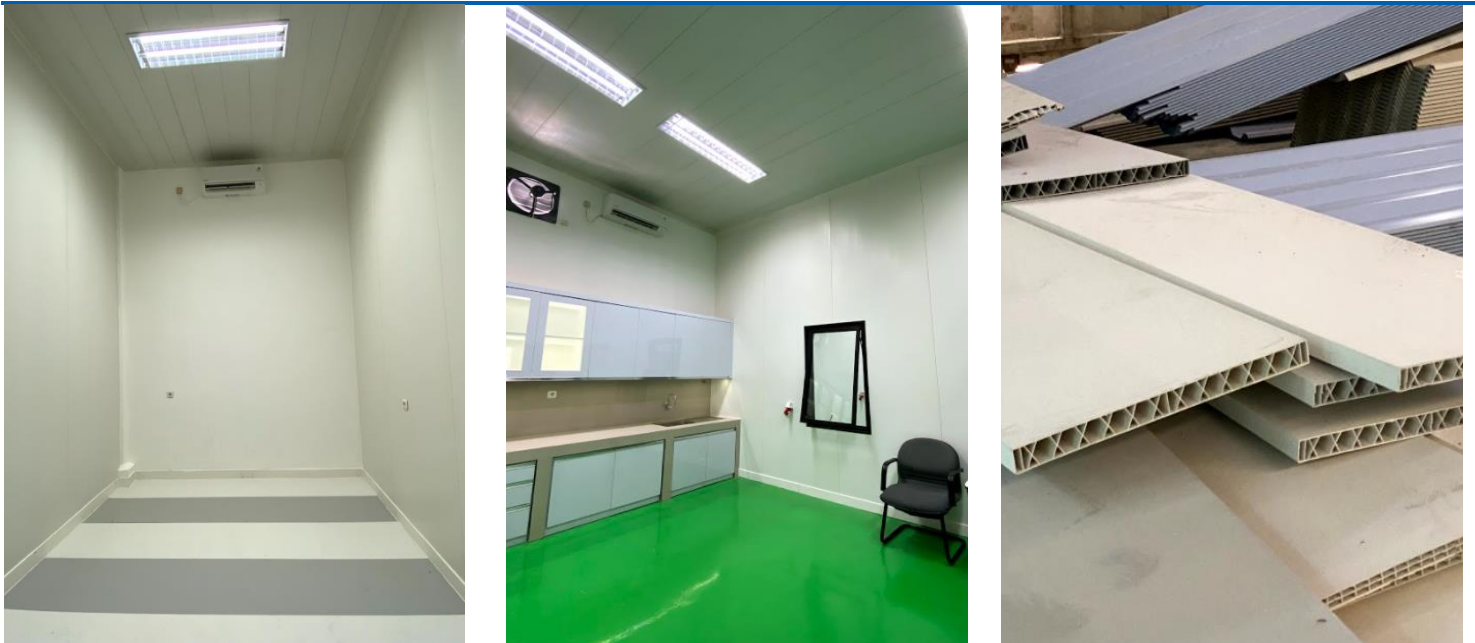
Sources: Company

Exhibit 18. Alderon's weather and chemical withstand with 15 years warranty



Sources: Company

Exhibit 19. PVC application example in rooms (flooring, wall, ceiling); PVC sheets (right)



Sources: BCA Sekuritas

- **Material (15.2% contribution)**

Aside from manufactured plastic home building material, the Company also offers the PVC plastic ore raw materials as well as sealant & adhesive. Embracing its economic of scale advantage, IMPC will be able to procure its raw material at a more competitive price and become supplier for other businesses. Note that, IMPC holds 60% market share of PVC compound and 15% market share of sealant & adhesive in Indonesia.

Exhibit 20. IMPC's sealant & adhesive products



Sources: Company

Exhibit 21. PVC compound



Sources: Company

- **Façade / ACP (8.4% contribution)**

While projects were mostly halted/delayed in 2020, impacting IMPC's Façade segment (-8.3% YoY), we expect the resumption construction activities starting in 2H21 will bring pent up demand for this segment. Thus, we view more significant demand flow in 2022F for the acceleration of construction activities. One of the projects could also be coming from the reallocation of new capital city to Kalimantan in 2024. IMPC's advanced technology for its ACP products fire retardant material, alleviating the intensity of fire on buildings, will also be IMPC's edge.

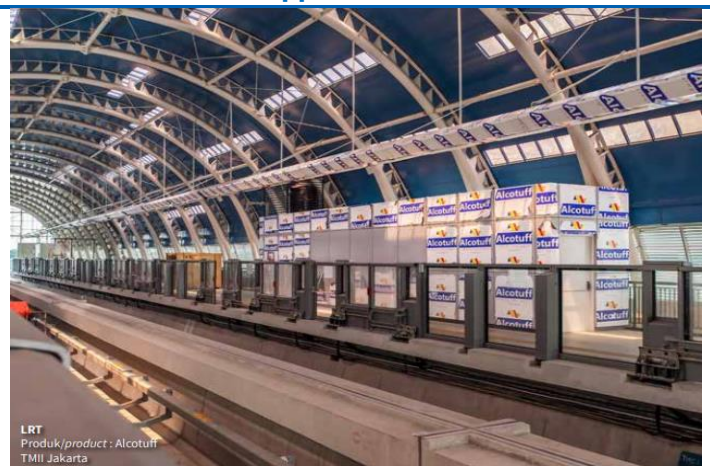
**Construction activity
resumption to support
ACP growth in the next
2-3 years.**

Exhibit 22. Alcotuff FR application on Pacific Place



Sources: Company

Exhibit 23. Alcotuff application on LRT TMII Jakarta



Sources: Company

• **Pipe (3.2% contribution)**

IMPC has just started producing pipe since Jan-20. In the span of one year, the Company managed to reach top 10 market share in Indonesia (out of approximately 30 players). This was achieved due to the fallen smaller players that do not have economic of scale and wide distribution advantages like IMPC does, resulting the stop of productions of these players. With IMPC's existing wide coverage, this came as an opportunity in capturing the 'left behind' clients as well as demand from customers that would seek for convenience of full-package building material company. Considering its early stage, we expect the Company to push its pipe segment utilization rate to ~20-25% in 2021F (vs. 14.2% in 2020).

Became top 10 market leader in only a year of launched of pipe segment.

Exhibit 24. IMPC launched pipe segment in Jan-20



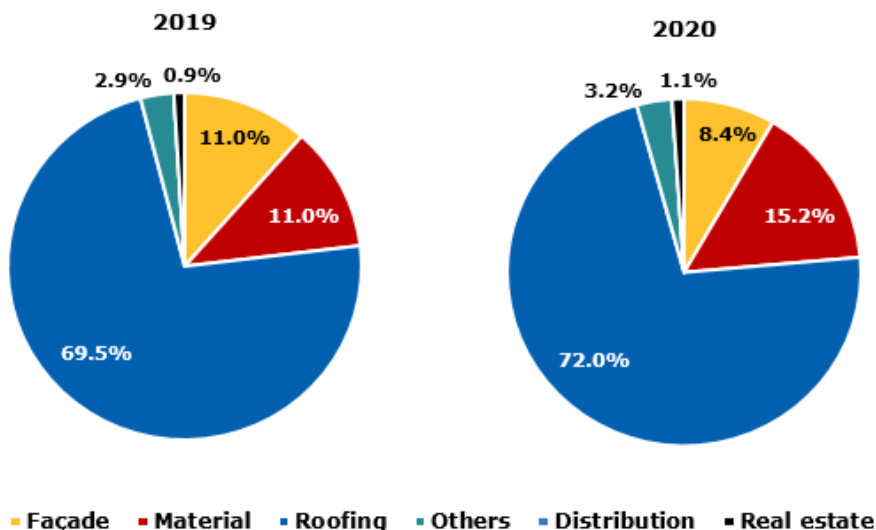
Sources: Company

Exhibit 25. Alderon pipe reached top 10% market share in a year of launch



Sources: BCA Sekuritas

Exhibit 26. Revenue breakdown; dominated by roofing



Sources: Company, BCA Sekuritas

Committed to their ESG slogan: "IMPACT is Impacting Life"

With the increasing global traction for higher expectations on ESG standards, IMPC's effort to pursue initiatives for environmental sustainability will be an attractive element for the Company. Its commitment was proven through its extensive initiatives below. Note that, their ESG products below has contributed to around IDR56.6bn to FY20 total revenue (3.1% contribution)

1. Use of LDPE for ACP production

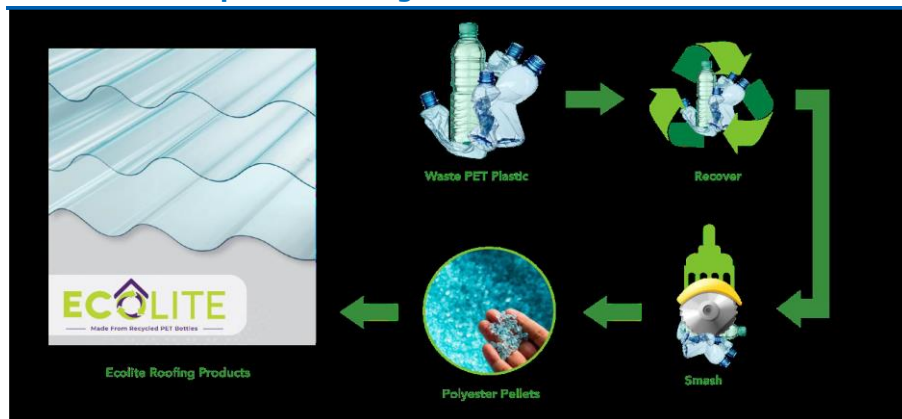
IMPC has been using LDPE (low-density polyethylene), which is recycled from plastic bags, for the production of its ACP non-fire rated. Until Nov-20, the Company usage on the LDPE has reached 715 ton or equivalent to around 130mn recycled plastic bags. Note that, ACP non-fire rated products contributes IDR38bn to total FY20 revenue (2.1% contribution).

2. Ecolite: PET plastic roofing

IMPC has also been using recycled PET bottles and industrial waste for PET plastic roofing under the brand of Ecolite since Aug-20. Up to Dec-20, IMPC has used around 3.5mn recycled PET bottles for the production of 99ton Ecolite. This product has contributed around IDR1.3bn to FY20 total revenue (0.1% contribution).

IMPC commitment in ESG program through extensive of initiatives. They also implement zero waste program.

Exhibit 27. PET plastic roofing



Sources: Company

3. Solar Dryer Dome

This polycarbonate sheets technology is used for drying facility for horticulture through solar power as the renewable energy source. Until end of 2020, IMPC has installed a total of 189 solar dryer domes across Indonesia. This has contributes to a total of IDR17.3bn to the FY20 revenue (1.0% contribution).

Exhibit 28. Solar Dryer Dome ESG initiatives, located in 189 points across Indonesia



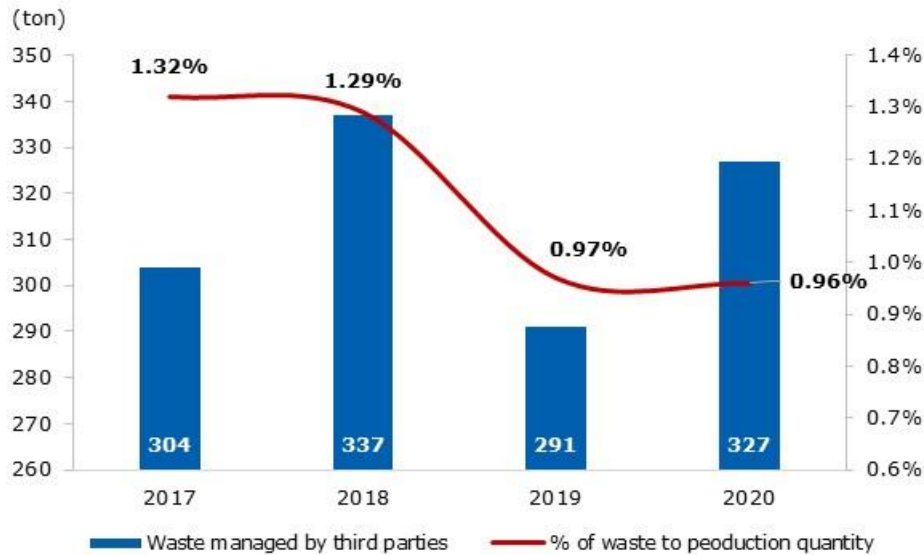
Sources: Company

Exhibit 29. Environmental friendly yet bring efficiencies



Sources: Company

Exhibit 30. IMPC's initiatives through zero waste program



Sources: Company, BCA Sekuritas

Disruption on margin to be temporary

With IMPC's products highly reliant on polycarbonate (PC) resin and polyvinyl chloride (PVC) resin, the increase on its raw material price would be detrimental for the Company. However, with IMPC's wide network advantage, they could pass on the cost to the customers. Recently there is a surge of PC resin price since early 2021 (4M21: +73.0% YoY). Even though their fixed price purchase contract has allow them to procure the raw material at a way lower price than the market price in the beginning of the year, the difficulty of the supplier to withstand the rapid price swing and price gap has pressured IMPC for an adjustment to higher price for the next quarters. However, we view that the Company's competitive advantage of economic of scale and distribution network will enable them to alleviate the risk from the higher raw material cost (but still lower than market price) as they would have the room to pass it on to customers. We expect the Company to maintain +0.6% YoY ASP growth in 2021F. This along with ongoing strong volume growth lead to our estimation of 35.2% gross margin in 2021F before accelerating to 37.3% in 2022F with slight resolved raw material pricing.

Company estimate price to normalize in 3Q21 or at least in a year.

Exhibit 31. PC and oil price trend



Sources: Bloomberg, BCA Sekuritas

Exhibit 32. PC price vs. IMPC's gross margin trend



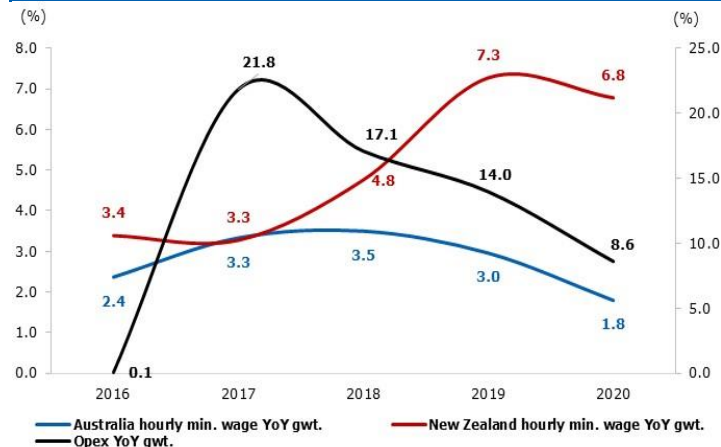
Sources: Company, BCA Sekuritas

Steady EBIT margin

One of the potential concern on the EBIT level comes from the higher wage in their factories located abroad (Australia, NZ, Vietnam, Malaysia). However, we are seeing no issue in the short term with its efficient production line. IMPC advantage also relies to the equipment that could be utilize for most type its products production by only exchanging its molds as well as the low maximum requirement for workers per machine. This also brings efficiencies for the maintenance of the equipment as they could shifts their other machines for a particular type of product. Thus, maximizing utilization for the higher demand on certain products. While most of the equipment run 24 hours for the whole week, the shifts will definitely bring efficiencies during maintenance period.

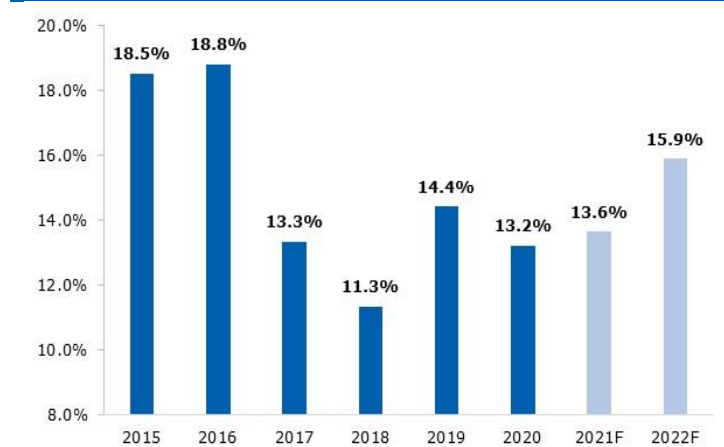
The Company is able the use of machine to produce different type of products by only changing its mold.

Exhibit 33. Opex YoY growth vs. hourly minimum wage YoY growth in Australia & NZ



Sources: Various sources, BCA Sekuritas

Exhibit 34. EBIT margin trend



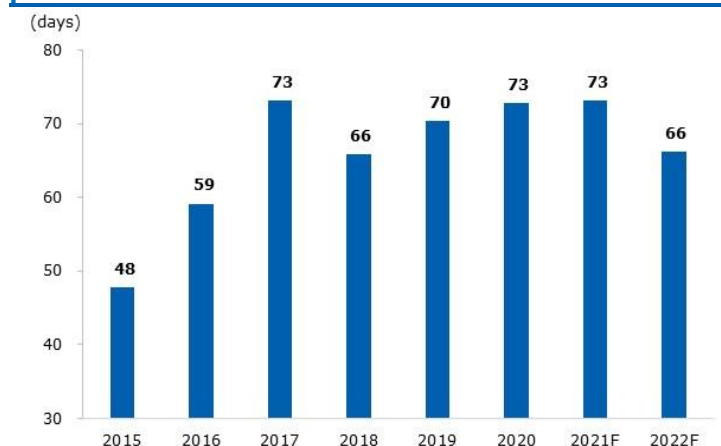
Sources: Company, BCA Sekuritas

Balance sheet remain intact

Despite the economic downturn due to Covid-19 pandemic, the Company is seeing no issue regarding to payment from their customers as well as distributor channels. AR days was shown to increase only to 73 days (vs. 70 days in 2020). This proves IMPC resilient performance also supported from its healthy distribution network. On the debt level, the Company posts low net gearing rate at 30.5% in 2020 vs (37.1% in 2019). With the ongoing deleveraging as one of IMPC's strategy, we expect its net gearing to reach 26.5% in 2022F.

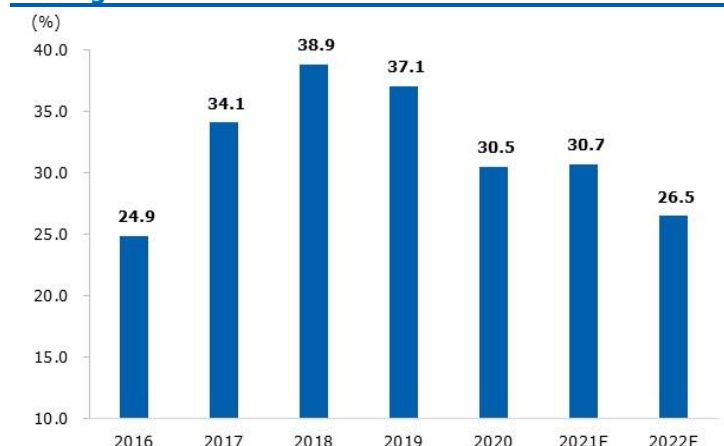
No issue on receivables despite pandemic.

Exhibit 35. AR days not significantly impacted by the pandemic



Sources: Company, BCA Sekuritas

Exhibit 36. Declining net gearing with deleveraging strategies



Sources: Company, BCA Sekuritas

Valuation

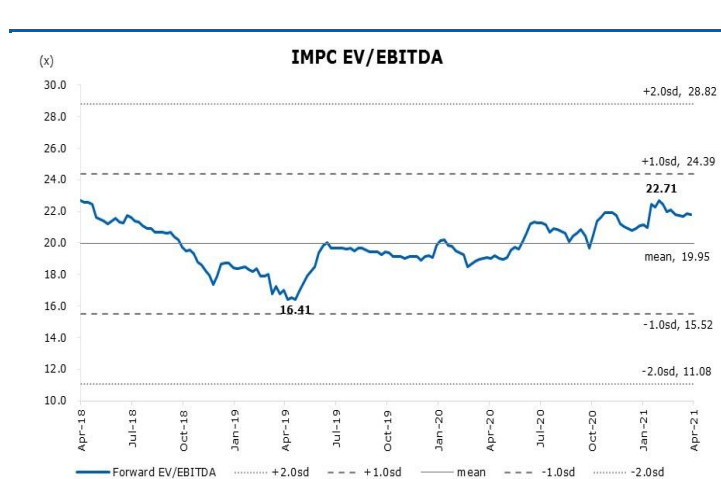
With the Company's expansion plan, we believe that IMPC will be able to grasp the opportunities and gain an even greater market share. We anticipate 2021F earnings growth of 32.2% and 28.2% in 2022F along with its initiatives. Upside risk will be coming from the faster than expected property and construction sectors recovery. Downside risk coming from the ongoing inclining raw material price trend. We initiate IMPC with a BUY rating at TP IDR2,000, with 2021 EV/EBITDA target of 27.7x (+1.5sd of historical mean). We view that it has room for 18% upside with its steady outperforming earnings growth despite the relatively higher 2021 EV/EBITDA compared to the average global players of 25.8x. Supporting this, IMPC's commitment for better ESG movement and inclining ROE to be the attractive points for the Company.

Exhibit 37. Peers comparison

Ticker	Company Name	Price	Mkt Cap	P/E (x)		EPS Growth (%)		EV/EBITDA (x)		EBITDA Margin (%)		EBITDA gwt (%)		P/B (x)		ROE (%)	
			(USDmn)	2020	2021F	2020	2021F	2020	2021F	2020	2021F	2020	2021F	2020	2021F	2020	2021F
Indonesia																	
IMPC IJ	Impack Pratama Industri Tbk PT	1,700	565	65.7	49.7	20.6	32.2	28.5	24.3	18.8	19.3	17.9	13.0	6.6	6.1	10.3	12.8
Weighted avg. country			565	65.7	49.7	20.6	32.2	28.5	24.3	18.8	19.3	17.9	13.0	6.6	6.1	10.3	12.8
India																	
FNXP IN	Finolex Industries Ltd	156	1,298	25.8	16.2	2.0	9.7	19.0	11.6	15.6	24.2	(7.2)	15.1	3.5	4.3	13.8	27.3
SI IN	Supreme Industries Ltd	2,152	3,665	62.1	36.9	(1.9)	58.3	35.3	24.5	13.6	17.8	29.3	14.4	11.5	10.1	19.5	29.3
ASTRA IN	Astral Ltd	1,569	4,228	111.1	91.6	44.7	17.1	65.8	55.2	17.0	19.1	44.1	7.6	21.2	17.9	19.8	20.7
APOLP IN	Apollo Pipes Ltd	1,052	185	48.5	38.0	8.7	27.7	29.0	22.5	11.2	13.3	19.1	19.2	4.4	4.1	10.6	11.2
Weighted avg. country			9,375	78.9	58.7	19.9	32.4	46.7	36.6	15.4	19.2	30.7	11.5	14.6	12.7	18.7	24.8
China																	
002271 CH	Beijing Oriental Yuhong Waterproof Technology Co Ltd	57	21,779	38.4	31.9	59.3	1.8	28.4	22.9	21.6	20.7	n.a.	n.a.	9.5	6.5	26.0	21.7
003012 CH	Guangdong Dongpeng Holdings Co Ltd	19	3,380	26.1	19.4	(6.0)	1.0	17.3	13.6	16.9	16.9	n.a.	n.a.	3.4	2.7	13.5	13.9
Weighted avg. country			25,159	36.8	30.2	50.5	1.7	26.9	21.6	21.0	20.2	-	-	8.7	6.0	24.3	20.6
Vietnam																	
BMP VN	Binh Minh Plastics JSC	58,100	206	10.0	10.4	12.9	5,590.0	4.1	4.4	19.0	15.6	n.a.	27.1	1.8	1.8	20.4	18.6
Weighted avg. country			206	10.0	10.4	12.9	5,590.0	4.1	4.4	19.0	15.6	-	27.1	1.8	1.8	20.4	18.6
Weighted avg. Country (ex.Indonesia)			4,963	48.0	37.8	42.0	43.1	32.1	25.6	19.5	19.9	30.7	11.8	10.3	7.8	22.8	21.7

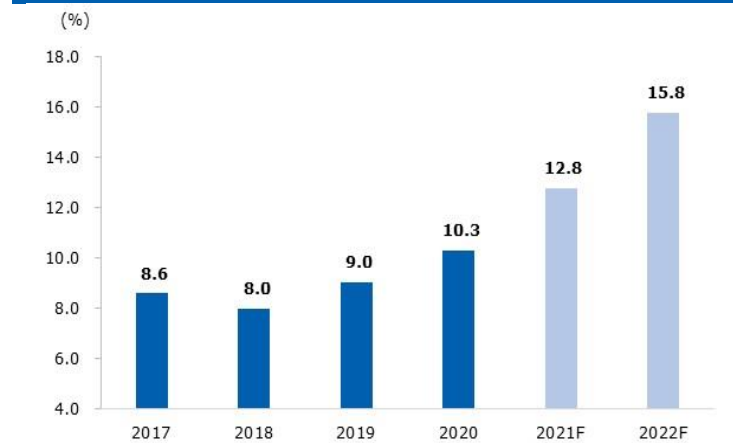
Sources: Bloomberg, BCA Sekuritas

Exhibit 38. EV/EBITDA, currently trading at 22.7x



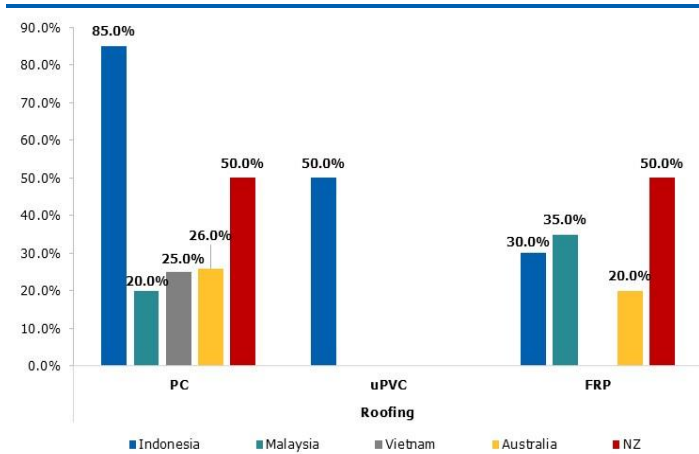
Sources: Bloomberg, BCA Sekuritas

Exhibit 39. ROE trend; solid double digit ROE in the upcoming years



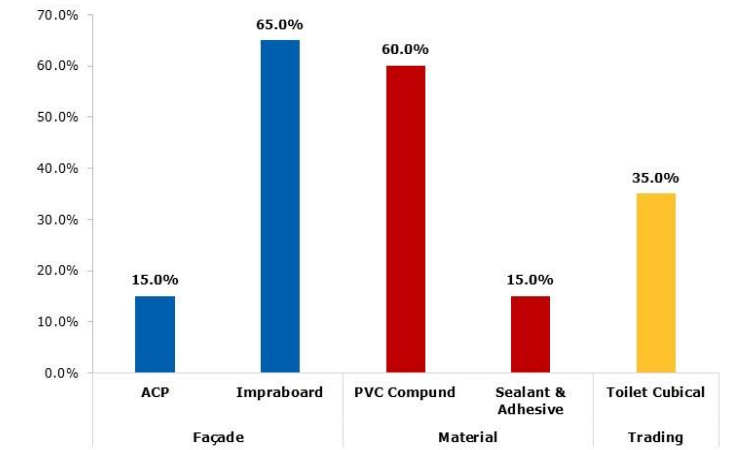
Sources: Company, BCA Sekuritas

Exhibit 40. IMPC's roofing market share



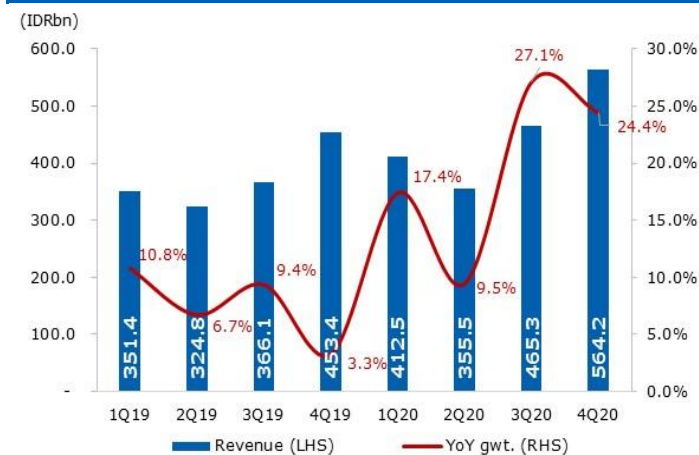
Sources: Company, BCA Sekuritas

Exhibit 41. IMPC's Façade, Material, and Trading market share in Indonesia



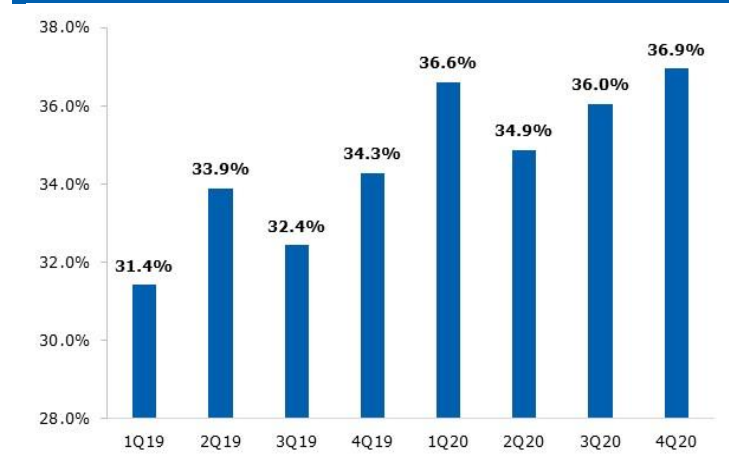
Sources: Company, BCA Sekuritas

Exhibit 42. Quarterly revenue trend



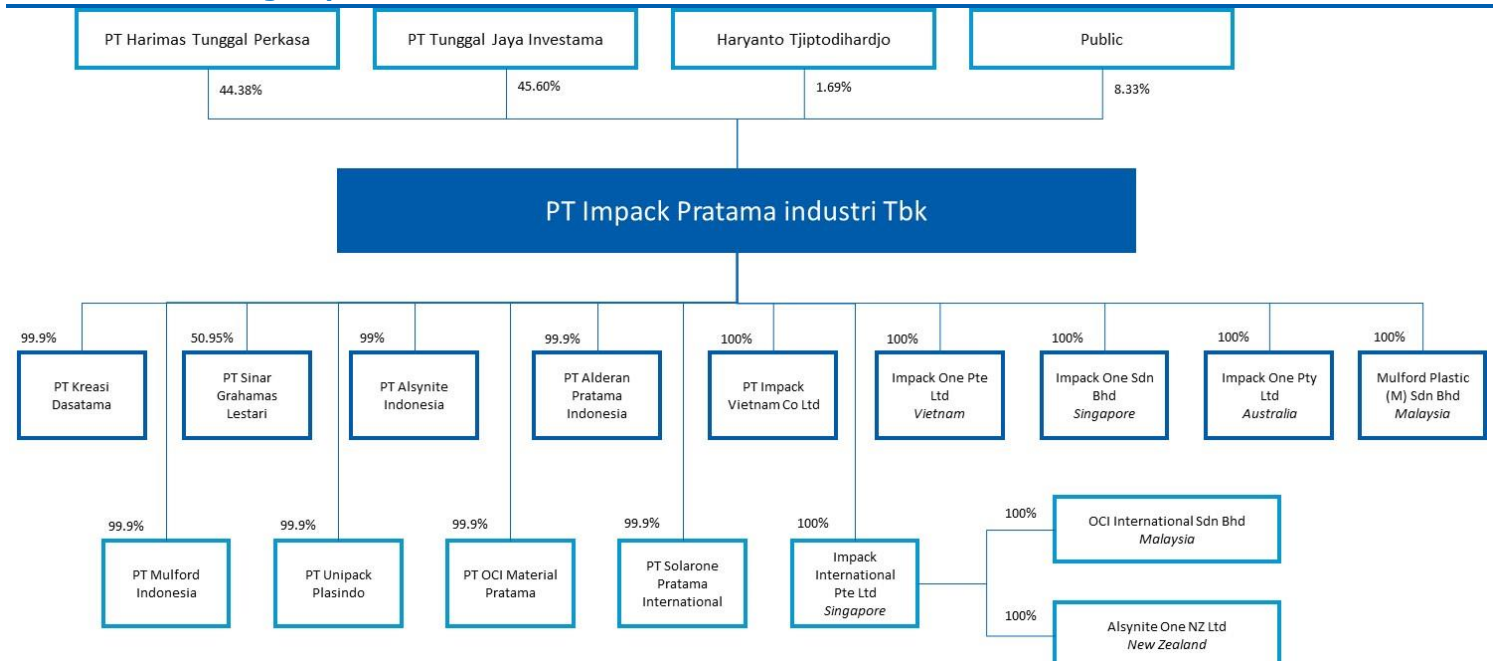
Sources: Company, BCA Sekuritas

Exhibit 43. Quarterly EBIT margin



Sources: Company, BCA Sekuritas

Exhibit 44. IMPC's group structure



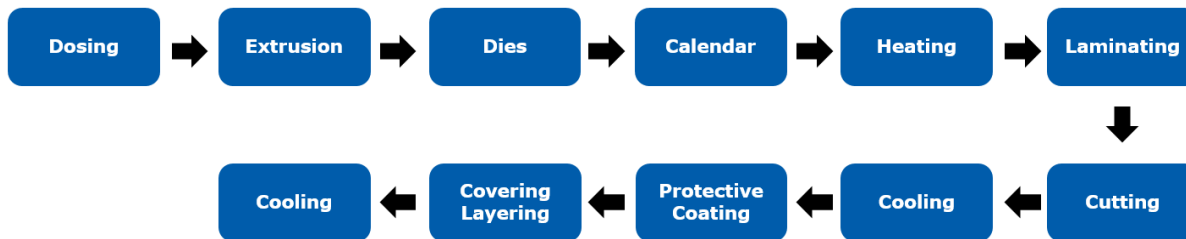
Sources: Company, BCA Sekuritas

Exhibit 45. Production processes

Roofing production process



Aluminum Composite Panel (ACP) production process



PVC Compound material production process

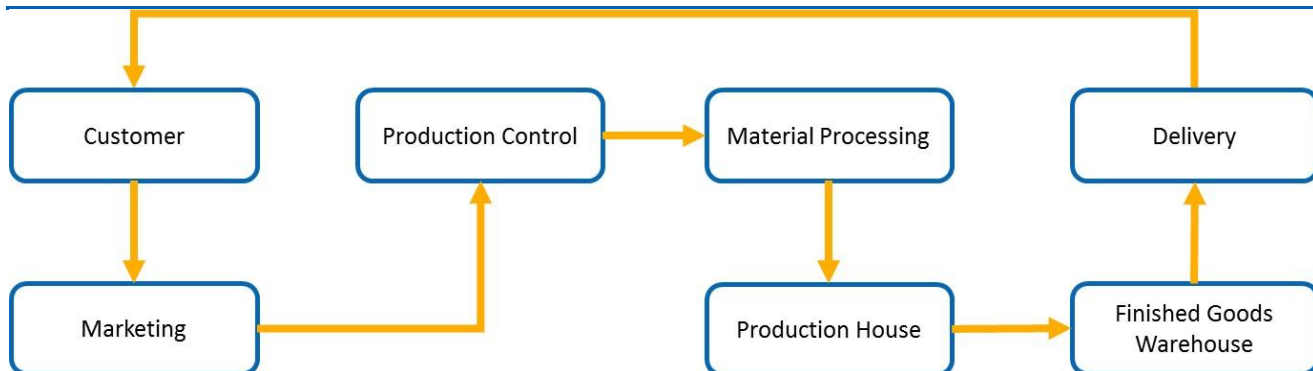


Sealant production process



Sources: Company, BCA Sekuritas

Exhibit 46. IMPC's distribution line



Sources: Company, BCA Sekuritas

Exhibit 47. Financial summary

Income Statement					
Year-end 31 Dec (IDRbn)	2019	2020	2021F	2022F	2023F
Revenue	1,496	1,798	2,096	2,423	2,747
Cost of revenue	1,001	1,146	1,359	1,520	1,603
Gross profit	495	651	737	903	1,144
EBIT	216	238	286	385	479
EBITDA	281	302	355	457	576
Net interest income (expense)	(60)	(60)	(59)	(56)	(56)
Forex gain/(losses)	(10)	19	5	5	5
Other income/(expense)	(11)	(19)	(2)	(6)	(7)
Pre-tax profit	135	177	230	328	422
Taxes	(42)	(62)	(74)	(104)	(127)
Minority interests	(11)	(9)	9	(5)	(15)
Net income	104	125	165	219	280
EPS (IDR)	21	26	34	45	58
Balance Sheets					
Year-end 31 Dec (IDRbn)	2019	2020	2021F	2022F	2023F
Cash and equivalents	218	237	280	279	351
Accounts receivables	292	363	419	431	500
Inventories	573	604	680	784	844
L-T invest & receivables	8	13	8	13	15
Fixed assets	852	908	990	930	1,006
Other assets	558	572	592	664	610
Total assets	2,501	2,697	2,969	3,099	3,323
S-T liabilities	191	208	199	199	198
Other S-T liabilities	288	400	343	380	418
L-T liabilities	464	410	492	468	444
Other L-T liabilities	150	213	197	206	217
Total liabilities	1,093	1,231	1,231	1,252	1,276
Minority interests	230	219	400	385	431
Equity	1,178	1,247	1,338	1,462	1,616
Total liabilities and equity	2,501	2,697	2,969	3,099	3,323
Cash Flow Statement					
Year-end 31 Dec (IDRbn)	2019	2020	2021F	2022F	2023F
Net income	104	125	165	219	280
Depreciation	65	64	69	72	97
Change in working capital	33	17	(94)	(109)	(91)
Operating cash flow	202	206	140	182	286
Capital expenditure	(159)	(120)	(151)	(120)	(173)
Others	(82)	(53)	2	(47)	52
Investing cash flow	(241)	(173)	(149)	(58)	(121)
Dividend Paid	(48)	-	(48)	(74)	(98)
Net change in debt	(59)	(37)	73	(25)	(24)
Others	85	23	27	(25)	30
Financing cash flow	(23)	(14)	52	(125)	(93)
Change in cash	(62)	19	43	(2)	72
Beginning cash flow	281	218	237	280	279
Ending cash flow	218	237	280	279	351
Key Ratios					
	2019	2020	2021F	2022F	2023F
Gross margin (%)	33.1	36.2	35.2	37.3	41.6
EBITDA margin (%)	18.8	16.8	16.9	18.9	21.0
EBIT margin (%)	14.4	13.2	13.6	15.9	17.4
Pretax margin (%)	9.1	9.9	11.0	13.5	15.4
Net margin (%)	6.9	7.0	7.9	9.0	10.2
ROAE (%)	9.0	10.3	12.8	15.6	18.2
ROAA (%)	4.3	4.8	5.8	7.2	8.7
Current ratio (x)	2.5	2.1	2.7	2.8	2.9
Acid ratio (x)	1.0	1.0	1.3	1.2	1.4
Gearing (%)	55.6	49.6	51.7	45.6	39.7
Net gearing (%)	37.1	30.5	30.7	26.5	18.0
AR turnover (days)	70	73	73	66	67
Inventory turnover (days)	206	190	180	186	189
AP turnover (days)	43	56	60	52	56

Sources: Company, BCA Sekuritas



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