

Buy

(Maintained)

MAP Aktif (MAPA IJ)

Store expansions and cost efficiency drive FY24-26F est. and TP upgrade

Last Price (Rp)	1,060
Target Price (Rp)	1,250
Previous Target Price (Rp)	1,000
Upside/Downside	+17.9%

No. of Shares (mn)	28,504
Mkt Cap (Rpbn/US\$mn)	30,214/1,904
Avg, Daily T/O (Rpbn/US\$mn)	21.6/1.4
Free Float (%)	30.7

Major Shareholder (%)	
PT Mitra Adiperkasa Tbk	68.8

EPS Consensus (Rp)	2024F	2025F	2026F
BRIDS	55.0	64.3	74.2
Consensus	51.1	65.4	79.3
BRIDS/Cons (%)	7.5	(1.6)	(6.4)

- **New store openings and cost management initiatives drove solid 9M24 net profit growth of 8.4% yoy.**
- **We increased our FY24/25F net profit estimates by 12.4% and 10.2%, reflecting solid 9M24 results and expectations of more store openings.**
- **We expect the upcoming festive events to sustain growth momentum for MAPA. Maintain Buy rating with a higher TP of Rp1,250.**

New stores opening and improved margins drive solid 9M24 result

MAPA posted robust 3Q24 revenue of Rp4.5tr (+25% yoy), bringing 9M24 revenue to Rp12.4tr (+29.6% yoy). In 3Q24, the company opened 82 new stores (net), resulting in a total of 225 new store openings for 9M24. Revenue from overseas operations grew by 71% yoy in 9M24, contributing 25% to total revenue. MAPA reported an improved gross margin of 46.6% in 3Q24, up 150bps from 45.1% in 2Q24, while opex remained manageable at 32.2% of 3Q24 revenue (2Q24: 32.9%). This was supported by initiatives such as optimizing store income, implementing Robotic Process Automation (RPA), and maintaining prudent A&P spending. As a result, 9M24 net profit reached Rp1.1tr (+8.4% yoy), representing 79%/78% of our previous FY24F and consensus estimates. i.e above.

Solid store openings and efficiency initiatives to drive FY24/25F NP growth

We raised our FY24/ 25F revenue est. by 6.5%/9.5% reflecting expectations of a higher number of store openings. We believe MAPA will continue pursuing efficiency initiatives, which are projected to reduce opex/revenue by 60bps in FY24. However, as we await clarity on government policies regarding the 2025 minimum wage (with salary contributing approximately 32% of total opex), we maintain our FY25F opex/revenue assumption of 34%. These factors led to projected FY24/25F net profit of Rp1.57tr (+12.9% yoy) and Rp1.83tr (16.9% yoy), respectively. We have raised our FY24/25F EPS forecast by 12.4% and 10.2%.

Expect solid growth to continue; maintain Buy with higher TP of Rp1,250

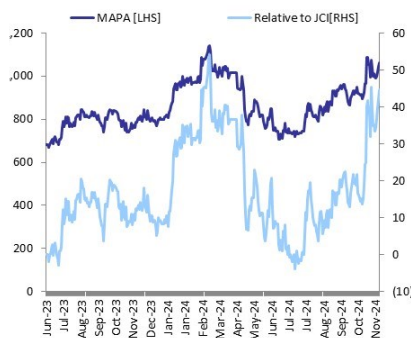
In 9M24, MAPA reported aging inventory at 25% of the total, with inventory days remaining elevated at 185 days primarily linked to stockpiling ahead of regulatory changes in trade. MAPA noted that Oct24 sales were soft due to seasonality, post the back-to-school promotions from Jul to Sep24. Despite this, MAPA's share price has been the best performer within our coverage, up 28% YTD compared to IDXCYC's 2.3% YTD gain. We expect the upcoming festive events and the introduction of new collections to sustain the strong performance in 4Q24 and support further rerating potential. As a result, we maintain our Buy rating and raise our target price to Rp1,250, based on a 19.3x FY25F PE, which is at +2SD of its 2-year average PE.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (Rpbn)	9,801	13,559	17,285	20,652	23,669
EBITDA (Rpbn)	1,795	2,319	2,582	2,966	3,412
EBITDA Growth (%)	159.6	29.2	11.3	14.9	15.0
Net Profit (Rpbn)	1,175	1,388	1,567	1,832	2,116
EPS (Rp)	41.2	48.7	55.0	64.3	74.2
EPS Growth (%)	477.5	18.2	12.9	16.9	15.5
BVPS (Rp)	156.8	199.9	250.6	309.6	377.6
DPS (Rp)	0.0	4.0	4.7	5.3	6.2
PER (x)	25.7	21.8	19.3	16.5	14.3
PBV (x)	6.8	5.3	4.2	3.4	2.8
Dividend yield (%)	0.0	0.4	0.4	0.5	0.6
EV/EBITDA	16.8	13.6	12.4	11.1	9.8

Source: MAPA, BRIDS Estimates

MAPA relative to JCI Index



Source: Bloomberg

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Store expansions and cost efficiency drive FY24-26F est. and TP upgrade

MAPA 3Q24 result: Above our and consensus estimates

MAPA posted robust 3Q24 revenue of Rp4.5tr (+25% yoy), driving 9M24 revenue to Rp12.4tr (+29.6% yoy). The result represents 76%/73% of previous BRIDS/Cons FY24F, respectively, remaining in line with expectations. 3Q24 gross margin improved by 150bps to 46.6% (2Q24: 45.1%) and manageable opex (32.2% of 3Q24 revenue vs. 32.9% in 2Q24) was aided by initiatives such as optimizing store income, implementing Robotic Process Automation (RPA), and prudent A&P costs. MAPA's inventory days rose to 185 days in 9M24 (1H24: 178 days), due to increasing aging inventory (25%), primarily linked to stockpiling ahead of regulatory changes in trade (Permendag No. 36). To address this, MAPA initiated flush sales in both domestic and overseas stores. MAPA's net profit rose by +39.1% yoy/8.4% yoy in 3Q24/9M24, above our previous FY24F and consensus estimates of 79%/76%.

Overseas sales grew by 71% yoy in 9M24, contributing 25% to total sales, slightly down from 26% in 1H24. Notably, countries such as the Philippines, Vietnam, Thailand, and Cambodia reported positive EBIT, underscoring profitability in these markets. In 9M24, overseas markets accounted for only 26% of total new store openings (82 out of 317 stores), compared to 40% last year (188 out of 470 stores).

Based on our observations of weekly channel checks, we note continued promotions both for monobrand and multibrand stores in 3Q24, such as:

- “Up to 50% off + 20% Off,”
- “Buy 2 Get 20% Off, Buy 3 Get 30% Off,”
- “Buy 2 Get 30% Off, Buy 3 Get 40% Off,”
- “Cash Rebate,” and
- “50% on 2nd item.”

From October to November 15, 2024, we noticed a reduction in the scale of promotions, with offers like “Buy 2 Get 20% Off, Buy 3 Get 30% Off” and “Buy 2 Get 1 Free” becoming more common. These promotions reflected a lower nominal value reduction compared to earlier offers.

Exhibit 1. MAPA’s 3Q24/9M24 Earnings Summary

MAPA IJ	9M23	9M24	yoy	3Q23	2Q24	3Q24	qoq	yoy	2024F	A/F	A/C	2024 Cons
Revenue (Rpbn)	9,584	12,420	29.6%	3,614	4,194	4,533	8.1%	25.4%	17,285	71.9%	72.7%	17,093
COGS	4,901	6,648	35.6%	1,867	2,303	2,420	5.1%	29.6%	9,299			
Gross profit	4,684	5,772	23.2%	1,746	1,891	2,113	11.7%	21.0%	7,986	72.3%	72.9%	7,920
Opex	3,232	4,203	30.0%	1,189	1,382	1,458	5.5%	22.6%	5,789			
Operating profit	1,451	1,569	8.1%	557	509	655	28.6%	17.6%	2,197	71.4%	74.5%	2,106
Pretax profit	1,353	1,456	7.6%	503	435	667	53.3%	32.6%	2,045			1,937
Net profit	1,017	1,102	8.4%	371	305	516	69.3%	39.1%	1,567	70.3%	76.2%	1,446
Gross margin	48.9%	46.5%		48.3%	45.1%	46.6%			46.2%			46.3%
Opex to revenue	33.7%	33.8%		32.9%	32.9%	32.2%			33.5%			34.0%
Operating margin	15.1%	12.6%		15.4%	12.1%	14.4%			12.7%			12.3%
Pretax margin	14.1%	11.7%		13.9%	10.4%	14.7%			11.8%			11.3%
Net margin	10.6%	8.9%		10.3%	7.3%	11.4%			9.1%			8.5%

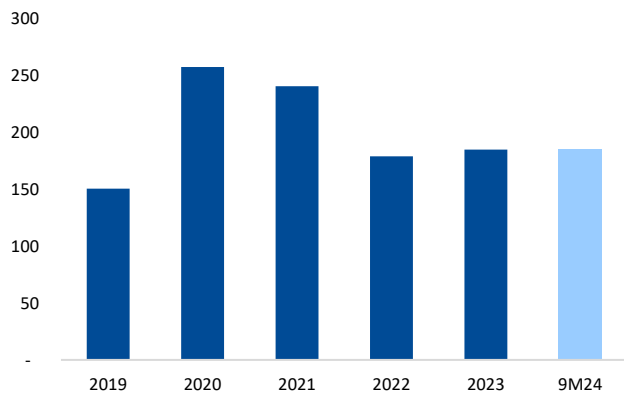
Source: Company, BRIDS Estimates

Exhibit 2. MAPA’s Earnings Revision Estimate

	Before			After			Changes		
	2024F	2025F	2026F	2024F	2025F	2026F	2024	2025	2026
Revenue	16,225	18,865	21,390	17,285	20,652	23,669	6.5%	9.5%	10.7%
Gross profit	7,463	8,754	9,925	7,986	9,583	10,983	7.0%	9.5%	10.7%
Operating profit	1,930	2,335	2,670	2,197	2,562	2,955	13.8%	9.7%	10.7%
EBT	1,819	2,169	2,488	2,045	2,390	2,761	12.4%	10.2%	11.0%
Net profits	1,395	1,663	1,907	1,567	1,832	2,116	12.4%	10.2%	11.0%
Margins (%)									
Gross margin	46.0%	46.4%	46.4%	46.2%	46.4%	46.4%			
EBIT margin	11.9%	12.4%	12.5%	12.7%	12.4%	12.5%			
Opex/revenue	34.1%	34.0%	33.9%	33.5%	34.0%	33.9%			
Pretax margin	11.2%	11.5%	11.6%	11.8%	11.6%	11.7%			
Net margin	8.6%	8.8%	8.9%	9.1%	8.9%	8.9%			
Key Assumptions									
Gross additional stores	387	390	331	507	474	432			
Total net stores	1,846	2,026	2,126	1,966	2,216	2,396			

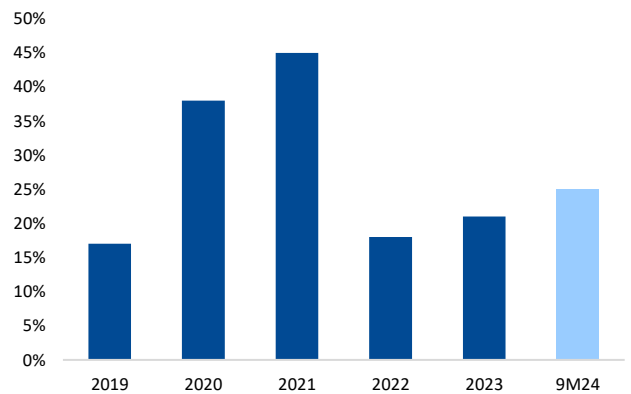
Source: BRIDS Estimates

Exhibit 3. MAPA Inventory Days



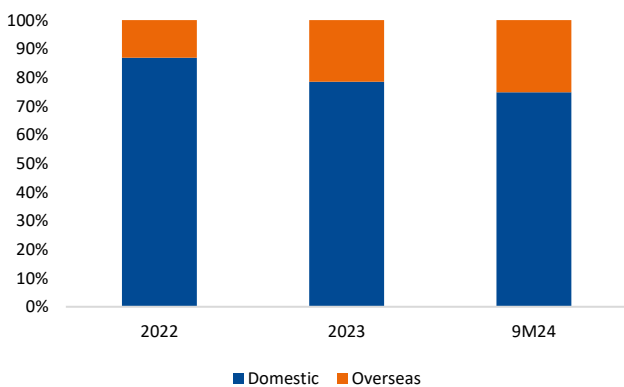
Source: Company, BRIDS

Exhibit 4. MAPA Aging Inventory



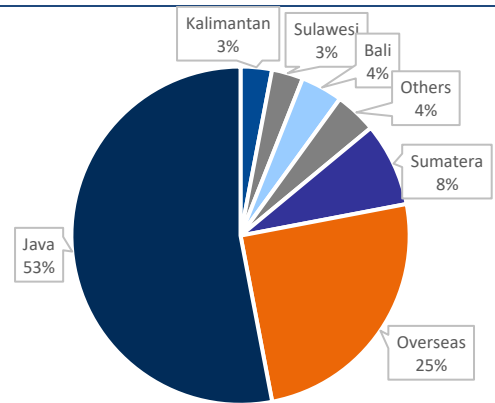
Source: Company, BRIDS

Exhibit 5. MAPA Revenue Contribution, FY22-9M24



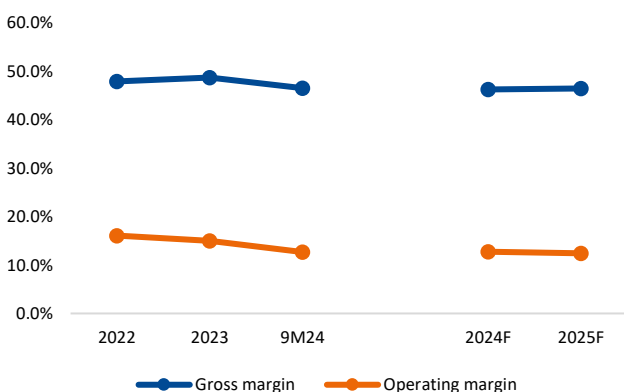
Source: Company, BRIDS

Exhibit 6. MAPA Geographical Sales, 9M24



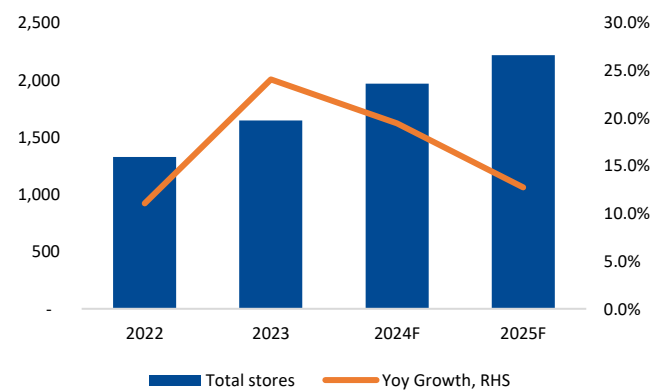
Source: Company, BRIDS

Exhibit 7. MAPA Gross and OP Margin, FY22-25F



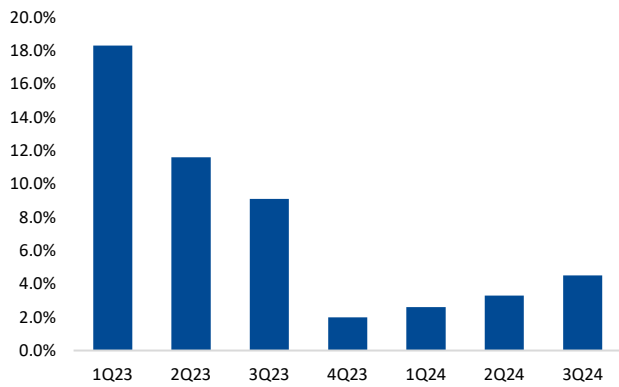
Source: Company, BRIDS Estimates

Exhibit 8. MAPA Total stores and Yoy Growth, FY22-25F



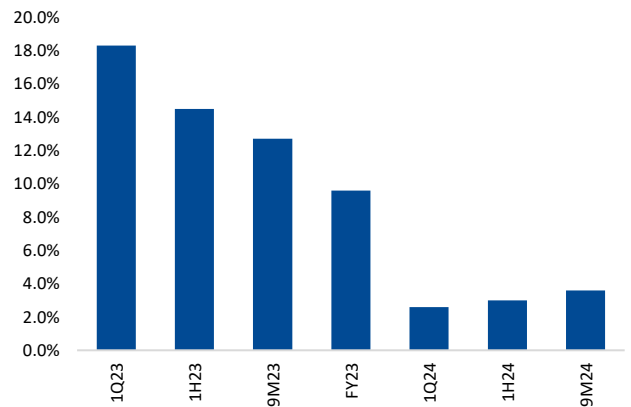
Source: Company, BRIDS Estimates

Exhibit 9. MAPA's SSSG, 1Q23-3Q24



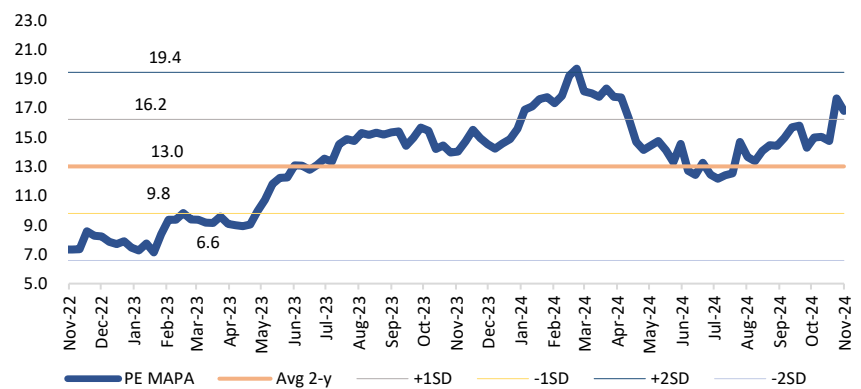
Source: Company, BRIDS

Exhibit 10. MAPA's SSSG, 1Q23 – 9M24



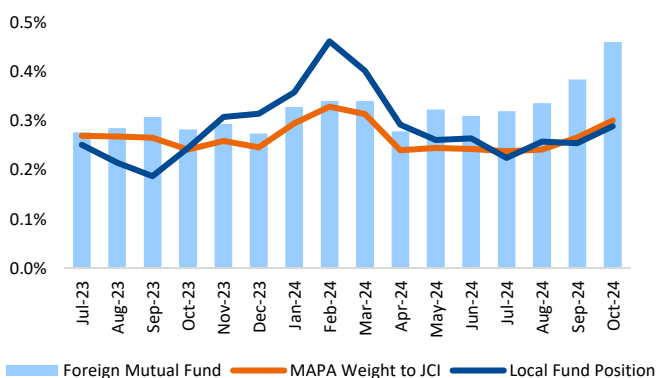
Source: Company, BRIDS

Exhibit 11. MAPA's PE Band



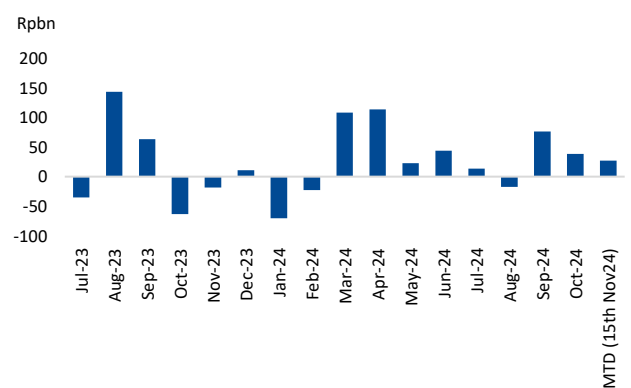
Source: Bloomberg, BRIDS Estimates

Exhibit 12. MAPA's Weighting and Fund Position



Source: KSEI, BRIDS

Exhibit 13. MAPA's Historical Foreign Flows (as of 15th Nov24)



Source: IDX, BRIDS

Exhibit 14. MAPA’s Peers Comparison

Ticker	Rec	Target Price	M.Cap Cap.	P/E (x)		P/BV (x)		ROE (%)	Dividend yield (%)	EPS growth (%)	
		(Rp)	(Rpbn)	2024F	2025F	2024F	2025F	2024F	2024F	2024F	2025F
MAPI	Buy	2,000	26,560	13.8	11.8	2.2	1.8	17.5	0.6	2.0%	16.8%
MAPA	Buy	1,250	30,214	19.3	16.5	4.2	3.4	24.4	0.4	12.9%	16.9%
ACES	Buy	1,100	14,210	17.2	15.2	2.2	2.0	13.1	2.9	8.7%	13.2%
MIDI	Buy	600	14,580	21.6	17.7	3.1	2.8	15.2	1.8	16.3%	22.1%
Sector				17.6	15.0	3.1	2.6	18.8	1.1	9.4%	17.1%

Source: Bloomberg, BRIDS Estimates

Exhibit 15. MAPA Promotion in 3Q24



Source: BRIDS Survey

Exhibit 16. Income Statement

Year to 31 Dec (Rpbn)	2022A	2023A	2024F	2025F	2026F
Revenue	9,801	13,559	17,285	20,652	23,669
COGS	(5,111)	(6,961)	(9,299)	(11,070)	(12,687)
Gross profit	4,690	6,597	7,986	9,583	10,983
EBITDA	1,795	2,319	2,582	2,966	3,412
Oper. profit	1,574	2,033	2,197	2,562	2,955
Interest income	13	10	16	14	12
Interest expense	(68)	(124)	(171)	(186)	(207)
Forex Gain/(Loss)	(18)	4	3	-	-
Income From Assoc. Co's	-	-	-	-	-
Other Income (Expenses)	35	(55)	(0)	-	-
Pre-tax profit	1,537	1,868	2,045	2,390	2,761
Income tax	(364)	(484)	(484)	(565)	(653)
Minority interest	1	5	6	7	8
Net profit	1,175	1,388	1,567	1,832	2,116
Core Net Profit	1,192	1,385	1,565	1,832	2,116

Exhibit 17. Balance Sheet

Year to 31 Dec (Rpbn)	2022A	2023A	2024F	2025F	2026F
Cash & cash equivalent	1,342	1,099	1,533	1,261	990
Receivables	447	609	645	789	919
Inventory	2,733	4,315	4,116	5,156	6,013
Other Curr. Asset	313	419	534	638	731
Fixed assets - Net	880	1,814	2,639	3,372	4,217
Other non-curr.asset	1,720	2,548	3,586	4,682	5,845
Total asset	7,434	10,804	13,053	15,897	18,715
ST Debt	667	1,503	1,865	2,039	1,950
Payables	994	1,498	1,226	1,492	1,722
Other Curr. Liabilities	484	662	844	1,008	1,155
Long Term Debt	613	971	1,419	1,903	2,426
Other LT. Liabilities	190	292	372	444	509
Total Liabilities	2,949	4,926	5,726	6,886	7,763
Shareholder's Funds	4,470	5,699	7,144	8,824	10,762
Minority interests	15	179	184	187	190
Total Equity & Liabilities	7,434	10,804	13,053	15,897	18,715

Exhibit 18. Cash Flow

Year to 31 Dec (Rpbn)	2022A	2023A	2024F	2025F	2026F
Net income	1,175	1,388	1,567	1,832	2,116
Depreciation and Amort.	220	286	384	404	457
Change in Working Capital	(421)	(1,451)	(244)	(1,040)	(866)
Other Oper. Cash Flow	(6)	82	136	122	108
Operating Cash Flow	968	306	1,844	1,318	1,815
Capex	(447)	(1,220)	(1,210)	(1,136)	(1,302)
Others Inv. Cash Flow	(485)	(715)	(899)	(971)	(1,051)
Investing Cash Flow	(932)	(1,935)	(2,109)	(2,107)	(2,353)
Net change in debt	507	1,193	811	658	434
New Capital	68	122	23	11	11
Dividend payment	0	(114)	(135)	(152)	(178)
Other Fin. Cash Flow	68	124	0	0	0
Financing Cash Flow	643	1,325	699	517	267
Net Change in Cash	679	(303)	434	(272)	(271)
Cash - begin of the year	662	1,342	1,099	1,533	1,261
Cash - end of the year	1,342	1,099	1,533	1,261	990

Exhibit 19. Key Ratio

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Growth (%)					
Sales	62.2	38.3	27.5	19.5	14.6
EBITDA	159.6	29.2	11.3	14.9	15.0
Operating profit	229.7	29.2	8.1	16.6	15.3
Net profit	477.5	18.2	12.9	16.9	15.5
Profitability (%)					
Gross margin	47.9	48.7	46.2	46.4	46.4
EBITDA margin	18.3	17.1	14.9	14.4	14.4
Operating margin	16.1	15.0	12.7	12.4	12.5
Net margin	12.0	10.2	9.1	8.9	8.9
ROAA	18.4	15.2	13.1	12.7	12.2
ROAE	30.5	27.3	24.4	22.9	21.6
Leverage					
Net Gearing (x)	0.0	0.2	0.2	0.3	0.3
Interest Coverage (x)	(23.1)	(16.4)	0.0	0.0	0.0

Source: MAPA, BRIDS Estimates

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INVESTMENT RATING

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

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