Buy

Last Price (Rp)	396
Target Price (Rp)	800
Upside/Downside	+102.0%
No. of Shares (mn)	16,509
Mkt Cap (Rpbn/US$mn)	6,537/400
Avg, Daily T/O (Rpbn/US$mn)	26.4/1.6

Key Financials:

	2025F	2026F	2027F
EPS (Rp)	51.9	48.2	51.4
PER (x)	7.6	8.2	7.7
PBV (x)	0.6	0.5	0.5
EV/EBITDA (x)	4.4	4.5	4.3
Dividend yield (%)	3.4	2.4	2.2
ROAE (%)	7.6	6.7	6.8

BRI Danareksa Sekuritas Analysts

Ismail Fakhri Suweleh
(62-21) 5091 4100 ext. 3505
Ismail.suweleh@brids.co.id

Wilastita Muthia Sofi
(62-21) 5091 4100 ext. 3509
wilastita.sofi@brids.co.id

Summarecon Agung (SMRA IJ)

FY24 Earnings Beat Expectations; Accelerated Handover Drove Strong 4Q24 Earnings

- **SMRA posted 4Q24 net profit of Rp440bn (+144%qoq), driving FY24 earnings to Rp1.37tr (+79%yoy), 114%/125% of our/cons. expectation.**
- **Stronger 4Q24 earnings were driven by an accelerated handover of VAT-exempted products and a scheduled handover particularly in Serpong.**
- **We maintain our Buy rating on SMRA with our 79% disc.to RNAV-based TP of Rp800. Risk includes weaker overall demand in Greater Jakarta.**

- SMRA posted a strong net profit of Rp440bn in 4Q24 (+144% qoq, +289% yoy), bringing its FY24 achievement to Rp1.37tr (+79% yoy), well above our forecast of Rp1.2tr and the consensus estimate of Rp1.1tr. Overall, ROE improved to 13% in FY24, compared to 8% in FY23. The last time it achieved double-digit ROE was in FY15 (12%).

- The surge in 4Q24 net profit was driven by: 1) stronger housing revenue growth to Rp1.78tr (+125% qoq, +220% yoy) due to the accelerated handover of VAT-exempted products (VAT pre-sales booked at approx. Rp323bn in 4Q24 and Rp1.76tr in FY24), and 2) lower G&A expenses, which declined by 14% qoq/2% yoy.

- According to the company, several notable products in Serpong also contributed to 4Q24 property development revenues: 1) Leonora Serpong (houses launched in 1Q22), 2) Strozzi (houses launched in 2Q23). Serpong previously booked Rp2.0tr/Rp1.2tr pre-sales during FY22/23.

- The company disclosed that it still has revenue to be recognized within a year (FY25F) of around Rp4.56tr and within 1-2 years of around Rp1.47tr, totaling approximately Rp6.03tr, compared to our FY25F/26F property development revenue estimates of Rp4.26tr/Rp4.21tr. Meanwhile, marketing sales has been targeted at Rp5.0tr (+15%yoy) in FY25F (our estimates at Rp4.5tr, +4%yoy).

- Retail and mall revenue stood at Rp512bn (-1% qoq, +11% yoy) in 4Q24, bringing cumulative FY24 revenue to Rp2.0tr (+24% yoy). Overall, the revenue contribution from Property Development and Property Investment stood at 74% and 26% in 4Q24, and 71% and 29% for FY24, respectively, compared to the historical average of 66%:34%.

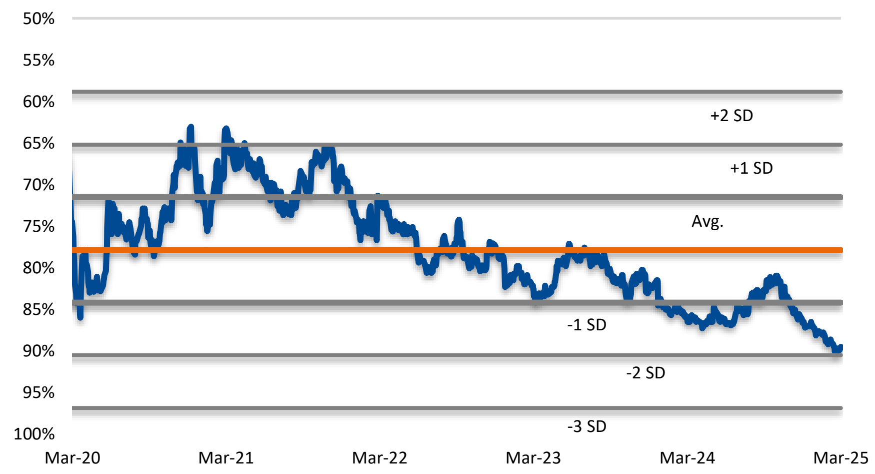
- We maintain our Buy rating on SMRA with our 79% disc.to RNAV-based TP of Rp800. SMRA's marketing strategy aligns well with the current Indonesia's property market preference trend, both in pricing (Rp1–5bn) and product mixes (~79% landed residentials), which caters to entry-level end-user demand in Greater Jakarta. Risk includes weaker overall demand in Greater Jakarta, which could slow marketing sales due to the high project concentrations in the area (~82% to pre-sales).

Exhibit 1. SMRA's FY24 Result Summary

SMRA (in Rpbn, unless stated)	4Q23	3Q24	4Q24	qoq, %	yoy, %	FY23	FY24	yoy, %	FY24F BRIDS	A/BRIDS.,%	FY24F Cons.	A/Cons.,%
Sales	**1,593**	**1,868**	**3,082**	**65.0**	**93.5**	**6,659**	**10,623**	**59.5**	**9,660**	**110.0%**	**8,995**	**118.1%**
COGS	(790)	(855)	(1,608)	88.1	103.5	(3,299)	(5,162)	56.5	(4,635)	111.4%	(4,366)	118.2%
Gross profit	**802**	**1,013**	**1,474**	**45.4**	**83.7**	**3,360**	**5,461**	**62.5**	**5,025**	**108.7%**	**4,629**	**118.0%**
Operating expenses	(447)	(466)	(471)	1.1	5.4	(1,459)	(1,685)	15.5	(1,593)	105.8%	(1,599)	105.4%
Operating profit	**355**	**547**	**1,002**	**83.1**	**182.3**	**1,900**	**3,776**	**98.7**	**3,432**	**110.0%**	**3,030**	**124.6%**
Other income/(expenses)	(166)	(226)	(284)	25.6	71.0	(565)	(1,325)	134.6	(1,231)	107.6%	(1,025)	129.2%
Pre-tax profit	**191**	**325**	**721**	**122.2**	**277.6**	**1,345**	**2,463**	**83.1**	**2,211**	**111.4%**	**2,005**	**122.9%**
Net profit	**113**	**180**	**440**	**144.2**	**289.3**	**766**	**1,373**	**79.3**	**1,206**	**113.9%**	**1,103**	**124.5%**
Core net profit	228	265	543	105.2	138.0	1,141	2,209	93.7	2,041	108.2%		
Gearing (%)	58.5	75.1	76.2			58.5	76.2					
Net gearing (%)	31.7	54.0	52.3			31.7	52.3					
Gross margin (%)	50.4	54.2	47.8	(6.4)	(2.6)	50.5	51.4	1.0	52.0		51.5	
Opex to sales (%)	(28.1)	(24.9)	(15.3)	9.7	12.8	(21.9)	(15.9)	6.1	(16.5)		(17.8)	
Operating margin (%)	22.3	29.3	32.5	3.2	10.2	28.5	35.5	7.0	35.5		33.7	
Net margin (%)	7.1	9.6	14.3	4.6	7.2	11.5	12.9	1.4	12.5		12.3	

Source: Company, Bloomberg, BRIDS Estimates

Exhibit 2. SMRA Disc. to RNAV



Source: Bloomberg, BRIDS Estimates

BRI Danareksa Equity Research Team

Erindra Krisnawan, CFA	Head of Equity Research, Strategy, Coal	erindra.krisnawan@brids.co.id
Natalia Sutanto	Consumer, Cigarettes, Pharmaceuticals, Retail	natalia.sutanto@brids.co.id
Niko Margaronis	Telco, Tower, Technology, Media	niko.margaronis@brids.co.id
Timothy Wijaya	Metal, Oil and Gas	timothy.wijaya@brids.co.id
Victor Stefano	Banks, Poultry	victor.stefano@brids.co.id
Ismail Fakhri Suweleh	Healthcare, Property, Industrial Estate	ismail.suweleh@brids.co.id
Richard Jerry, CFA	Automotive, Cement, Infrastructure	richard.jerry@brids.co.id
Ni Putu Wilastita Muthia Sofi	Research Associate	wilastita.sofi@brids.co.id
Naura Reyhan Muchlis	Research Associate	naura.muchlis@brids.co.id
Sabela Nur Amalina	Research Associate	sabela.amalina@brids.co.id
Kafi Ananta Azhari	Research Associate	kafi.azhari@brids.co.id

BRI Danareksa Economic Research Team

Helmy Kristanto	Chief Economist, Macro Strategy	helmy.kristanto@brids.co.id
Dr. Telisa Aulia Falianty	Senior Advisor	telisa.falianty@brids.co.id
Kefas Sidauruk	Economist	kefas.sidauruk@brids.co.id

BRI Danareksa Institutional Equity Sales Team

Yofi Lasini	Head of Institutional Sales and Dealing	yofi.lasini@brids.co.id
Novrita Endah Putrianti	Institutional Sales Unit Head	novrita.putrianti@brids.co.id
Ehrliech Suhartono	Institutional Sales Associate	ehrliech@brids.co.id
Yunita Nababan	Institutional Sales Associate	yunita@brids.co.id
Adeline Solaiman	Institutional Sales Associate	adeline.solaiman@brids.co.id
Andreas Kenny	Institutional Sales Associate	andreas.kenny@brids.co.id
Christy Halim	Institutional Sales Associate	christy.halim@brids.co.id
Jason Joseph	Institutional Sales Associate	Jason.joseph@brids.co.id

BRI Danareksa Sales Traders

Mitcha Sondakh	Head of Sales Trader	mitcha.sondakh@brids.co.id
Suryanti Salim	Sales Trader	suryanti.salim@brids.co.id

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