

Buy

| | |
|------------------------------|------------|
| Last Price (Rp) | 348 |
| Target Price (Rp) | 640 |
| Upside/Downside | +83.9% |
| No. of Shares (mn) | 48,160 |
| Mkt Cap (Rpbn/US\$mn) | 16,760/996 |
| Avg, Daily T/O (Rpbn/US\$mn) | 15.3/0.9 |

Key Financials:

| | 2025F | 2026F | 2027F |
|--------------------|-------|-------|-------|
| EPS (Rp) | 49.0 | 46.1 | 71.1 |
| PER (x) | 7.1 | 7.6 | 4.9 |
| PBV (x) | 0.7 | 0.7 | 0.6 |
| EV/EBITDA (x) | 3.6 | 3.6 | 2.1 |
| Dividend yield (%) | 3.6 | 4.0 | 3.7 |
| ROAE (%) | 11.0 | 9.6 | 13.5 |

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. 3409

wilastita.sofi@brids.co.id

Pakuwon Jati (PWON JJ)

1Q25 Marketing Sales: In-Line with Our Expectations, Below Company's Target

- PWON booked pre-sales of Rp331bn in 1Q25, in-line with our target of Rp1.53tr (21% of FY25F), yet below the company's Rp1.8tr target (18%).
- 1Q25 weaker performance was driven by softening take-up rate in PWON's key condo and landed house projects.
- We maintain our Buy rating on PWON with TP of Rp640 based on 58% disc.to RNAV.

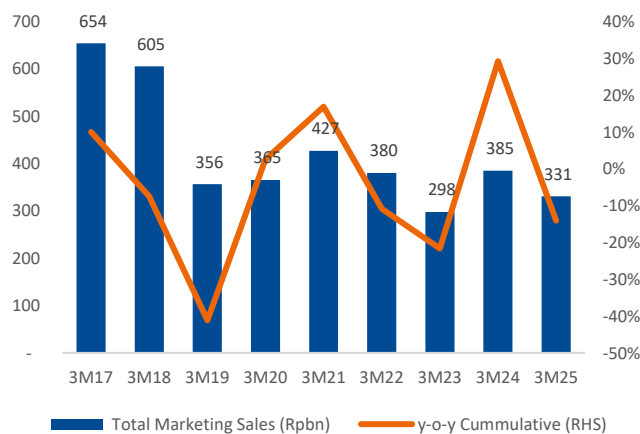
- PWON booked marketing sales of Rp331bn in 1Q25 (-14%yoy; -23%qoq), relatively in-line with our latest FY25F estimates of Rp1.53tr (21% of FY25F), yet below the company's target of Rp1.8tr (18%). Overall, weaker marketing sales was contributed by the decline in both product types namely Condo (-26%yoy and -22%qoq) and Landed House (+0%yoy and -19%qoq). 3M25 achievement to company's target also lower compared to its historical average of 23% to FY target (**Exhibit 4**).
- Take-up rate from several of PWON's key selling condo projects has been slowing during 1Q25 compared to 4Q24 (**Exhibit 1**), despite a jump in Bella Tower at Bekasi after the grand opening of Pakuwon Mall Bekasi in late Nov24.
- VAT-eligible products have contributed 59% to total 1Q25 marketing sales (unchanged vs. FY24 contribution at 59%), with the majority coming from the landed residential products (76%).
- We are currently reviewing our marketing sales estimates for FY25F and the overall revenue forecasts.
- We maintain our Buy rating on PWON with TP of Rp640 based on 58% disc.to RNAV. We believe that its long-term story of strong retail portfolio (contributing an average of ~64% to total revenue in FY25-29F) with a 35% growth of NLA until FY29 shall alleviate the risk of weak pre-sales due to still weak condo market.
- We believe the strong recurring revenue could also pave the way for better ROE, thus, hence a potential PWON's rerating, as it showcases the company's better capital utilization in the property space. We expect FY25-29 ROE to average at 10% vs. CTRA's 11% vs. BSDE's 8% vs. SMRA's 6%. The current price also implies an attractive 77% disc.to RNAV vs. its historical 5-yr. average of 65% (**Exhibit 6**).

Exhibit 1. Sales Performance of PWON's Key Projects

| Take-Up Rate Key Condo Projects | 3M24 | 1H24 | Cummulative 9M24 | FY24 | 3M25 | 1Q24 | 2Q24 | Quarterly 3Q24 | 4Q24 | 1Q25 |
|---------------------------------|------|------|------------------|------|------|-----------|------|----------------|------|------|
| Pakuwon Mall Surabaya | | | | | | | | | | |
| Clayson | 15% | 15% | 19% | 24% | 26% | 4% | 0% | 4% | 5% | 2% |
| Lancaster | 22% | 22% | 25% | 32% | 34% | 0% | 0% | 3% | 7% | 2% |
| Pakuwon City Mall | | | | | | | | | | |
| East Coast Mansion Tower Bella | 43% | 46% | 50% | 58% | 61% | 7% | 4% | 4% | 8% | 3% |
| Pakuwon Mall Bekasi | | | | | | | | | | |
| Amor | 80% | 84% | 88% | 92% | 92% | 5% | 4% | 5% | 4% | 0% |
| Bella | 15% | 15% | 20% | 20% | 28% | 2% | 1% | 5% | 0% | 8% |
| Dolce Vita | 5% | 5% | 10% | 10% | 11% | 2% | 0% | 5% | 0% | 1% |
| Landed House Unit Sales | | | | | | Quarterly | | | | |
| | | | | | | 1Q24 | 2Q24 | 3Q24 | 4Q24 | 1Q25 |
| Grand Pakuwon | | | | | | 43 | 65 | 16 | 28 | 22 |
| Pakuwon City Mall | | | | | | 6 | 30 | 18 | 24 | 23 |

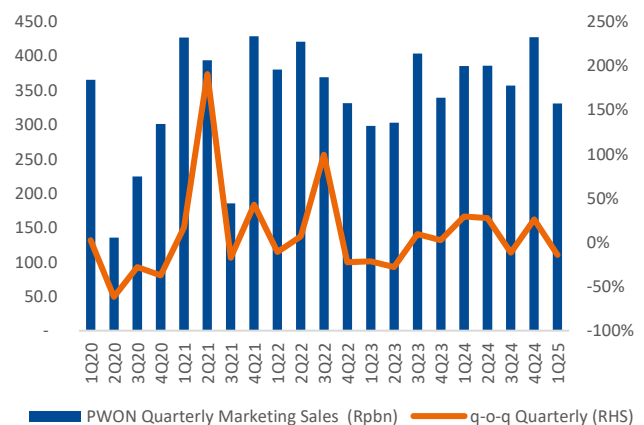
Source: Company, BRIDS

Exhibit 2. PWON's Cumulative Marketing Sales



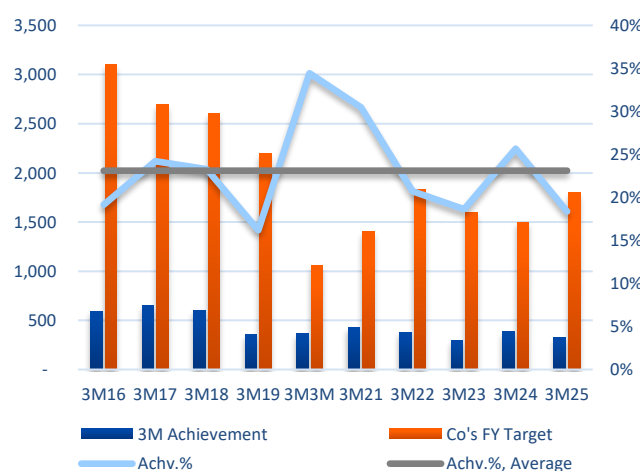
Source: Company, BRIDS

Exhibit 3. PWON's Quarterly Marketing Sales



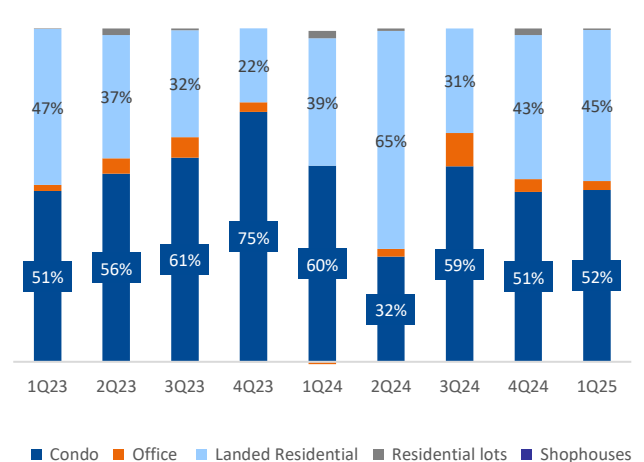
Source: Company, BRIDS

Exhibit 4. Historical Achievement vs. Co's Target



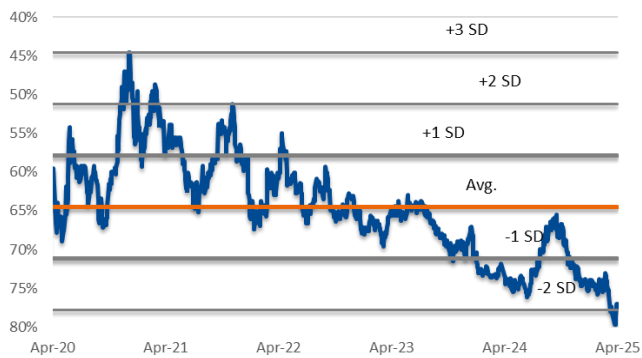
Source: Company, BRIDS

Exhibit 5. PWON's Marketing Sales Contribution



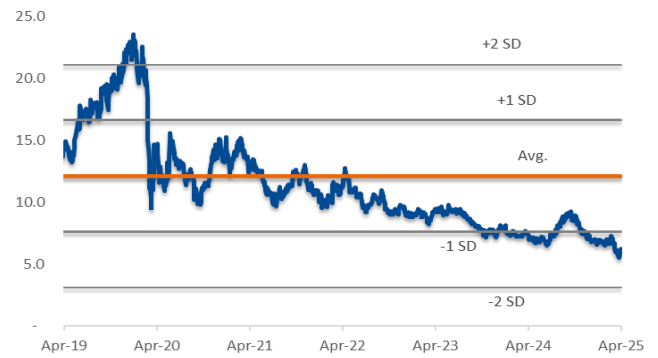
Source: Company, BRIDS

Exhibit 6. PWON's Disc. to RNAV Band



Source: Bloomberg, Company, BRIDS Estimates

Exhibit 7. PWON's P/E Band



Source: Bloomberg, Company, 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 |
| Ehrlich 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 |

Disclaimer

The information contained in this report has been taken from sources which we deem reliable. However, none of PT BRI Danareksa Sekuritas and/or its affiliated and/or their respective employees and/or agents makes any representation or warrant (express or implied) or accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this report or as to any information contained in this report or any other such information or opinions remaining unchanged after the issue thereof.

We expressly disclaim any responsibility or liability (express or implied) of PT BRI Danareksa Sekuritas, its affiliated companies and their respective employees and agents whatsoever and howsoever arising (including, without limitations for any claims, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as results of acting in reliance upon the whole or any part of the contents of this report and neither PT BRI Danareksa Sekuritas, its affiliated companies or their respective employees or agents accepts liability for any errors, omissions or mis-statements, negligent or otherwise, in the report and any liability in respect of the report or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expressly disclaimed.

The information contained in the report is not to be taken as any recommendation made by PT BRI Danareksa Sekuritas or any other person to enter into any agreement with regard to any investment mentioned in this document. This report is prepared for general circulation. It does not have regards to the specific person who may receive this report. In considering any investments you should make your own independent assessment and seek your own professional financial and legal advice.