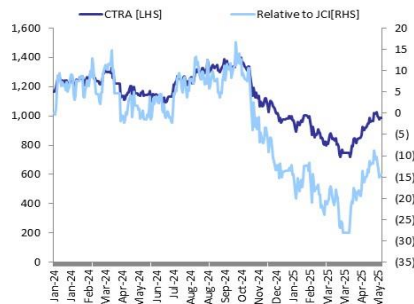


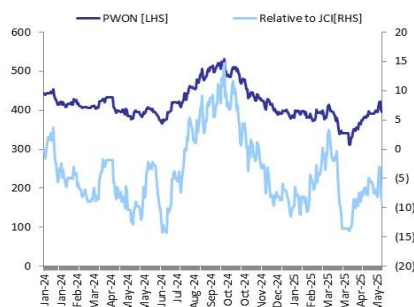
# Overweight

(Maintained)

## CTRA relative to JCI Index



## PWON relative to JCI Index



Source: Bloomberg

## 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

# Property - Overall

## KTA from meeting with JLL: Landed-Houses, Retails, and Industrial Estate are Growth Proxy

- JLL expects landed housing and retail segments to remain strong in FY25F, driven by VAT incentives and stable mall traffic.
- Chinese manufacturers continue to fuel demand for industrial estate, while hotels are resilient, but condos are still in a wait-and-see mode.
- We maintain our OW rating on the sector and prefer developers offering entry-level end-users (Rp1-5bn) landed houses. Top Picks: CTRA, SSIA.

## Landed Houses and Retail Remain the Favorable Segment

JLL sees landed housing and retail to remain the growing segment in Jakarta through FY25F. Landed housing is the most preferred residential option and is supported by VAT incentives to tackle affordability challenges. Retail is supported by healthy traffic, occupancy, and rental charge growth (+0.9% in prime malls in 1Q25), despite the potential shift in shoppers' spending behavior—focusing on F&B and “experiences” (e.g., trying on clothes/shoes in-store, then purchasing online or through other platforms). This trend makes tenant mix management instrumental in determining retail space pricing ability over the next 1–2 years, with relatively higher spending observed in children's playgrounds and other areas not available through e-commerce.

## Industrial Estate Sees Continued Interest from China; Hotels Resilient

China-based manufacturers (EV, home appliances, FMCG) are fueling interest in Greater Jakarta, Subang and Central Java, seeking ready-to-lease spaces that often include areas for light assembly. Our discussion also reveals that the recent issue of estate security – due to local organizations demanding extortion money – has generally been managed well by most estate developers and is incorporated in the service charge tariff component. Meanwhile, hotels have seen healthy ADR growth in Jakarta and Bali despite slowing occupancy. JLL notes the potential for US\$150mn in new hotel investments in FY25—the first since FY23.

## High-Rise: Gradual Demand Improvement in Office, Condo Still Wait & See

Jakarta's office market has seen a gradual improvement in demand as new supply remains limited. The “flight-to-quality” trend continues, with tenants seeking space in Grade A offices as the rental charge gap with lower grades narrows. Meanwhile, the condo market remains in a wait-and-see mode, as customers typically delay big-ticket purchase decisions in 1Q. Mixed-use concepts and prime locations remain key selling points.

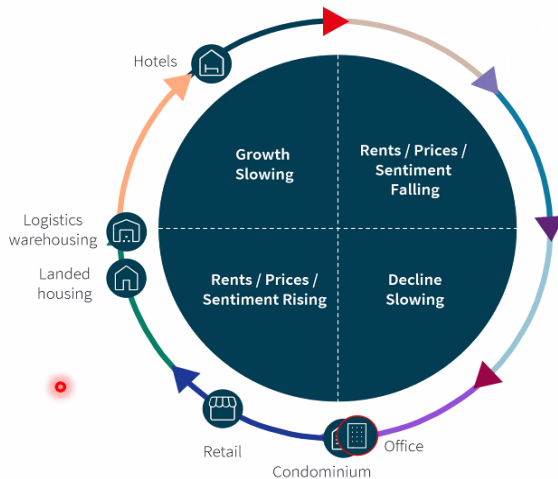
## Maintain OW; Landed-Houses, Retail, Industrial Estate as Growth Proxy

We maintain our OW rating on the sector, favoring developers with majority of their portfolios comprising Rp1-5bn landed houses as the most preferred options. Mitigating risks of weak pre-sales, we favor those with strong retail portfolios as the healthiest investment-property options. Our pecking order remains on CTRA>PWON>SMRA>BSDE. In industrial estate, we prefer SSIA over DMAS given its higher landbank in Subang as potential EV-hub. Key risks: Discontinuance of VAT incentives slowing demand, and slow FDI.

Company	Ticker	Rec	Target Price	Market Cap.	P/E (x)		P/BV (x)		ROE (%)
			(Rp)	(RpBn)	2025F	2026F	2025F	2026F	2026F
Ciputra Development	CTRA IJ	BUY	1,600	18,257.7	7.8	7.4	0.8	0.7	10.0
Pakuwon Jati	PWON IJ	BUY	640	19,071.2	8.4	8.5	0.8	0.8	9.6
Summarecon Agung	SMRA IJ	BUY	800	6,867.6	6.0	6.5	0.6	0.5	8.6
Bumi Serpong Damai	BSDE IJ	BUY	1,450	18,842.5	7.3	6.7	0.4	0.4	6.2
Surya Semesta Internusa	SSIA IJ	BUY	1,300	4,822.9	16.4	11.0	1.1	1.0	9.3
Puradelta Lestari	DMAS IJ	BUY	190	6,844.1	4.6	4.3	0.9	0.9	21.4

## Exhibit 1. Market Outlook Summary JLL 1Q25

## Market Summary and Outlook



Office	Retail	Condominiums
<ul style="list-style-type: none"> <li>Gradual demand improvement</li> <li>Flight to quality</li> <li>Limited new supply</li> <li>Cost savings</li> <li>Steady occupancy</li> </ul>	<ul style="list-style-type: none"> <li>Tenancy mix adjustment</li> <li>F&amp;B and 'experience'</li> <li>Several new supply</li> <li>Prime mall rents healthy growth</li> <li>Steady occupancy</li> </ul>	<ul style="list-style-type: none"> <li>Wait-and-see</li> <li>Unique selling points</li> <li>Limited new launches</li> <li>Mixed-use developments</li> <li>Public transportation</li> </ul>
Landed Housing	Logistics & Industrial	Hotels
<ul style="list-style-type: none"> <li>Remains preferred</li> <li>Supported by government incentives</li> <li>Affordability, accessibility and flexibility remain key</li> </ul>	<ul style="list-style-type: none"> <li>Continuing healthy demand from 3PLs and diversifications</li> <li>Growing EV and Chinese interest</li> <li>Increased competition in some areas</li> </ul>	<ul style="list-style-type: none"> <li>Increased YTD number of international tourists, leading to a target of 16 million by the end of 2025</li> <li>Large incoming supply expected to enter the market</li> <li>YTD performance improving from last year, but growth likely to soften towards the end of the year with volatile environment and large future supply</li> </ul>

Source: JLL

## Exhibit 2. Property Developers Scorecard of Catalysts

Perspective	Metrics to See	CTRA	SMRA	BSDE	PWON
Aspired Pricing Range of End-Users as Demand Driver	Rp1-5bn Product Contribution	4	4	2	3
Tapping the Customer Base who utilize Wider Mortgage Access	Mortgage Payment Term	3	2	4	2
Location within Indo Major Cities	High Greater Jakarta Presence but Overall Well-Diversified Location (Max 50% Greater Jakarta is Ideal, to avoid overconcentration risks)	4	3	2	1
Managing Risks of Discontinued Gov't Incentives	Moderate Contribution of VAT pre-sales (30% contribution is ideal), yet Marketing Sales remain beating Target, Higher Number of Product Launchings	4	1	3	2
Best Product Mix	Prefer Landed Houses, second choice on One-stop Living High-Rise	4	3	2	2
Healthy Recurring Revenue to Mitigate Weak Pre-sales	Strong Retail Portfolios	2	3	1	4
Potential for Premium Valuation	Strategy to Improve ROE	4	1	2	3
Total Points		25	17	16	17
Stock Pick Order		CTRA --> PWON --> SMRA --> BSDE			

Source: BRIDS Estimates

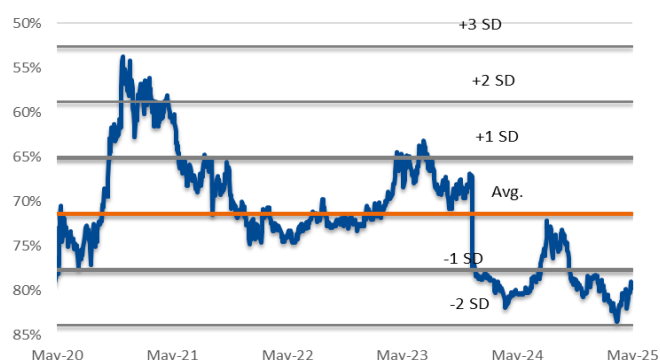
Exhibit 3. Peers Comparison

Company	Revenue (Rpbn)		Net Profit (Rpbn)		Net Profit Growth (%)		ROE (%)		Net Debt (Cash)	
	25F	26F	25F	26F	25F	26F	25F	26F	25F	26F
CTRA	11,697	11,730	2,337	2,471	9.9	5.7	10.2	10.0	-10%	-12%
BSDE	11,059	11,259	2,574	2,802	(41.0)	8.9	6.1	6.2	9%	10%
PWON	7,271	7,409	2,282	2,255	10.0	(1.2)	10.6	9.6	-11%	-10%
SMRA	8,673	8,747	1,141	1,058	(16.9)	(7.3)	9.9	8.6	53%	44%
DMAS	2,190	2,315	1,498	1,605	6.9	7.12	20.4	21.4	-42%	-42%
SSIA	6,117	6,890	294	438	1.5	48.99	6.7	9.3	-8%	-8%
<b>Average</b>					<b>(4.9)</b>	<b>10.4</b>	<b>10.6</b>	<b>10.8</b>	<b>-1%</b>	<b>-3%</b>
<b>Growth Aggr.</b>	<b>-1%</b>	<b>3%</b>	<b>-12%</b>	<b>5%</b>						

Company	P/E (x)		P/BV (x)		Mkt. Sales (Rpbn)		Price/Mkt. Sales		Disc.to RNAV		
	25F	26F	25F	26F	25F	26F	25F	26F	Current	Avg.5-Yr.	Diff.%
CTRA	7.8	7.4	0.8	0.7	11,018	11,463	1.7	1.6	78%	65%	13%
BSDE	7.3	6.7	0.4	0.4	9,626	9,960	2.0	1.9	80%	71%	8%
PWON	8.4	8.5	0.8	0.8	1,536	1,583	12.4	12.0	74%	65%	10%
SMRA	6.0	6.5	0.6	0.5	4,054	4,190	1.7	1.6	90%	78%	12%
DMAS	4.6	4.3	0.9	0.9	2,038	2,267	3.4	3.0	79%	69%	10%
SSIA	16.4	11.0	1.1	1.0	1,806	1,916	2.7	2.5	78%	79%	-1%
<b>Average</b>	<b>8.4</b>	<b>7.4</b>	<b>0.8</b>	<b>0.7</b>	<b>5,013</b>	<b>5,230</b>	<b>4.0</b>	<b>3.8</b>	<b>80%</b>	<b>71%</b>	<b>9%</b>
<b>Median</b>	<b>7.6</b>	<b>7.1</b>	<b>0.7</b>	<b>0.6</b>	<b>6,840</b>	<b>7,075</b>	<b>1.8</b>	<b>1.8</b>	<b>79%</b>	<b>68%</b>	<b>11%</b>
<b>Growth Aggr.</b>					<b>-1%</b>	<b>4%</b>					

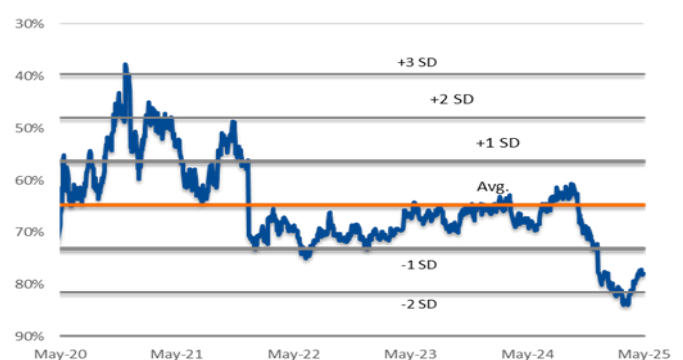
Source: BRIDS Estimates, Bloomberg

Exhibit 4. Discount to RNAV Band Chart (5-year) - BSDE



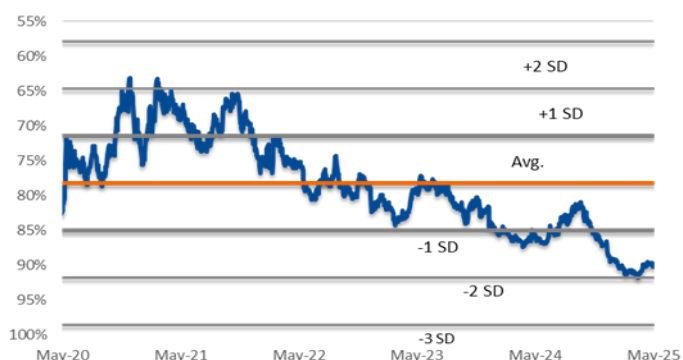
Source: Company, BRIDS Estimates

Exhibit 5. Discount to RNAV Band Chart (5-year) - CTRA



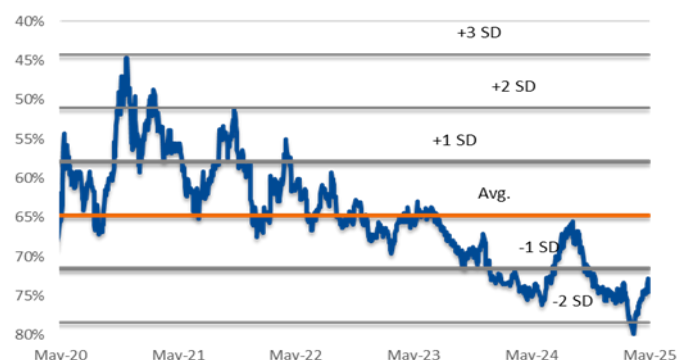
Source: Company, BRIDS Estimates

Exhibit 6. Discount to RNAV Band Chart (5-year) - SMRA



Source: Company, BRIDS Estimates

Exhibit 7. Discount to RNAV Band Chart (5-year) - PWON



Source: Company, BRIDS Estimates

**BRI Danareksa Equity Research Team**

Erindra Krisnawan, CFA	Head of EQR, Strategy, Automotive, Telco, Technology	<a href="mailto:erindra.krisnawan@brids.co.id">erindra.krisnawan@brids.co.id</a>
Timothy Wijaya	Metal, Coal, and Oil & Gas	<a href="mailto:timothy.wijaya@brids.co.id">timothy.wijaya@brids.co.id</a>
Victor Stefano	Banks, Poultry	<a href="mailto:victor.stefano@brids.co.id">victor.stefano@brids.co.id</a>
Ismail Fakhri Suweleh	Healthcare, Property, Cement, Tollroad	<a href="mailto:ismail.suweleh@brids.co.id">ismail.suweleh@brids.co.id</a>
Christy Halim	Consumer, Retailers	<a href="mailto:christy.halim@brids.co.id">christy.halim@brids.co.id</a>
Kafi Ananta Azhari	Research Associate, Co-coverage (Telco, Technology)	<a href="mailto:kafi.azhari@brids.co.id">kafi.azhari@brids.co.id</a>
Ni Putu Wilastita Muthia Sofi	Research Associate	<a href="mailto:wilastita.sofi@brids.co.id">wilastita.sofi@brids.co.id</a>
Naura Reyhan Muchlis	Research Associate	<a href="mailto:naura.muchlis@brids.co.id">naura.muchlis@brids.co.id</a>
Sabela Nur Amalina	Research Associate	<a href="mailto:sabela.amalina@brids.co.id">sabela.amalina@brids.co.id</a>

**BRI Danareksa Economic Research Team**

Helmy Kristanto	Chief Economist, Macro Strategy	<a href="mailto:helmy.kristanto@brids.co.id">helmy.kristanto@brids.co.id</a>
Dr. Telisa Aulia Falianty	Senior Advisor	<a href="mailto:telisa.falianty@brids.co.id">telisa.falianty@brids.co.id</a>
Kefas Sidauruk	Economist	<a href="mailto:kefas.sidauruk@brids.co.id">kefas.sidauruk@brids.co.id</a>

**BRI Danareksa Institutional Equity Sales Team**

Yofi Lasini	Head of Institutional Sales and Dealing	<a href="mailto:yofi.lasini@brids.co.id">yofi.lasini@brids.co.id</a>
Novrita Endah Putrianti	Institutional Sales Unit Head	<a href="mailto:novrita.putrianti@brids.co.id">novrita.putrianti@brids.co.id</a>
Ehrlich Suhartono	Institutional Sales Associate	<a href="mailto:ehrliech@brids.co.id">ehrliech@brids.co.id</a>
Adeline Solaiman	Institutional Sales Associate	<a href="mailto:adeline.solaiman@brids.co.id">adeline.solaiman@brids.co.id</a>
Andreas Kenny	Institutional Sales Associate	<a href="mailto:andreas.kenny@brids.co.id">andreas.kenny@brids.co.id</a>
Jason Joseph	Institutional Sales Associate	<a href="mailto:jason.joseph@brids.co.id">jason.joseph@brids.co.id</a>

**BRI Danareksa Sales Traders**

Mitcha Sondakh	Head of Sales Trader	<a href="mailto:mitcha.sondakh@brids.co.id">mitcha.sondakh@brids.co.id</a>
Suryanti Salim	Sales Trader	<a href="mailto:suryanti.salim@brids.co.id">suryanti.salim@brids.co.id</a>

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<b>HOLD</b>	Expected total return between -10% and 10% within a 12-month period
<b>SELL</b>	Expected total return of -10% or worse within a 12-month period

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