

Buy

(Re-initiated)

MAP Aktif Adiperkasa (MAPA IJ)

Decent Growth Outlook Amid a Consolidation Year; Resuming Coverage with Buy Rating

Last Price (Rp)	735
Target Price (Rp)	970
Previous Target Price (Rp)	1,250
Upside/Downside	32.0%

No. of Shares (mn)	28,504
Mkt Cap (Rpbn/US\$mn)	20,238/1,249
Avg, Daily T/O (Rpbn/US\$mn)	23.8/1.5
Free Float (%)	30.7

Major Shareholder (%)	
PT Mitra Adiperkasa Tbk	68.8

EPS Consensus (Rp)	2025F	2026F	2027F
BRIDS	53.8	63.9	74.3
Consensus	56.2	68.9	80.5
BRIDS/Cons (%)	(4.2)	(7.3)	(7.7)

- We see the company's consolidation and efficiency initiatives this year as positive, as they could lay the foundation for stronger growth esp in FY26F.
- We forecast its revenue and net profit growth of +15% and +13% yoy in FY25F, driven by new stores opening and continued tight cost control.
- Resuming our coverage with a Buy rating and a TP of Rp970. MAPA trades at an attractive 13.7x PE FY25F, given the above-peers growth outlook.

Seasonal weakness in demand in 2Q25

Post MAPA's 2.9% SSSG in 1Q25, which is partly supported by Eid festivity, we expect some seasonal weakness in demand in 2Q25. Our latest discussion with the management indicated that the overall demand in Apr25 was soft, with some improvement seen in May25. We believe there is prospect for improvement in Jun25 sales, supported by the 'back to school' period and several big running events taking place during the month.

A consolidation year with ongoing focus on cost efficiency

We observed some encouraging indicators in 1Q25 that could support MAPA in aligning more closely towards its direction of consolidation namely 1) Continued cost management discipline, as indicated by the decline in total opex as a percentage of revenue (-50bps yoy in 1Q25) 2) Net space addition of ~12k sqm 1Q25 was lower than the recent years' average, allowing for potential productivity improvement across existing stores.

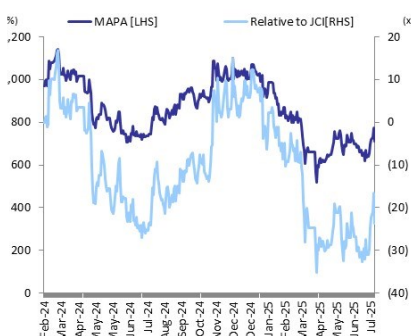
Soft 2Q25F outlook, expect a gradual improvement in 3Q and 4Q

Given the soft seasonality, we expect MAPA's SSSG to remain muted in 2Q25, with a gradual recovery expected in 3Q25 and 4Q25. We expect the company's consolidation and efficiency strategy to continue, supported by a lower store opening target of 700 gross stores in FY25 (vs. FY24's realization of 983 net stores). Additionally, some of the cost-saving measures include tighter ads & promotion spending, increased automation for lesser labour force, and optimized labor scheduling. Therefore, we conservatively estimate MAPA's SSSG of 2.7% with 15.2% projected revenue growth in FY25F. We forecast FY25 gross margin to contract by 110bps, driven by promotions (due to high inventory) and IDR weakness through mid-May and project +13.3% yoy net profit growth in FY25F.

Resuming coverage with Buy rating and TP of Rp970

We resume coverage on MAPA with a Buy rating, supported by a solid double-digit growth outlook this year, despite the company entering a normalization phase following an aggressive expansion over the past three years. Our TP of Rp970 is based on 17.9x PE multiple. MAPA trades at 13.7x PE FY25F (-1sd to 2-year mean) and relatively par to peers which we think is attractive given its superior growth outlook. Key downside risks are 1) excess inventory due to slowdown in demand, 2) IDR depreciation as most of its products are imported.

MAPA relative to JCI Index



Source: Bloomberg

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Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	13,559	17,184	19,789	22,646	25,453
EBITDA (Rpbn)	2,319	2,556	2,800	3,229	3,718
EBITDA Growth (%)	29.2	10.2	9.5	15.3	15.2
Net Profit (Rpbn)	1,388	1,354	1,533	1,822	2,117
EPS (Rp)	48.7	47.5	53.8	63.9	74.3
EPS Growth (%)	18.2	(2.5)	13.3	18.8	16.2
BVPS (Rp)	199.9	244.2	293.1	351.5	419.2
DPS (Rp)	4.0	5.0	4.9	5.5	6.6
PER (x)	15.1	15.5	13.7	11.5	9.9
PBV (x)	3.7	3.0	2.5	2.1	1.8
Dividend yield (%)	0.5	0.7	0.7	0.8	0.9
EV/EBITDA	9.6	8.8	8.2	7.2	6.2

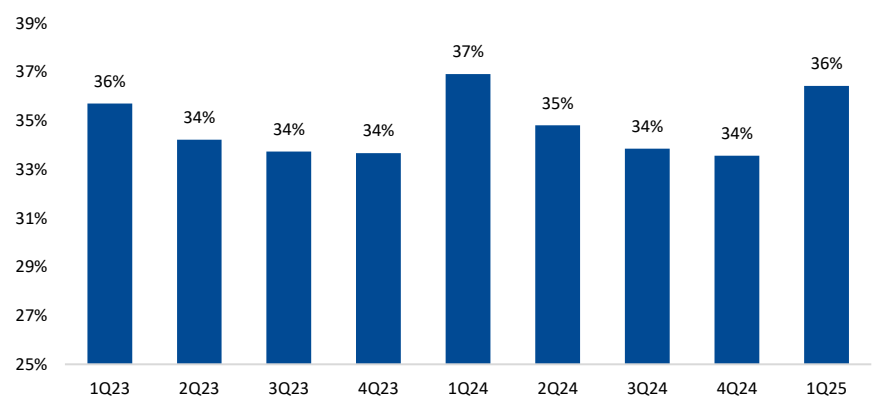
Source: MAPA, BRIDS Estimates

A Consolidation Year with Ongoing Cost Efficiency

In line with the company's strategic focus this year on high-performing brands and maintaining strict cost control, we observed several encouraging signs in 1Q25 that may reinforce this direction: 1) total opex as a percentage of revenue were 50bps lower yoy in 1Q25, particularly on salaries & allowances and marketing & promotion costs, 2) the new space addition stood at ~12k sqm in 1Q25, which was lower compared to the average space added in the past few years of ~20k sqm.

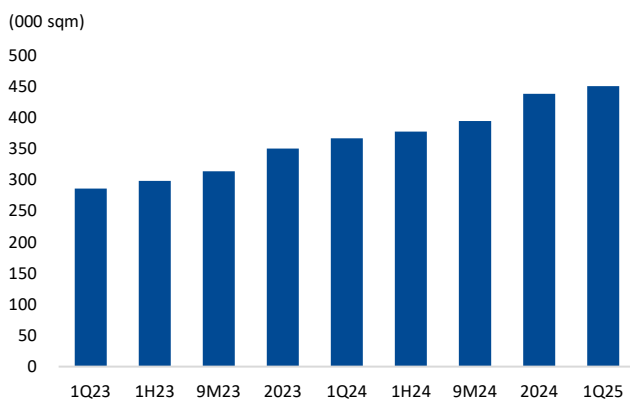
While tight cost control may support growth at the operating profit level, we believe the slower pace of space expansion should allow the company to enhance productivity at existing stores.

Exhibit 1. Opex as % of Revenue, 1Q23-1Q25



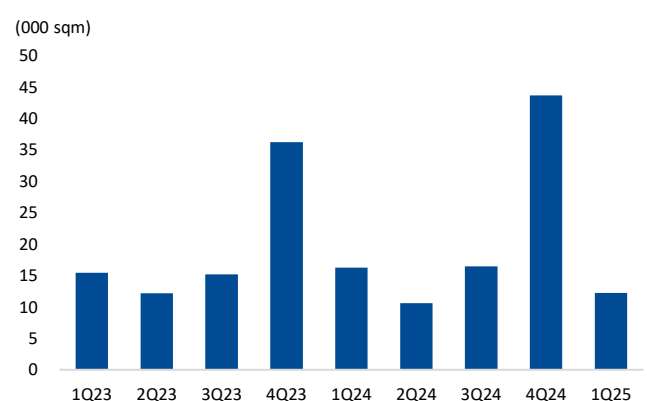
Source: Company, BRIDS

Exhibit 2. MAPA's Store Space, 1Q23-1Q25

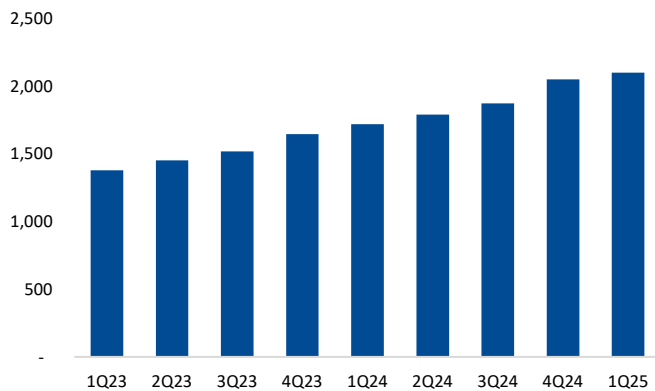


Source: Company, BRIDS

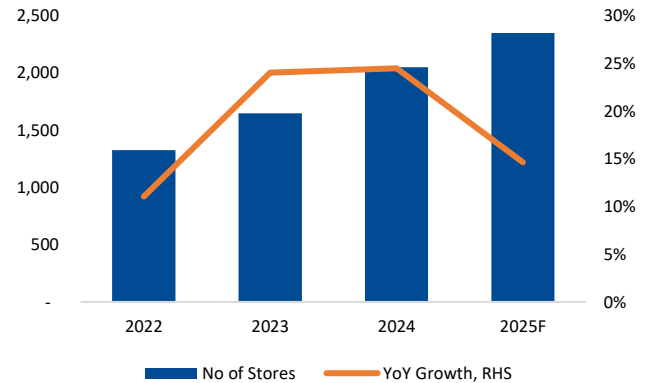
Exhibit 3. MAPA's Quarterly Additional Space, 1Q23-1Q25



Source: Company, BRIDS

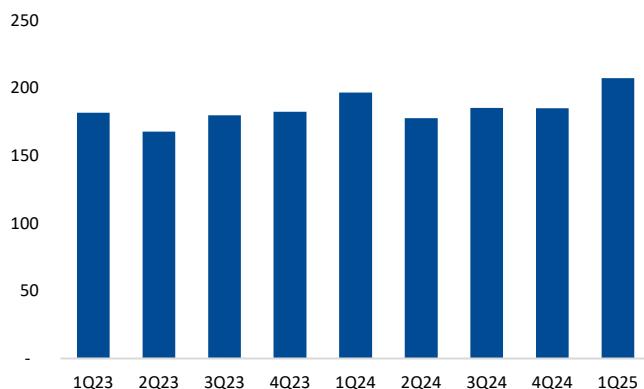
Exhibit 4. MAPA's No. of Stores, 1Q23-1Q25


Source: Company, BRIDS

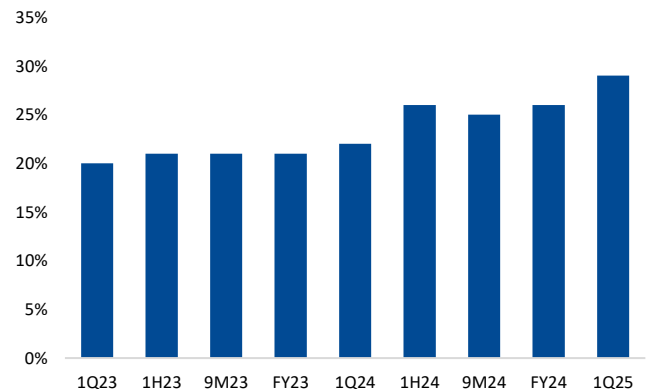
Exhibit 5. MAPA's Total Stores and YoY Growth, 2022-25F


Source: Company, BRIDS Estimates

On the balance sheet front, we noted that MAPA's inventory days increased slightly to 207 days in 1Q25 (vs. average of 186 days) due to stocks carryover from the year-end holiday season and the opening of new stores. Nonetheless, management views this level as still manageable and expects it to normalize in 2Q25.

Exhibit 6. MAPA's Quarterly Inventory Days, 1Q23-1Q25


Source: Company, BRIDS

Exhibit 7. MAPA's Aging Inventory (>6 Months), 1Q23-1Q25


Source: Company, BRIDS

Financial Outlook

Following the lower seasonality in 2Q, we expect MAPA's SSSG to remain muted in the low single digit level in 2Q25, with a gradual recovery starting in 3Q and 4Q25. Therefore, we conservatively estimate its SSSG to be at 2.7% in FY25F and expect improvement to 4.6% in FY26F as we remain positive on the long-term growth prospect of sports spending in Indonesia.

We adjust our estimates to be in line with the latest company's target, implying a lower store opening target of 700 gross stores this year (vs. 983 net new stores opened last year) and 15.2% revenue growth in FY25F. We also forecast MAPA's gross margin to contract by 110bps, driven by promotions (due to high inventory level) and IDR weakness through mid-May.

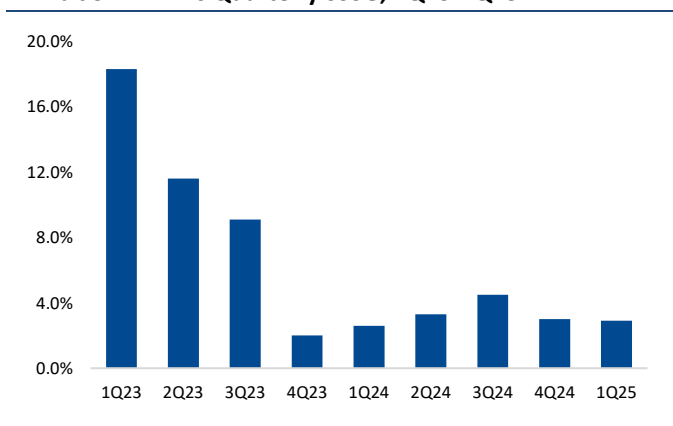
Nonetheless, on the operating level, we only estimate 40bps margin contraction as we assume the continued cost-saving initiatives, including tighter ad & promotion spending, increased automation for lesser labour force, and optimized labor scheduling. At the bottom line, we forecast +13.3% yoy net profit growth in FY25F. We forecast net profit growth to improve to +19% in FY26, on the back of stronger demand given better purchasing power, new stores opening, and cost saving measures.

Exhibit 8. MAPA's Earnings Estimates Revision

MAPA	Before		After		Changes	
	2025F	2026F	2025F	2026F	2025	2026
Revenue	18,254	20,530	19,789	22,646	8.4%	10.3%
Gross profit	8,032	9,526	8,905	10,462	10.9%	9.8%
Operating profit	2,010	2,868	2,385	2,798	18.6%	-2.4%
EBT	1,730	2,571	2,104	2,468	21.6%	-4.0%
Net profits	1,263	1,871	1,533	1,822	21.4%	-2.6%
Margins (%)						
Gross margin	44.0%	46.4%	45.0%	46.2%		
EBIT margin	11.0%	14.0%	12.1%	12.4%		
Opex/revenue	33.0%	32.4%	32.9%	33.8%		
Pretax margin	9.5%	12.5%	10.6%	10.9%		
Net margin	6.9%	9.1%	7.7%	8.0%		
Key Assumptions						
	Before		After			
	2025F	2026F	2025F	2026F		
SSSG	5.4%	5.3%	2.7%	4.6%		
Gross additional stores	474	432	533	517		
Total net stores	2,216	2,396	2,349	2,599		

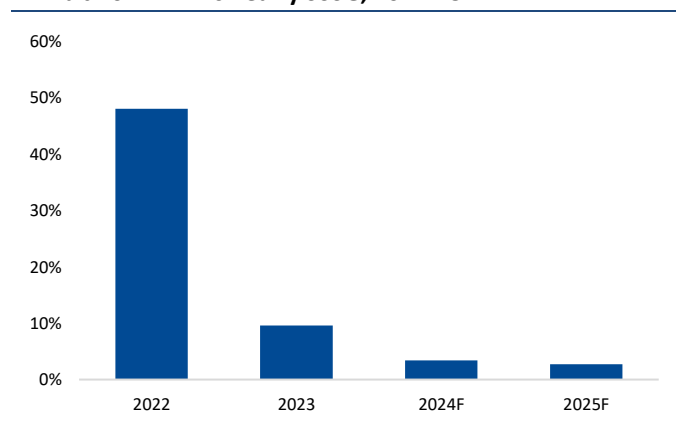
Source: BRIDS Estimates

Exhibit 9. MAPA's Quarterly SSSG, 1Q23-1Q25



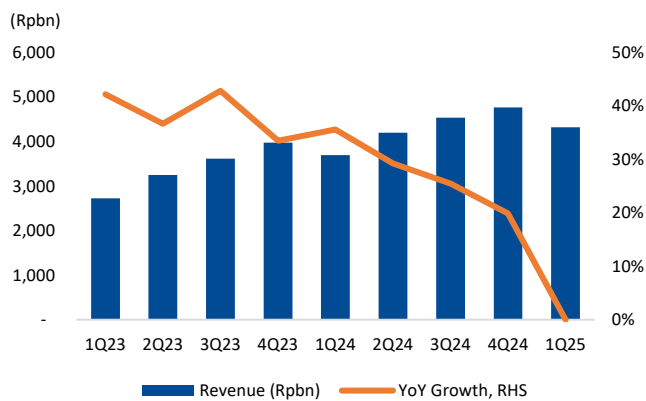
Source: Company, BRIDS

Exhibit 10. MAPA's Yearly SSSG, 2022-25F



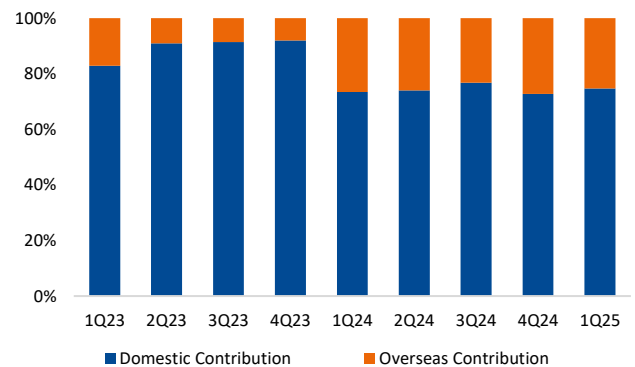
Source: Company, BRIDS Estimates

Exhibit 11. Revenue and YoY Growth, 1Q23-1Q25



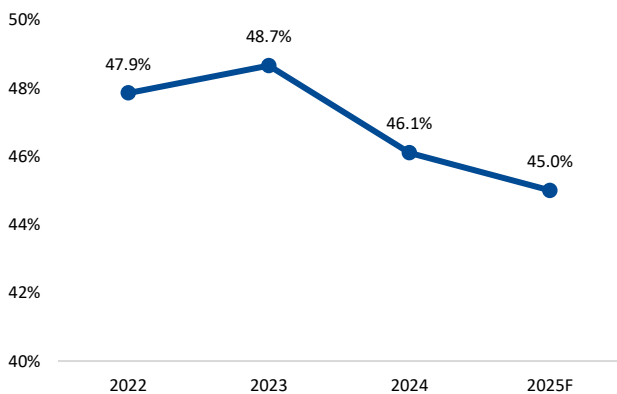
Source: Company, BRIDS

Exhibit 12. Revenue Contribution by Region, 1Q23-1Q25



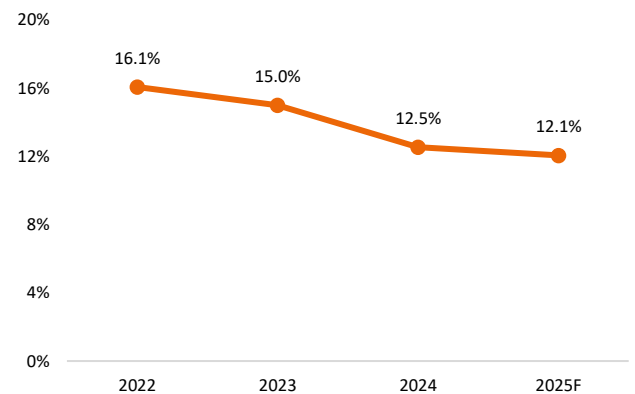
Source: Company, BRIDS

Exhibit 13. Gross Margin, 2022-25F



Source: Company, BRIDS Estimates

Exhibit 14. Operating Margin, 2022-25F



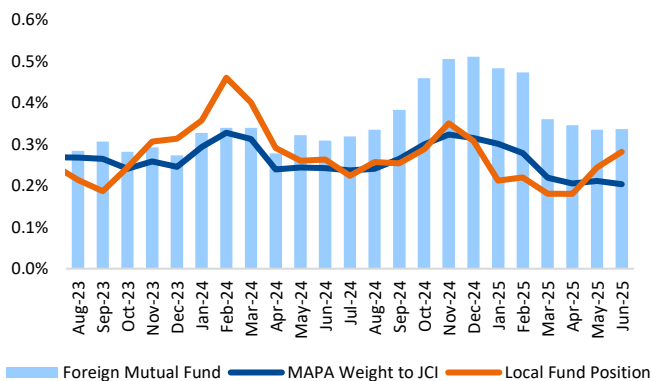
Source: Company, BRIDS Estimates

Exhibit 15. Mid-Year Promotion



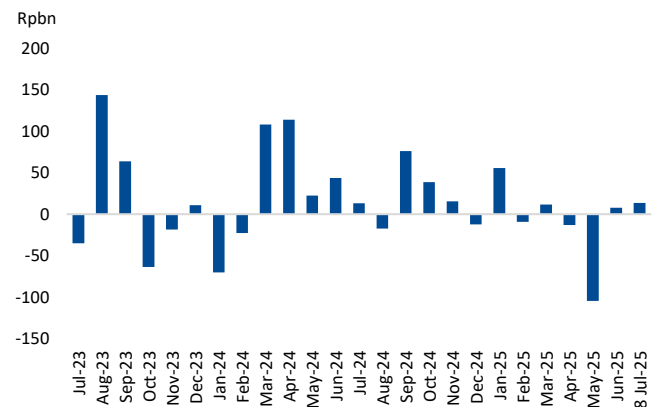
Source: BRIDS Survey

Exhibit 16. MAPA's Weighting and Fund Position



Source: KSEI, BRIDS

Exhibit 17. MAPA's Historical Foreign Flow

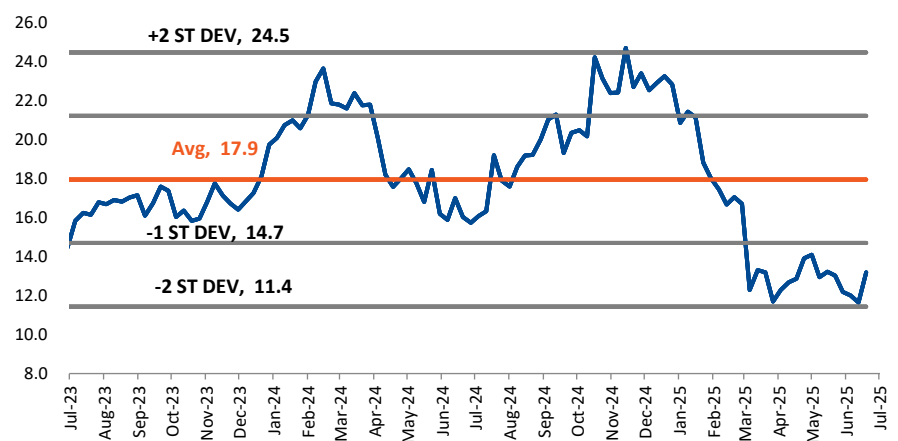


Source: IDX, BRIDS

Valuation and rating

We resume coverage on MAPA with a Buy rating, supported by a solid double-digit growth outlook this year, despite the company entering a normalization phase following an aggressive expansion over the past three years. Our TP of Rp970 is based on 17.9x PE multiple. MAPA trades at 13.7x PE FY25F (~1sd to 2-year mean) and relatively par to peers which we think is attractive given its superior growth outlook. Key downside risks are 1) excess inventory due to slowdown in demand, 2) IDR depreciation as most of its products are imported.

Exhibit 18. MAPA's PE Band



Source: Bloomberg, BRIDS Estimates

Exhibit 19. MAPA's Peers Comparison

Ticker	Rec	Target Price	M.Cap	P/E (x)		P/BV (x)		ROE (%)		Dividend Yield (%)	EPS Growth (%)	
		(Rp)	(Rpbn)	2025F	2026F	2025F	2026F	2025F	2025F	2025F	2025F	2026F
MAPI	Buy	2,000	20,584	10.8	9.6	1.5	1.3	14.9	0.8	2.5%	13.1%	13.1%
MAPA	Buy	970	20,950	13.7	11.1	2.5	2.1	20.0	0.7	13.3%	23.1%	23.1%
ACES	Hold	520	8,731	11.8	10.1	1.3	1.2	11.1	4.2	-17.4%	17.6%	17.6%
MIDI	Buy	540	12,538	18.8	16.6	2.7	2.5	15.4	2.0	64.9%	12.9%	12.9%
Sector				13.5	11.6	2.1	1.8	16.2	1.5	15.8%	17.0%	17.0%

Source: Bloomberg, BRIDS Estimates

Exhibit 20. Income Statement

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Revenue	13,559	17,184	19,789	22,646	25,453
COGS	(6,961)	(9,262)	(10,884)	(12,184)	(13,617)
Gross profit	6,597	7,922	8,905	10,462	11,836
EBITDA	2,319	2,556	2,800	3,229	3,718
Oper. profit	2,033	2,155	2,385	2,798	3,248
Interest income	10	17	14	9	13
Interest expense	(124)	(200)	(234)	(284)	(343)
Forex Gain/(Loss)	4	(29)	(12)	(5)	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	(55)	(85)	(50)	(50)	(50)
Pre-tax profit	1,868	1,858	2,104	2,468	2,868
Income tax	(484)	(519)	(588)	(666)	(774)
Minority interest	5	16	18	20	23
Net profit	1,388	1,354	1,533	1,822	2,117
Core Net Profit	1,385	1,383	1,545	1,828	2,117

Exhibit 21. Balance Sheet

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	1,099	1,041	737	722	1,323
Receivables	609	510	753	864	978
Inventory	4,315	5,189	5,168	5,917	6,619
Other Curr. Asset	419	355	409	468	526
Fixed assets - Net	1,814	2,632	3,022	3,497	4,045
Other non-curr.asset	2,548	3,112	3,812	4,581	5,409
Total asset	10,804	12,839	13,901	16,050	18,900
ST Debt	1,503	1,393	1,427	1,252	1,498
Payables	1,498	1,991	1,300	1,488	1,669
Other Curr. Liabilities	662	709	814	931	1,047
Long Term Debt	971	1,226	1,392	1,700	2,035
Other LT. Liabilities	292	400	460	527	592
Total Liabilities	4,926	5,719	5,393	5,898	6,841
Shareholder's Funds	5,699	6,961	8,355	10,020	11,950
Minority interests	179	159	152	132	109
Total Equity & Liabilities	10,804	12,839	13,901	16,050	18,900

Exhibit 22. Cash Flow

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	1,388	1,354	1,533	1,822	2,117
Depreciation and Amort.	286	401	415	431	471
Change in Working Capital	(1,451)	(297)	(990)	(756)	(717)
Other Oper. Cash Flow	391	286	304	370	421
Operating Cash Flow	614	1,744	1,263	1,867	2,292
Capex	(1,220)	(1,219)	(805)	(906)	(1,018)
Others Inv. Cash Flow	(715)	(432)	(600)	(666)	(723)
Investing Cash Flow	(1,935)	(1,652)	(1,405)	(1,572)	(1,741)
Net change in debt	1,193	145	200	133	581
New Capital	122	46	11	0	0
Dividend payment	(114)	(143)	(139)	(157)	(187)
Other Fin. Cash Flow	(124)	(200)	(234)	(284)	(343)
Financing Cash Flow	1,078	(151)	(162)	(309)	51
Net Change in Cash	(242)	(59)	(304)	(14)	602
Cash - begin of the year	1,342	1,099	1,041	737	722
Cash - end of the year	1,099	1,041	737	722	1,323

Exhibit 23. Key Ratio

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Growth (%)					
Sales	38.3	26.7	15.2	14.4	12.4
EBITDA	29.2	10.2	9.5	15.3	15.2
Operating profit	29.2	6.0	10.7	17.3	16.1
Net profit	18.2	(2.5)	13.3	18.8	16.2
Profitability (%)					
Gross margin	48.7	46.1	45.0	46.2	46.5
EBITDA margin	17.1	14.9	14.1	14.3	14.6
Operating margin	15.0	12.5	12.1	12.4	12.8
Net margin	10.2	7.9	7.7	8.0	8.3
ROAA	15.2	11.5	11.5	12.2	12.1
ROAE	27.3	21.4	20.0	19.8	19.3
Leverage					
Net Gearing (x)	0.2	0.2	0.2	0.2	0.2
Interest Coverage (x)	16.4	10.8	10.2	9.8	9.5

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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