

PT Erajaya Swasembada Tbk

Continue To Expand Digital And Non-digital Segments

Pertumbuhan Pendapatan Didorong Pemulihan Pembelian Konsumen

Pada 3Q22 ERAA mencatatkan kenaikan pendapatan sebesar +12,06% YoY/Rp34,94 tn meskipun dari laba bersih tercatat turun -5,41% YoY/Rp680 bn. Segmen mobile handset tumbuh +10,58% YoY, computer&electronic device tumbuh +8,80% YoY, diikuti accesories&others tumbuh +69,50% YoY, sedangkan segmen operator product berkontraksi -22,81% YoY. Namun, kami expect laba ERAA akan membaik sejalan dengan pemulihan pembelian konsumen yang sedang berlangsung, kami memproyeksi pendapatan pada 2022F dan 2023F masing-masing sebesar Rp45,32 tn/+4,26% YoY dan Rp48,95 tn/+8,01% YoY.

Kenaikan Volume Penjualan Ditengah Banyak Perilisan Handphone

ERAA mencatatkan peningkatan penjualan mobile handset pada 3Q22 menjadi Rp27,39 tn naik +10,58% YoY didorong oleh kenaikan ASP sebesar +32.02% YoY menjadi Rp3,90 mn walaupun terjadi penurunan volume penjualan -16,25% YoY. Dengan adanya rilis baru dari iPhone 14 series pada 4Q22 yang dapat mendorong kinerja pertumbuhan volume penjualan ERAA. Pasar yang akan mengantisipasi Samsung A series dan dan Samsung S23 yang akan rilis pada 1Q23 yang dapat meningkatkan penjualan ERAA.

Ekspansi Gerai Baru Diikuti SSSG Yang Tumbuh Positif

ERAA berhasil meningkatkan pertumbuhan SSSG ditengah ekspansi gerai baru, pada 2021 SSSG berhasil tumbuh +10,16% YoY. Sebelumnya, ERAA berencana untuk menambah sebanyak 600 gerai baru sepanjang tahun 2023 dengan fokus ekspansi ke kota tier dua seperti Jember, Gresik, Makassar, Sukabumi. Selain itu, ERAA bersama perusahaan Vietnam The Gioi Di Dong membentuk perusahaan JV dengan merek Era Blue yang memasarkan produk elektronik. Kinerja ERAA cukup positif ditengah ekspansi pembukaan gerai baru dan SSSG yang masih tumbuh positif.

Kontribusi Pendapatan Diluar Bisnis Digital Alami Peningkatan

ERAA meningkatkan diversifikasi dengan fokus dalam mengembangkan pilar bisnis selain digital dengan ekspansi membuka gerai seperti JD Sport, Paris Baguette, Wellings, dan UR. Pada 3Q22, kontribusi penjualan accesories & others berhasil meningkat menjadi 11,35% atau sebesar Rp3,96 tn. Kami melihat diversifikasi bisnis dapat mengukuhkan posisi ERAA di industri retail dan berdampak positif terhadap pendapatan ERAA dalam jangka panjang.

Valuasi

Kami merekomendasikan Buy pada ERAA dengan potensial upside sebesar +36,63% dengan harga wajar Rp690 per lembar saham menggunakan metode DCF dengan asumsi WACC sebesar 7,99%. Resiko investasi diantaranya penurunan pada daya beli masyarakat, dan penurunan pada ASP dan Volume penjualan.

At closing price Rp505/share	2019	2020	2021	2022F	2023F	2024F
Revenue (Rp bn)	32,945	34,113	43,467	45,318	48,947	52,984
Gross Profit (Rp bn)	2,849	3,410	4,806	5,235	5,827	6,229
Net Profit (Rp bn)	295	612	1,012	1,354	1,562	1,599
EBITDA (Rp bn)	1,243	1,688	2,335	3,007	3,434	3,736
GPM (%)	8.65%	10.00%	11.06%	11.55%	11.91%	11.76%
NPM (%)	0.90%	1.79%	2.33%	2.99%	3.19%	3.02%
EPS (Rp)	92.50	191.85	63.47	84.87	97.94	100.28
P/E (x)	3.62	2.14	9.06	4.60	5.16	5.04
PBV (x)	0.21	0.23	1.42	0.81	0.88	0.77
DER (x)	0.49	0.49	0.43	0.41	0.36	0.34
DAR (x)	0.96	0.97	0.76	0.69	0.55	0.51
Interest Coverage (x)	2.38	5.77	8.52	12.35	16.53	13.86

BUY

Target Price: Rp690
Potential Upside: +36,63%

March 24th 2023

Last Price (Rp): 505
Ticker Code: ERAA
Sector: Cyclical
Sub Sector: Retail Trade
Shares Outstanding: 15,950 Mn
Market Cap (Rp): 8,055 Bn

Shareholders:
PT Eralink International: 54,51%
Public: 44,44%
Treasury: 1,05%

Relative performance vs IHSG:

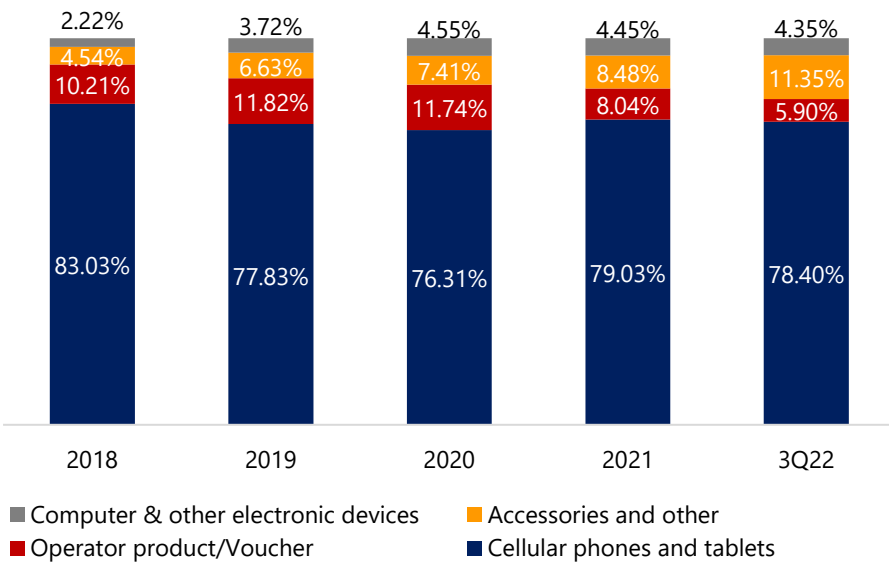


Brief Company Profile:

PT Erajaya Swasembada Tbk merupakan perusahaan importir, distribusi dan perdagangan ritel peralatan telekomunikasi. Pada 3Q22 perusahaan telah mengoperasikan 1.447 gerai, 97 jaringan distribusi dan 69,000 reseller pihak ketiga. ERAA memiliki 4 pilar usaha yaitu Erajaya Digital, Erajaya Active Lifestyle, Erajaya Beauty & Wellness, dan Erajaya Food & Nourishment yang menaungi merek gerai seperti Erafone, iBox, Samsung, Mi Store, Erablu, Urban Republic, Garmin, DJI, JD Sport, The Face Shop, Wellings, Sushi Tei, Paris Baguette.

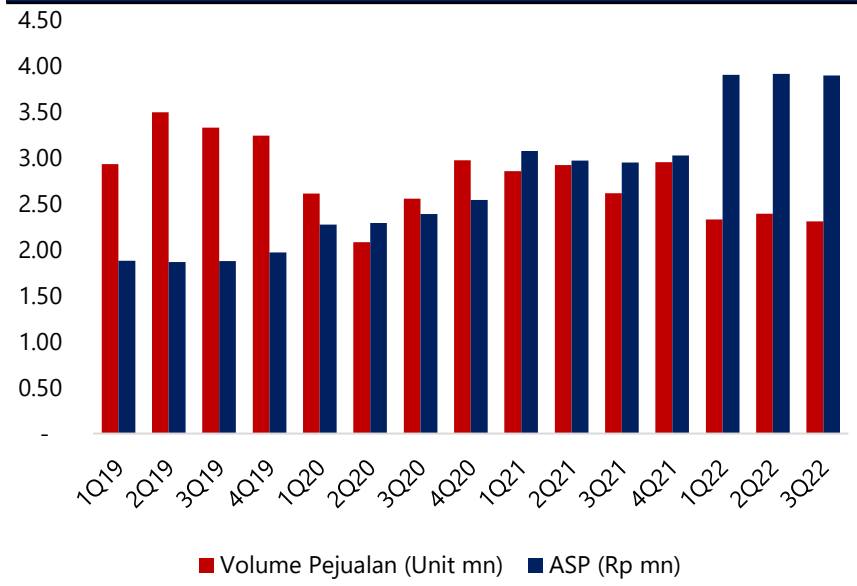
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Grafik 1: Kontribusi Segmen Terhadap Pendapatan



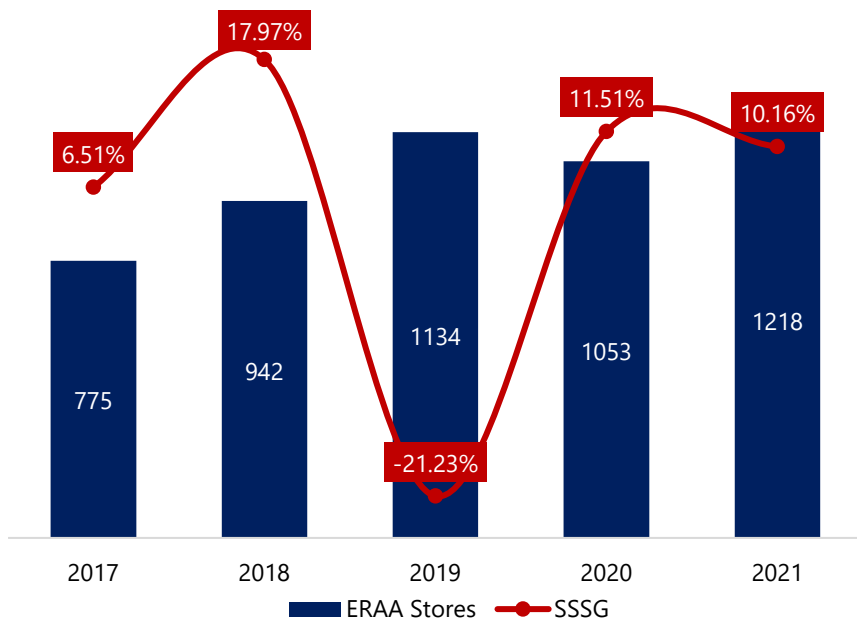
Sumber: ERAA, Reli Research

Grafik 2: Volume Pejualan dan ASP ERRA



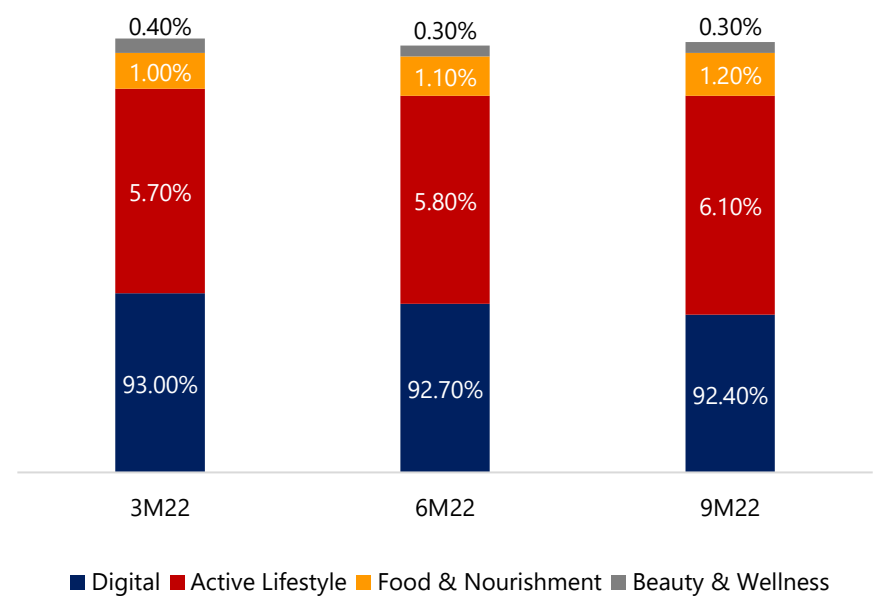
Sumber: ERAA, Reli Research

Grafik 3: Total Gerai dan Same Store Sales Growth



Sumber: ERAA, Reli Research

Grafik 4: Kontribusi Penjualan Vertical Bisnis



Sumber: ERAA, Reli Research

Grafik 5: P/E Band



Sumber: ERAA, Reli Research

Financial Summary

Balance Sheet (Rp mn)	2019	2020	2021	2022F	2023F	2024F
Cash and cash equivalents	571,289	2,002,050	520,695	463,560	504,971	424,528
Receivables	1,627,732	1,575,675	1,047,382	1,808,094	1,797,696	1,778,879
Inventories	3,693,371	3,259,497	3,931,609	4,609,575	4,803,207	5,610,640
Others	1,052,134	709,773	1,124,661	1,187,586	1,189,169	1,348,881
Total Current Assets	6,944,526	7,546,995	6,624,347	8,068,816	8,295,042	9,162,928
Fixed assets	614,540	716,457	851,912	1,336,191	1,780,139	2,345,914
Intangible assets	709,890	726,530	767,854	874,650	900,961	933,410
Estimated claims for tax refund	986,429	1,085,369	1,644,368	1,504,394	1,677,939	1,859,875
Others	492,317	1,136,018	1,483,743	1,265,992	1,504,503	1,616,590
Total Non Current Assets	2,803,177	3,664,374	4,747,878	4,981,227	5,863,542	6,755,789
Total Assets	9,747,703	11,211,369	11,372,225	13,050,043	14,158,584	15,918,717
ST bank loans	2,703,376	1,878,902	1,287,563	1,556,912	1,102,088	1,505,547
Payable	1,738,600	2,731,873	2,191,389	2,768,494	2,728,899	2,649,208
Lease liabilities	-	227,394	298,553	224,466	294,967	292,934
Bank loans	-	-	143,409	148,685	105,249	143,779
Others	173,555	304,781	358,537	333,340	395,526	417,101
Total Current Liabilities	4,615,531	5,142,951	4,279,453	5,031,898	4,626,729	5,008,569
Lease liabilities	-	179,411	224,912	96,200	169,424	145,863
Bank loans	-	-	214,109	-	-	-
Others	153,456	201,011	191,390	221,591	244,682	251,753
Total Non Current Liabilities	153,456	380,422	630,411	317,791	414,106	397,615
Total Liabilities	4,768,987	5,523,373	4,909,864	5,349,689	5,040,835	5,406,185
Share capital	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000
Additional paid-in capital	594,376	594,376	598,406	598,406	598,406	598,406
Treasury stock	-	(8,961)	(8,961)	(8,961)	(8,961)	(8,961)
Other	85	(1,202)	(69,105)	(82,926)	(99,512)	(119,414)
Retained earnings						
Appropriated	9,000	10,000	11,000	12,000	13,000	14,000
Unappropriated	2,610,894	3,201,412	3,993,389	5,210,759	6,606,999	7,980,318
Other comprehensive income	12,449	18,169	19,211	20,312	21,477	22,708
Non-controlling interests	156,913	279,202	323,422	355,764	391,340	430,475
Total equity	4,978,717	5,687,996	6,462,362	7,700,354	9,117,750	10,512,532

Income Statement (Rp mn)	2019	2020	2021	2022F	2023F	2024F
Revenue	32,944,903	34,113,455	43,466,977	45,318,294	48,946,654	52,984,157
Cost of goods sold	(30,095,879)	(30,703,442)	(38,661,090)	(40,083,264)	(43,119,173)	(46,755,335)
Gross profit	2,849,024	3,410,013	4,805,887	5,235,030	5,827,480	6,228,822
Selling expenses	(1,363,503)	(1,473,722)	(2,156,812)	(2,027,352)	(2,244,302)	(2,476,257)
G&A expenses	(972,931)	(1,078,462)	(1,162,911)	(1,327,825)	(1,430,349)	(1,506,101)
Other income	271,747	292,634	225,153	332,434	344,154	345,220
Other expenses	(7,228)	(47,152)	(51,933)	(42,243)	(57,254)	(58,223)
Operating profit	777,108	1,103,309	1,659,383	2,170,044	2,439,729	2,533,461
Finance income	5,059	5,719	14,846	8,689	9,795	11,003
Finance cost	(326,036)	(191,176)	(194,768)	(175,760)	(147,578)	(182,729)
Other	16,590	(535)	15,604	12,792	10,206	15,008
Profit before income tax	472,720	917,317	1,495,065	2,015,765	2,312,153	2,376,743
Income tax expenses	(147,137)	(246,145)	(377,148)	(524,696)	(592,556)	(613,883)
Profit for the year	325,583	671,172	1,117,917	1,491,069	1,719,597	1,762,859
Owners of the parent	295,066	612,005	1,012,376	1,353,744	1,562,160	1,599,465
Non-controlling interests	30,517	59,168	105,542	137,325	157,436	163,394

Cash Flow (Rp mn)	2020	2021	2022F	2023F	2024F
Net income	612,005	1,012,376	1,353,744	1,562,160	1,599,465
Depreciation & Amortization	118,340	91,138	161,511	157,495	207,923
Change in working capital	1,479,205	(684,302)	(861,574)	(222,828)	(868,308)
Others	473,925	(361,208)	(88,307)	60,695	(138,174)
Cash flow from operating	2,683,474	58,003	565,374	1,557,522	800,906
Capex	(236,896)	(267,917)	(752,586)	(627,754)	(806,146)
Others	(742,640)	(906,725)	357,726	(412,055)	(294,023)
Cash flow from investing	(979,536)	(1,174,642)	(394,860)	(1,039,809)	(1,100,170)
Dividend	-	(219,399)	(135,374)	(164,921)	(225,145)
Others	(252,690)	(145,317)	(92,275)	(311,382)	443,967
Cash flow from financing	(252,690)	(364,715)	(227,649)	(476,302)	218,822
Change in cash	1,451,247	(1,481,354)	(57,135)	41,410	(80,443)
Beginning cash	571,289	2,002,050	520,695	463,560	504,971
Adjustment	(20,486)	-	-	-	-
Ending cash	2,002,050	520,695	463,560	504,971	424,528

Sumber: ERAA, Reli Research

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Analyst Rating

BUY : Expected return of 2x Risk Free or more within a 12-month period
NEUTRAL : Expected return between -1.9x and 1.9x Risk Free
SELL : Expected return of -2x Risk Free or more within a 12-month period
NON-RATED : Analysts do not express any trading recommendation

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