

PT Ace Hardware Indonesia Tbk.

Good Performance

ACES membukukan laba bersih IDR 426 miliar 1H18, naik +29.8% YoY (IDR 217.1 miliar 2Q18; +3.9% QoQ). Tumbuhnya laba didukung oleh kenaikan pendapatan sebesar +22.6% YoY ke IDR 3.38 triliun dengan kenaikan penjualan di semua segmen yang didukung oleh penambahan gerai serta promosi yang dilakukan perseroan. Kami merekomendasikan Buy untuk saham ACES dengan target price IDR 1,535. Target price tersebut mencerminkan PER'19E sebesar 28.63x dan PBVR'19E sebesar 6.12x.

Laba Bersih Naik +29.8% YoY. Laba usaha ACES 1H18 meningkat +30.1% menjadi IDR 258.9 miliar dan di *bottom line*, ACES mencatatkan laba bersih IDR 426 miliar, naik +29.8% YoY (IDR 217.1 miliar 2Q18; +3.9% QoQ), terutama didukung oleh kenaikan penjualan perseroan. Realisasi tersebut mencapai 50.5% dari proyeksi kami untuk laba bersih FY18.

Pendapatan Tumbuh +22.6% YoY. Pada 1H18, ACES mencatatkan pendapatan IDR 3.38 triliun, tumbuh +22.6% YoY dengan kenaikan penjualan di semua segmen yang didukung oleh penambahan gerai serta promosi yang dilakukan perseroan. Penjualan bersih segmen *toys product* tumbuh +31.0%, *lifestyle products* tumbuh +29.6% dan segmen *home improvement products* tumbuh +19.2%.

SSSG Mencapai 13.4%. Untuk 1H18, SSSG perseroan mencapai 13.4% dengan SSSG di luar pulau Jawa berkisar antara 15% hingga 16% didukung oleh kenaikan harga komoditas. Sementara itu, ACES berencana membuka empat gerai lagi di semester II dari rencana awal penambahan 15 gerai di FY18.

Kenaikan Pajak Impor. Pemerintah menaikkan tarif Pajak Penghasilan (PPH) impor dari 2.5% menjadi 10%. Namun manajemen menyatakan bahwa sejak awal produk-produk perseroan telah dikenakan PPh impor sehingga kenaikan tarif tersebut tidak berpengaruh signifikan.

Valuasi. Kami menetapkan target harga saham ACES di level IDR 1,535 dimana harga tersebut mencerminkan PER'19E sebesar 28.63x dan PBVR'19E sebesar 6.12x. Dengan membandingkan harga penutupan ACES pada hari Selasa (18/09) di level IDR 1,355 dimana terdapat *upside potential* sebesar +13.3% maka kami merekomendasikan BUY untuk saham ACES.

Exhibit 01– Financial Summary

| Key Metrics | FY2014 | FY2015 | FY2016 | FY2017 | FY2018E | FY2019E |
|---------------------|--------|--------|--------|--------|---------|---------|
| Revenue (IDR mn) | 4,541 | 4,695 | 4,936 | 5,939 | 6,495 | 7,144 |
| Net Income (IDR mn) | 549 | 574 | 706 | 781 | 844 | 923 |
| EPS (IDR) | 32 | 34 | 42 | 46 | 49 | 54 |
| Revenue Growth | 16.58% | 3.38% | 5.13% | 20.31% | 9.36% | 10.00% |
| Net Income Growth | 9.12% | 4.56% | 23.04% | 10.56% | 8.15% | 9.33% |
| ROA | 18.62% | 17.56% | 18.93% | 17.63% | 17.11% | 16.99% |
| ROE | 23.57% | 21.83% | 23.16% | 22.24% | 21.71% | 21.46% |
| PE | 47.45 | 45.60 | 36.82 | 33.65 | 31.30 | 28.63 |
| PBV | 11.30 | 10.01 | 8.63 | 7.50 | 6.77 | 6.12 |

Source : Company, Bloomberg, MCS Research

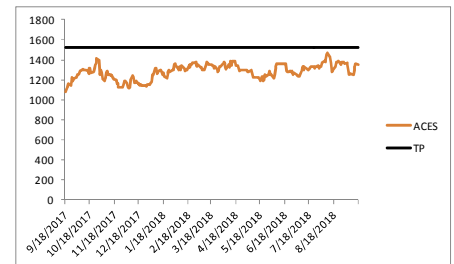
19 September 2018

Buy (+13.3%)

Price (18/09) IDR 1,355
 Target Price IDR 1,535
 Ticker ACES
 Industry Retail

Helen

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Company Description

Didirikan pada tahun 1995 sebagai anak perusahaan dari PT. Kawan Lama Sejahtera, PT. Ace Hardware Indonesia, Tbk (ACES) ialah pemegang lisensi tunggal ACE Hardware di negeri ini, yang ditunjuk secara langsung oleh ACE Hardware Corporation, Amerika.

Stock Data

52-week Range (IDR) 1,065 | 1,500
 Mkt Cap (IDR tn) 23.2
 JCI Weight 0.35%
 Shares O/S (mn) 17,150
 YTD Change +17.3%

Share Holders:

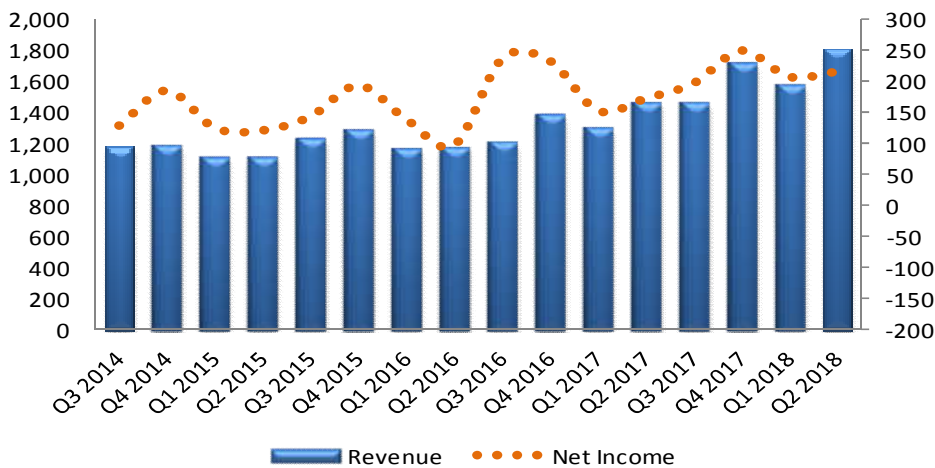
PT Kawan Lama Sejahtera 59.97%
 Kuncoro Wibowo 0.0%
 Public 40.03%

Exhibit 02– Financial Summary

| In Billions of IDR | 1H17 | 1H18 | YoY | 1Q18 | 2Q18 | QoQ | FY18E | % |
|---------------------------|----------------|----------------|--------------|---------|---------|-------|---------|-------|
| Revenue | 2,759.9 | 3,384.7 | 22.6% | 1,573.8 | 1,810.9 | 15.1% | 6,494.6 | 52.1% |
| - Cost of Revenue | 1,437.6 | 1,764.3 | 22.7% | 821.8 | 942.4 | 14.7% | 3,452.8 | 51.1% |
| Gross Profit | 1,322.2 | 1,620.5 | 22.6% | 752.0 | 868.5 | 15.5% | 3,041.8 | 53.3% |
| Operating Income | 406.8 | 529.2 | 30.1% | 258.9 | 270.3 | 4.4% | 1,045.0 | 50.6% |
| Net Income | 328.1 | 426.0 | 29.8% | 208.9 | 217.1 | 3.9% | 844.3 | 50.5% |
| EPS (IDR) | 19.2 | 25.0 | 30.0% | 12.3 | 12.7 | 4.0% | 49.0 | 50.9% |
| Gross Profit Margin | 47.9% | 47.9% | | 47.8% | 48.0% | | 46.8% | |
| Operating Income | 14.7% | 15.6% | | 16.5% | 14.9% | | 16.1% | |
| Net Income Margin | 11.9% | 12.6% | | 13.3% | 12.0% | | 13.0% | |
| Net Sales | 1H17 | 1H18 | YoY | | | | | |
| Home improvement products | 1,575.7 | 1,878 | 19.2% | | | | | |
| Lifestyle products | 1,128.2 | 1,462 | 29.6% | | | | | |
| Toys products | 130.9 | 172 | 31.0% | | | | | |
| Total | 2,834.8 | 3,511.2 | 23.9% | | | | | |

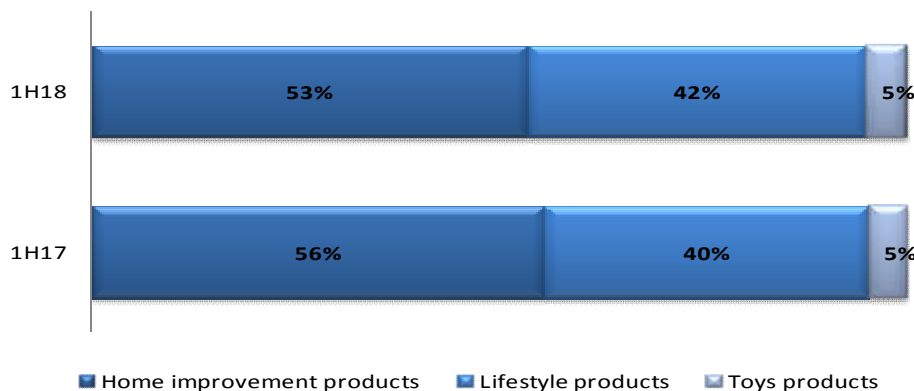
Source : Company, Bloomberg, MCS Research

Exhibit 03– Seasonality (in IDR bn)



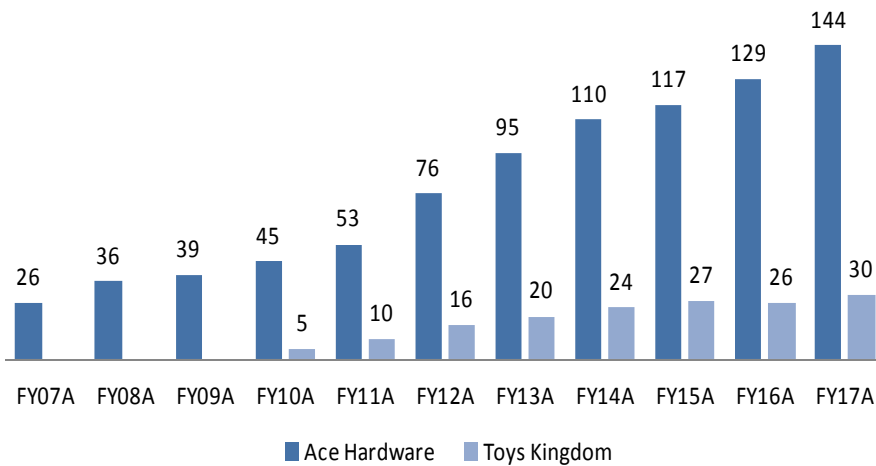
Source : Company, Bloomberg, MCS Research

Exhibit 04– Kontribusi Segmen



Source : Company, MCS Research

Exhibit 05– Gerai Perseroan

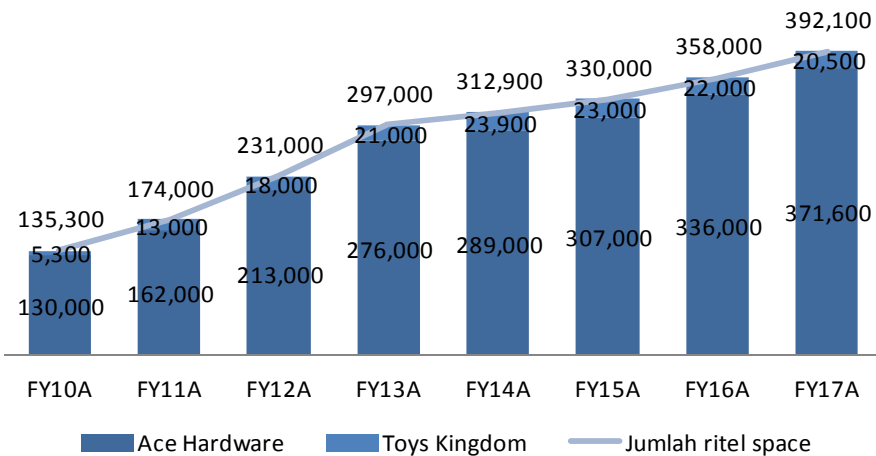


Source : Company, MCS Research

Sepanjang tahun 2017, Perseroan telah membuka 17 gerai Ace dan 4 gerai Toys Kingdom. Pembukaan gerai baru tersebut menggenapkan jumlah gerai menjadi 144 gerai Ace, dan 30 gerai Toys Kingdom.

Per Agustus 2018, perseroan telah membuka 15 gerai baru sehingga total gerai menjadi 159 gerai.

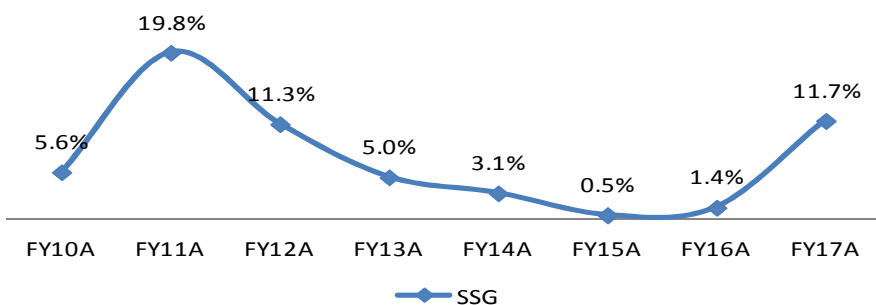
Exhibit 06– Luas Gerai



Source : Company, MCS Research

Hingga akhir 2017, Perseroan telah memiliki 144 gerai Ace Hardware dengan luas total mencapai lebih dari 371.600 m2 dan tersebar di 36 kota di Indonesia.

Exhibit 07– Same Store Sales Growth



Source : Company, MCS Research

Untuk 1H18, SSSG perseroan mencapai 13.4% dengan SSSG di luar pulau Jawa berkisar antara 15% hingga 16% didukung oleh kenaikan harga komoditas.

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