

Aneka Tambang Tbk (ANTM IJ)

Kontribusi Emas Masih Solid

Pendapatan dari segmen emas sebagai komoditas utama ANTM mengalami peningkatan sebesar 22,1% YoY pada 1H19. ANTM pun masih harus bekerja keras sampai akhir tahun untuk mengenyot ekspor bijih nikel sebelum pelarangan ekspor pada 2020. Strategi ANTM untuk fokus proyek hilirisasi telah memberikan gambaran untuk tetap bertumbuh.

Kinerja Positif 1H19

Pada 1H19, ANTM berhasil membukukan total pendapatan sebesar Rp14,4 triliun (+22,1% YoY) berkat kontribusi pendapatan yang signifikan dari segmen emas yang tercatat sebesar Rp9,6 triliun (+17,2% YoY) dan juga pendapatan dari segmen bijih nikel sebesar Rp1,7 triliun (+105% YoY) walaupun kontribusi feronikel hanya mencatatkan Rp2,3 triliun (-8,8% YoY). Namun, biaya operasional ANTM membengkak menjadi Rp1,6 triliun (+190% YoY) sehingga laba bersih ANTM pada 1H19 tercatat sebesar Rp366 miliar (+6% YoY): sebuah hasil yang masih positif. ANTM pun masih memiliki NPM yang konsisten sebesar 2,5% pada 1H19 (vs. 2,9% pada 1H18).

Kontribusi Emas Masih Tetap Solid

Segmen emas masih menjadi kontributor yang solid pada 1H19, terlihat pada volume penjualan segmen emas sebesar 15.741 kg (+14,4% YoY) dengan volume produksi mencapai 979 kg (-5,9% YoY) akan tetapi ASP berhasil meningkat (+2,3% YoY). Kami estimasi untuk 2019F, ANTM masih mampu membukukan pendapatan dari segmen emas sekitar Rp20,6-Rp21,2 triliun yang akan disokong oleh kenaikan harga emas dunia, dengan basis asumsi hingga akhir tahun harga emas di pasar spot akan berada di rentang USD1.490-USD1.520.

Bijih Nikel Terus Dipacu Hingga Akhir Tahun

Segmen bijih nikel berhasil membukukan volume penjualan sebesar 3,9 juta wmt (+103,3% YoY) walaupun dengan ASP yang lebih rendah (-5,9% YoY). Segmen bijih nikel masih akan dipacu oleh ANTM untuk pasar ekspor sampai 5 juta wmt sesuai rekomendasi Kementerian ESDM. Dengan begitu untuk 2019F, kami mengestimasi segmen bijih nikel akan mampu berkontribusi sekitar Rp2,9-Rp3,1 triliun bagi total pendapatan ANTM.

Rating BUY dengan Target Harga Rp1.300

ANTM memiliki potensi bertumbuh dengan fokus proyek hilirisasi dan konkret untuk mengakuisisi tambang di Halmahera (estimasi dana USD6 miliar), dengan kondisi DER di level wajar (estimasi 2019F di 55%), masih sangat fleksibel bagi ANTM untuk mencari pendanaan dari luar dengan struktur keuangan yang stabil. Untuk itu, kami merekomendasikan BUY dengan target harga Rp1.300 atau potensi *upside* 39% berdasarkan estimasi menggunakan *forward EV/EBITDA* 10,9x (+0,5 SD). Saat ini, ANTM diperdagangkan dengan *EV/EBITDA* 2019F 10,1x.

Aneka Tambang Tbk | Summary

	2018A	2019F	2020F	2021F
Sales	25,241	31,285	36,458	42,014
Growth (%)	99.5%	23.9%	16.5%	15.2%
EBITDA	2,861	2,965	3,276	3,400
Net Profit	874	841	876	953
EPS (IDR)	36	35	36	40
Growth (%)	540.6%	-3.8%	4.2%	8.8%
P/E	21.0x	24.7x	26.5x	26.8x
P/BV	0.9x	1.0x	1.1x	1.1x
EV/EBITDA	9.4x	10.1x	9.8x	10.4x
ROE (%)	4.6%	4.2%	4.2%	4.3%
DER (%)	50.3%	55.0%	59.0%	57.0%
Net Debt	5,622	6,464	5,955	6,373

Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NHKS Research

Please consider the rating criteria & important disclaimer

Buy

Dec 2020 TP (IDR)	1,300
Consensus Price (IDR)	1,181
TP to Consensus Price	10.1%
vs. Last Price	39%

Shares data

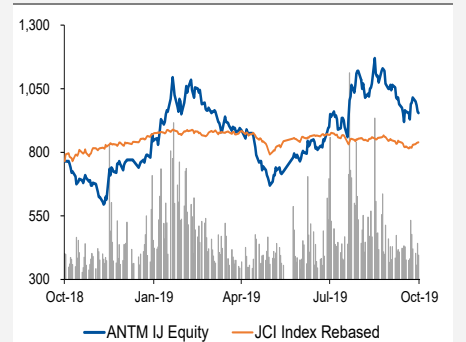
Last Price (IDR)	935
Price Date as of	Oct 18, 2019
52 wk Range (Hi/Lo)	1,175 / 595
Free Float (%)	35
Outstanding sh.(mn)	24,031
Market Cap (IDR bn)	22,949
Market Cap (USD mn)	1,622
Avg. Trd Vol - 3M (mn)	121.41
Avg. Trd Val - 3M (bn)	124.66
Foreign Ownership	8%

Mining

Metal & Mineral

Bloomberg	ANTM IJ
Reuters	ANTM.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	26.4%	-12.2%	-1.6%	22.2%
Rel. Ret.	26.2%	-10.9%	1.7%	12.3%

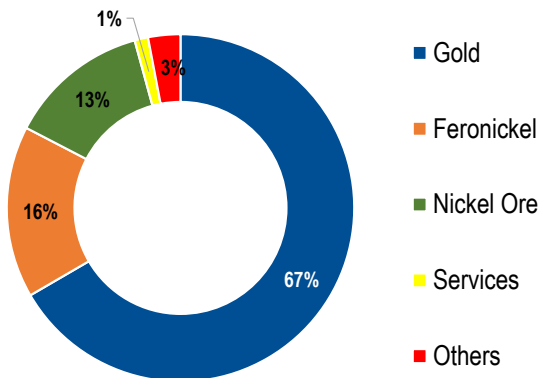
Meilki Darmawan

(021)797-6202, ext: 170

meilki.darmawan@nhsec.co.id

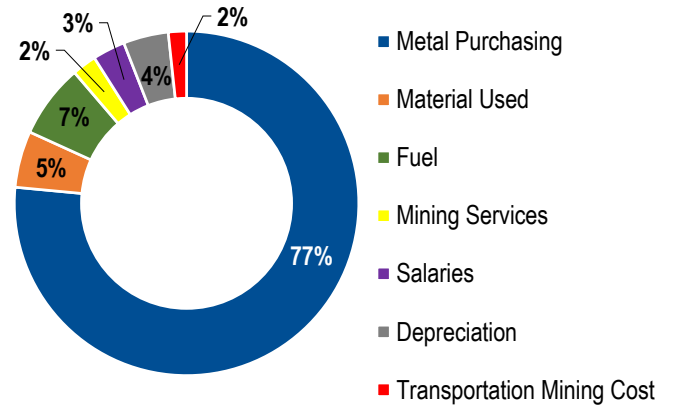
Performance Highlights in Charts

6M19 Revenue Breakdown



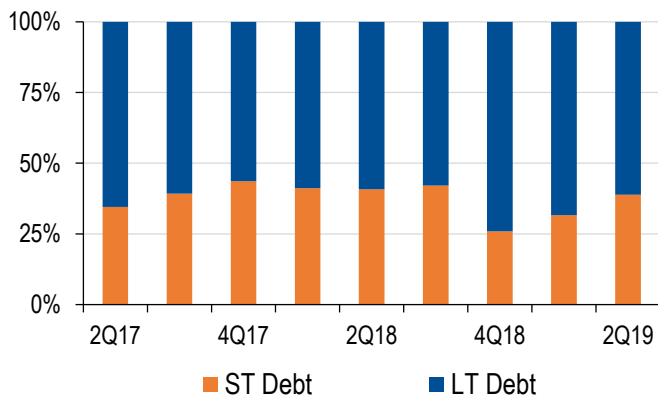
Source: Company Data, NHKS Research

6M COGS Breakdown



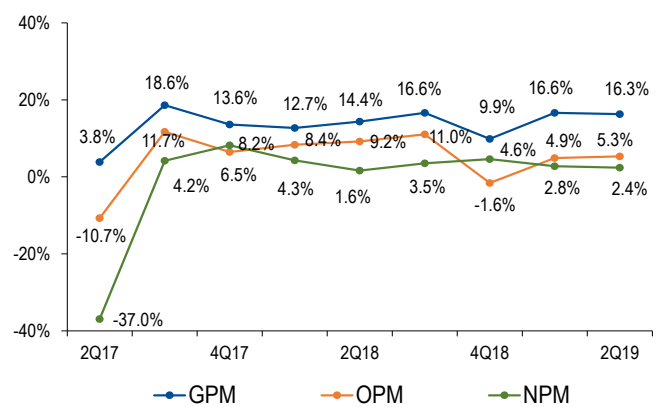
Source: Company Data, NHKS Research

ST Debt & LT Debt



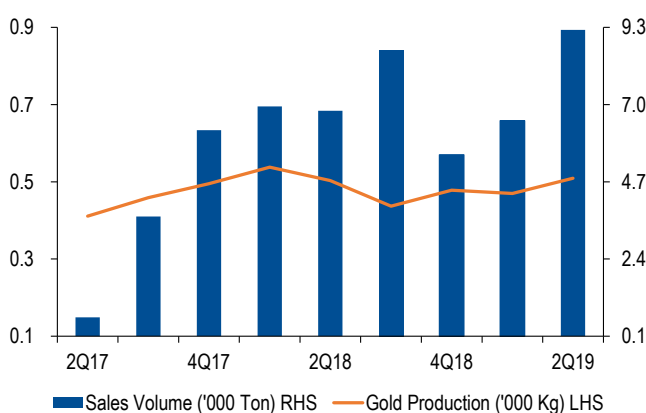
Source: Company Data, NHKS Research

Margin Ratios



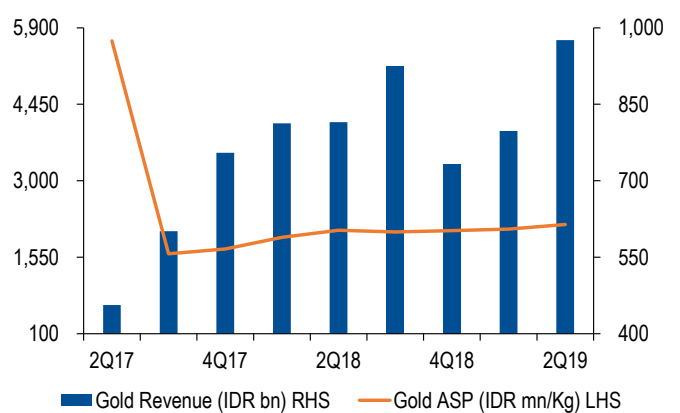
Source: Company Data, NHKS Research

Gold Production & Sales Volume



Source: Company Data, NHKS Research

Gold Revenue & ASP



Source: Company Data, NHKS Research

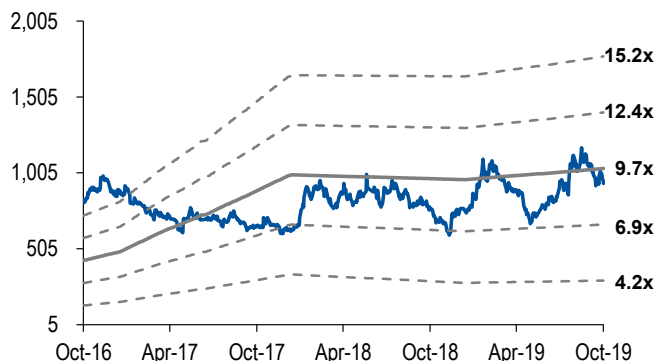
Valuation Highlights in Charts

3-Year Forward EV/EBITDA Band



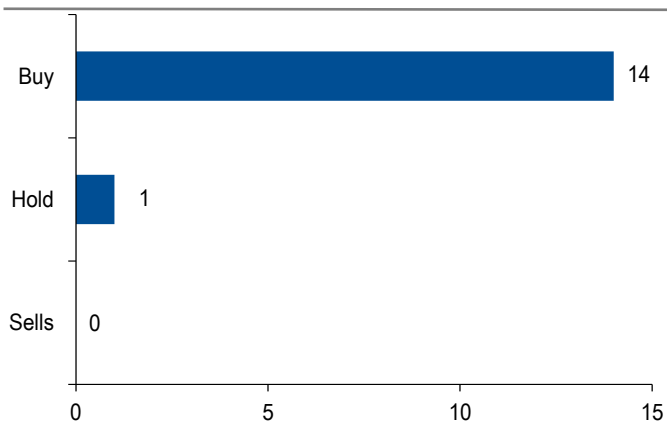
Source: Bloomberg, NHKS Research

3-Year Dynamic Forward EV/EBITDA Band



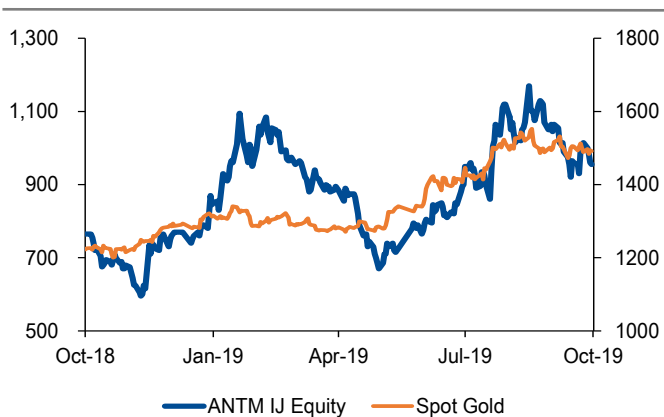
Source: Bloomberg, NHKS Research

Recommendations by Analysts



Source: Bloomberg, NHKS Research

Stock and Gold Prices Correlated Positively



Source: Bloomberg, NHKS Research

Quarterly Review

	2Q18	3Q18	4Q18	1Q19	2Q19			3Q19E	
					Actual	Estimate	Y-Y		Q-Q
Income statement									
Sales	6,084	8,136	5,290	6,219	8,207		34.9%	32.0%	8,760
Gross Profit	875	1,353	521	1,035	1,337		52.9%	29.2%	1,340
EBIT	561	897	-84	305	435		-22.4%	42.8%	394
EBITDA	791	1,152	211	586	741		-6.3%	26.6%	711
Net Profit	99	287	243	172	194		96.5%	13.1%	107
Margin									
Gross Margin	14.4%	16.6%	9.9%	16.6%	16.3%		1.9%	-0.3%	15.3%
EBIT Margin	9.2%	11.0%	-1.6%	4.9%	5.3%		-3.9%	0.4%	4.5%
EBITDA Margin	13.0%	14.2%	4.0%	9.4%	9.0%		-4.0%	-0.4%	8.1%
Net Profit Margin	1.6%	3.5%	4.6%	2.8%	2.4%		0.7%	-0.4%	1.2%

Unit: IDR bn, %

Source: Company Data, NHKS Research

Earnings Revision

		2019F	2020F	2021F
Income Statement				
Sales	-Revised	31,285	36,458	42,014
	-Previous	24,763	26,281	
	-Change	26.3%	38.7%	
Gross Profit	-Revised	4,968	5,790	6,672
	-Previous	3,554	3,772	
	-Change	39.8%	53.5%	
EBIT	-Revised	1,742	2,030	2,135
	-Previous	2,142	2,274	
	-Change	-18.7%	-10.7%	
EBITDA	-Revised	2,965	3,276	3,400
	-Previous	3,160	3,453	
	-Change	-6.2%	-5.1%	
Net Profit	-Revised	841	876	953
	-Previous	1,045	1,125	
	-Change	-19.5%	-22.1%	
Margin				
Gross Margin	-Revised	15.9%	15.9%	15.9%
	-Previous	14.4%	14.4%	
EBIT Margin	-Revised	5.6%	5.6%	5.1%
	-Previous	8.7%	8.7%	
EBITDA Margin	-Revised	9.5%	9.0%	8.1%
	-Previous	12.8%	13.1%	
Net Profit Margin	-Revised	2.7%	2.4%	2.3%
	-Previous	4.2%	4.3%	

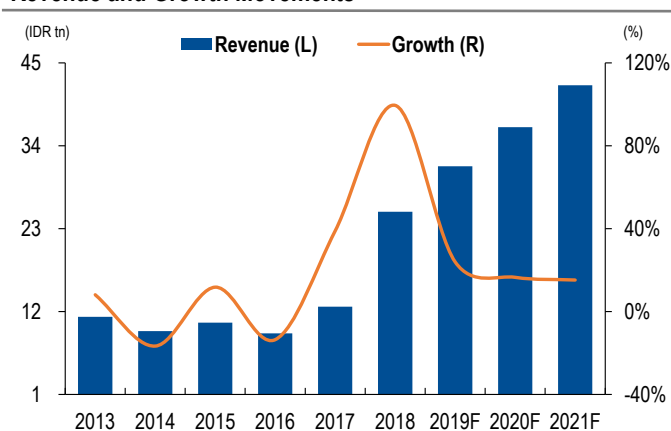
Unit: IDR bn, %

Source: Company Data, NHKS Research

Company Overview

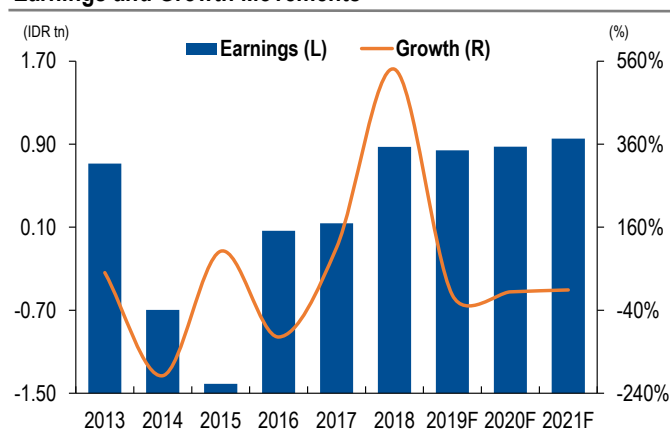
- Aneka Tambang (ANTM) adalah perusahaan tambang yang kegiatan usahanya mencakup eksplorasi, penambangan, pengolahan, dan pemasaran berbagai komoditas mineral, seperti emas, nikel, bijih nikel, perak, bauksit, dan mineral.
- Hampir seluruh produk ANTM diekspor, mayoritas penjualan menggunakan denominasi dolar AS dengan konsumen utama ANTM adalah perusahaan internasional terkemuka yang tersebar di Eropa dan Asia.
- ANTM merupakan satu-satunya produsen emas di ASEAN yang memiliki sertifikat internasional kemurnian emas kadar 99% yang diberikan oleh London Bullion Market Association (LBMA). Hal itu akan menjadi keunggulan bisnis guna memasuki pasar jual beli emas internasional.
- Untuk kapitalisasi di Asia, pasar ANTM masih tergolong kecil dibanding para kompetitornya, tetapi ANTM mampu mencatatkan penjualan yang lebih besar dibandingkan kompetitornya yang memiliki kapitalisasi pasar lebih besar. Ke depan, ANTM masih akan berencana untuk tetap berekspansi di sektor pertambangan guna meningkatkan daya saing.

Revenue and Growth Movements



Source: Company Data, NHKS Research

Earnings and Growth Movements



Source: Company Data, NHKS Research

Asia Pacific Companies Peers Analysis

	Market Cap (USD mn)	Asset (USD mn)	Sales Growth LTM	Net Profit LTM	Net Profit Growth LTM	Net Profit Margin	ROE LTM	EV/EBITDA LTM	P/BV
Indonesia									
ANEKA TAMBANG TBK	1,620	2,309	1,928	62	465.7%	3.2%	4.6%	10.2x	1.2x
VALE INDONESIA TBK	2,462	2,202	695	5	-86.1%	0.7%	0.3%	17.5x	1.3x
MERDEKA COPPER GOLD TBK	1,948	798	371	62	-19.6%	16.8%	19.3%	8.4x	4.6x
China									
ZHONGJIN GOLD CORP	4,249	5,532	5,136	21	-28.8%	0.4%	1.1%	N/A	2.2x
YINTAI RESOURCES	3,752	1,553	761	121	64.4%	15.9%	9.9%	N/A	3.1x
INNER MONGOLIA	2,062	2,836	2,604	115	-30.1%	4.4%	7.6%	N/A	1.4x
Taiwan									
KING SLIDE WORKS	1,109	366	145	55	9.1%	37.6%	17.5%	11.2x	3.4x
Australia									
MINERAL RESOURCES	1,625	2,216	1,081	117	-39.9%	10.8%	12.3%	9.9x	1.8x
OZ MINERAL	2,071	2,425	719	99	-50.2%	13.8%	4.8%	9.9x	1.1x
INDEPENDENCE GROUP	2,446	1,536	557	54	44.4%	9.8%	4.1%	7.3x	1.9x

Unit: USD mn, %, X

Source: Bloomberg, NHKS Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2018/12A	2019/12F	2020/12F	2021/12F
Sales	25,241	31,285	36,458	42,014
<i>Growth</i>	99.5%	23.9%	16.5%	15.2%
COGS	(21,765)	(26,317)	(30,668)	(35,342)
Gross Profit	3,476	4,968	5,790	6,672
<i>Gross Margin</i>	13.8%	15.9%	15.9%	15.9%
Operating Expenses	(1,624)	(3,227)	(3,760)	(4,537)
EBIT	1,853	1,742	2,030	2,135
<i>EBIT Margin</i>	7.3%	5.6%	5.6%	5.1%
Depreciation	1,008	1,223	1,246	1,266
EBITDA	2,861	2,965	3,276	3,400
<i>EBITDA Margin</i>	11.3%	9.5%	9.0%	8.1%
Interest Expenses	(391)	(576)	(524)	(530)
EBT	1,266	1,305	1,360	1,479
Income Tax	(391)	(464)	(483)	(526)
Minority Interest	0	0	0	0
Net Profit	874	841	876	953
<i>Growth</i>	540.6%	-3.8%	4.2%	8.8%
<i>Net Profit Margin</i>	3.5%	2.7%	2.4%	2.3%

PROFITABILITY & STABILITY

	2018/12A	2019/12F	2020/12F	2021/12F
ROE	4.6%	4.2%	4.2%	4.3%
ROA	2.8%	2.5%	2.5%	2.5%
ROIC	4.3%	3.6%	3.9%	3.8%
Cash Dividend (IDR bn)	143	306	306	306
Dividend Yield	0.8%	1.5%	1.3%	1.2%
Payout Ratio	16.4%	36.4%	34.9%	32.1%
DER	50.3%	55.0%	59.0%	57.0%
Net Gearing	76.4%	82.5%	88.5%	83.5%
LT Debt to Equity	37.2%	38.5%	41.3%	39.9%
Capitalization Ratio	33.4%	35.5%	37.1%	36.3%
Equity Ratio	59.3%	58.8%	56.9%	57.5%
Debt Ratio	29.8%	32.3%	33.6%	32.8%
Financial Leverage	157.0%	166.6%	166.8%	167.6%
Current Ratio	154.2%	173.5%	182.0%	186.5%
Par Value (IDR)	100	100	100	100
Total Shares (mn)	24,031	24,031	24,031	24,031
Share Price (IDR)	765	865	965	1,065
Market Cap (IDR tn)	18.4	20.8	23.2	25.6

BALANCE SHEET

(IDR bn)	2018/12A	2019/12F	2020/12F	2021/12F
Cash	4,299	4,672	6,470	6,792
Receivables	924	1,476	1,520	1,933
Inventories	2,028	2,298	2,331	3,004
Total Current Assets	8,498	10,038	11,929	13,352
Net Fixed Assets	21,667	21,578	21,949	23,687
Other Non Current Asset	3,141	2,833	3,124	3,132
Total Assets	33,306	34,449	37,002	40,172
Payables	1,158	940	1,244	1,273
ST Bank Loan	2,574	3,341	3,728	3,950
LT Debt	7,348	7,795	8,698	9,216
Total Liabilities	13,567	14,202	15,942	17,074
Capital Stock	2,403	2,403	2,403	2,403
Retained Earnings	10,591	11,099	11,631	13,359
Shareholders' Equity	19,739	20,247	21,060	23,098

VALUATION INDEX

	2018/12A	2019/12F	2020/12F	2021/12F
Price /Earnings	21.0x	24.7x	26.5x	26.8x
Price /Book Value	0.9x	1.0x	1.1x	1.1x
Price/Sales	0.7x	0.7x	0.6x	0.6x
PE/EPS Growth	0.0x	-6.5x	6.3x	3.1x
EV/EBITDA	9.4x	10.1x	9.8x	10.4x
EV/EBIT	14.5x	17.3x	15.9x	16.6x
EV (IDR bn)	26,816	30,060	32,236	35,366
Sales CAGR (3-Yr)	33.8%	50.9%	42.3%	18.5%
EPS CAGR (3-Yr)	-185.3%	135.0%	85.9%	2.9%
Basic EPS (IDR)	36	35	36	40
Diluted EPS (IDR)	36	35	36	40
BVPS (IDR)	821	843	876	961
Sales PS (IDR)	1,050	1,302	1,517	1,748
DPS (IDR)	6	13	13	13

CASH FLOW STATEMENT

(IDR bn)	2018/12A	2019/12F	2020/12F	2021/12F
Operating Cash Flow	2,094	435	2,410	1,502
Investing Cash Flow	(2,814)	(1,161)	(1,830)	(1,854)
Financing Cash Flow	(620)	1,108	1,218	674
Net Changes in Cash	(1,339)	382	1,798	322

TOP OWNERSHIP

By Geography	% Shareholders	%
Indonesia	92.7	Inalum 65.0
United States	5.8	Dimensional Fund 1.8
Norway	0.6	Vanguard Group 1.3
United Kingdom	0.5	Blackrock 0.7

Source: Company Data, NHKS Research

Closing and target price update



Source: Bloomberg, NHKS Research

Rating and target price update

Date	Rating	Target price	Consensus
2016.02.17	Buy	IDR1,175	IDR950
2016.12.22	Buy	IDR1,030	IDR890
2017.03.16	Buy	IDR1,005	IDR951
2017.09.08	Buy	IDR960	IDR760
2018.03.19	Buy	IDR990	IDR1,030
2018.08.05	Buy	IDR985	IDR1,065
2018.09.18	Buy	IDR1,200	IDR1,238
2019.10.20	Buy	IDR1,300	IDR1,181

Source: NHKS Research

NHKS stock ratings

- Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
- Buy: greater than +15%, Hold: -15% to +15%, Sell: less than -15%.
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