

Aneka Tambang Tbk (ANTM IJ)

Mempertahankan Kinerja Positif

Kinerja ANTM pada 9M19 masih positif dengan pendapatan yang tumbuh 23% YoY, tetapi ANTM dihadapkan penurunan laba bersih 11,1% YoY karena COGS dan biaya keuangan meningkat tajam. Penguatan harga emas dunia masih menguntungkan ANTM, dan efisiensi proses produksi harus ditingkatkan.

Kinerja Tetap Positif Kendati Penurunan Tahunan

Pada 9M19, ANTM membukukan pendapatan sebesar Rp24,5 triliun (+23% YoY) yang ditopang oleh segmen emas dengan volume penjualan sebesar 26,712 kg (+119,3% YoY) dan segmen feronikel dengan volume penjualan sebesar 19,703 TNi (+102,9% YoY). Namun, COGS Rp20,8 triliun (+22,4% YoY) dan biaya keuangan Rp318 miliar (+10,1% YoY) membuat laba bersih tergerus menjadi Rp561,2 miliar (-11,1% YoY). Kinerja yang masih positif memungkinkan ANTM membukukan pendapatan 9M19 mencapai 67,3% dari target kami pada 2019F.

Konsistensi Peningkatan Penjualan Emas

Segmen emas pada 9M19 berhasil mencatatkan pendapatan sebesar 17 triliun (+27,3% YoY), dengan ASP pada 3Q19 senilai Rp676 juta per kg (+12,7% YoY; +10% QoQ). Segmen emas berkontribusi 69% terhadap pendapatan ANTM dan dalam 3 tahun terakhir terus membukukan peningkatan signifikan. Kami mempertahankan estimasi sebelumnya segmen emas mampu membukukan pendapatan Rp20,6-Rp21,2 triliun pada 2019F dengan asumsi harga emas di pasar spot berada di rentang USD1.490-USD1.520 sampai akhir tahun.

Efisiensi Biaya Vital untuk Mengimbangi Penurunan Margin

Pada 3Q19, margin ANTM mengalami penurunan, tercatat OPM menjadi 4,9% (vs. 5,3% pada 2Q19) dan NPM menjadi 1,9% (vs. 2,4% pada 2Q19). Penurunan margin masih berpotensi terjadi pada Q4 jika ANTM tidak melakukan efisiensi biaya, dan kami mengamati efisiensi yang tepat bagi ANTM ialah konsistensi pembauran energi dari PLTU dan diesel untuk mengurangi biaya produksi (estimasi efisiensi sebesar 2%-4%), khususnya di pabrik feronikel di Pomalaa.

Mempertahankan Rating BUY dengan Target Harga Rp1.100

ANTM terus berekspansi melalui kerjasama dengan PTBA untuk membangun PLTU di Halmahera dan pembukaan tambang Arinem di Jawa Barat. Tambang Arinem diperkirakan memiliki kapasitas produksi sebesar 700-800 kg per tahun sehingga dapat meningkatkan produksi emas ANTM. Konsistensi ekspansi bisnis membuat kami melihat prospek bisnis ANTM tetap cerah untuk jangka panjang dan mempertahankan rekomendasi BUY dengan target harga yang lebih rendah di Rp1.100 atau potensi *upside* 35,8% berdasarkan estimasi *forward EV/EBITDA* 9,9x (+0,15 SD). Saat ini, ANTM diperdagangkan dengan *EV/EBITDA* 2019F sebesar 10,4x.

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	2,880	3,172	3,364
Net Profit	874	857	889	967
EPS (IDR)	36	36	37	40
Growth (%)	540.6%	-2.0%	3.8%	8.8%
P/E	21.0x	24.3x	26.1x	26.5x
P/BV	0.9x	1.0x	1.2x	1.2x
EV/EBITDA	9.4x	10.4x	10.4	10.7x
ROE (%)	4.6%	4.3%	4.4%	4.6%
DER (%)	50.3%	55.0%	59.0%	57.7%
Net Debt	5,622	6,497	6,630	6,922

Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NHKS Research

Please consider the rating criteria & important disclaimer

Buy

Dec 2020 TP (IDR)	1,100
Consensus Price (IDR)	1,226
TP to Consensus Price	-10.3%
vs. Last Price	+35.8%

Shares data

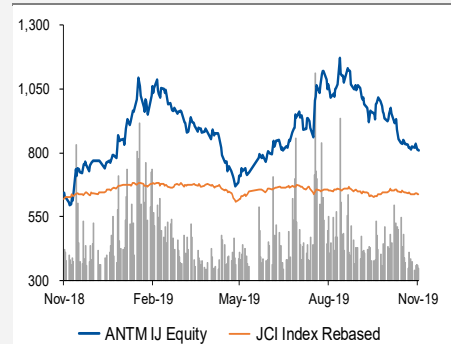
Last Price (IDR)	810
Price Date as of	Nov 22, 2019
52 wk Range (Hi/Lo)	1,175 / 595
Free Float (%)	35
Outstanding sh.(mn)	24,031
Market Cap (IDR bn)	19,705
Market Cap (USD mn)	1,397
Avg. Trd Vol - 3M (mn)	89.51
Avg. Trd Val - 3M (bn)	89.68
Foreign Ownership	8.0%

Mining

Metal & Mineral

Bloomberg	ANTM IJ
Reuters	ANTM.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	9.5%	-12.9%	-22.1%	29.6%
Rel. Ret.	10.8%	-10.9%	-19.9%	27.8%

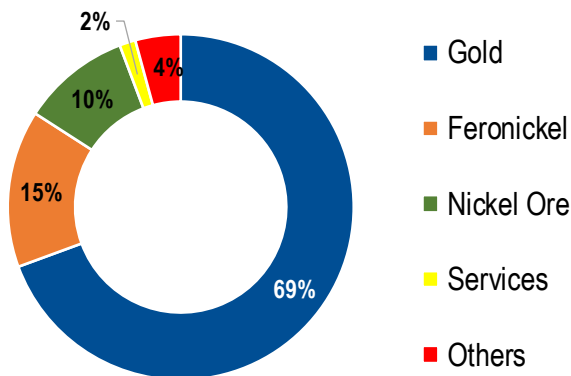
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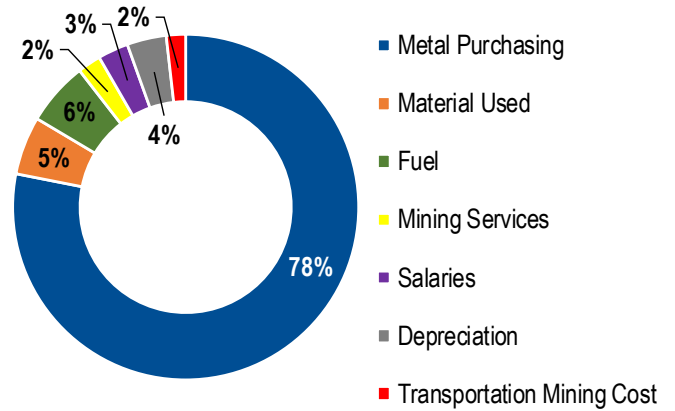
Performance Highlights in Charts

9M19 Revenue Breakdown



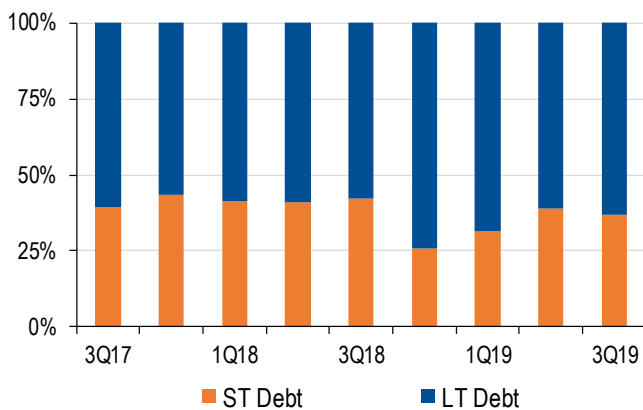
Source: Company Data, NHKS Research

9M19 COGS Breakdown



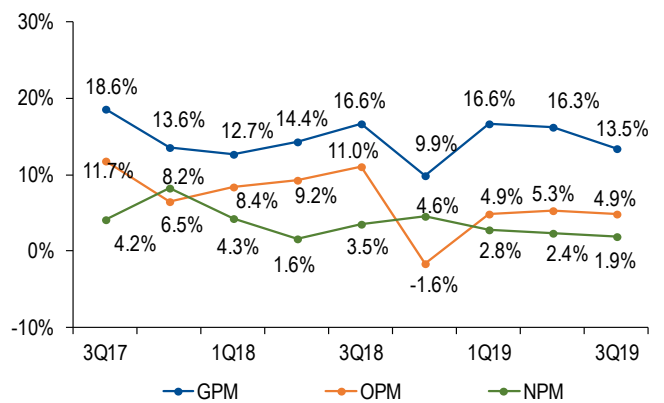
Source: Company Data, NHKS Research

Debt Portion



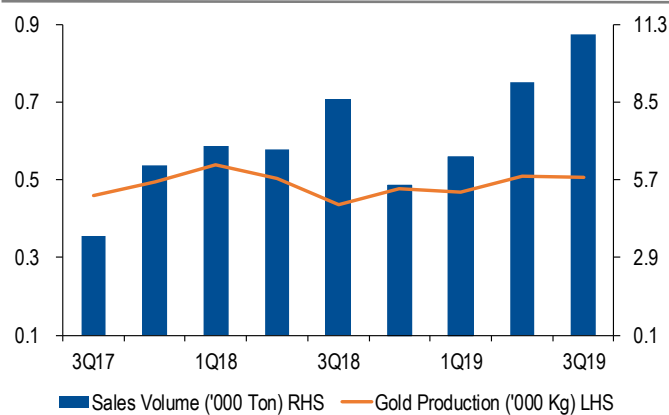
Source: Company Data, NHKS Research

Margin Ratios



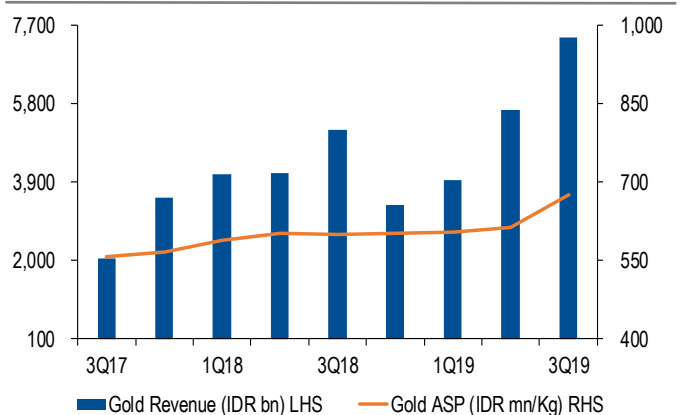
Source: Company Data, NHKS Research

Gold Production & Sales Volume



Source: Company Data, NHKS Research

Gold Revenue & ASP



Source: Company Data, NHKS Research

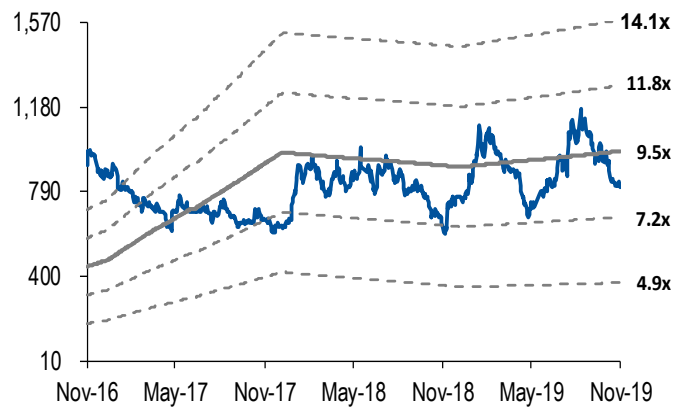
Valuation Highlights in Charts

3-Year Forward EV/EBITDA Band



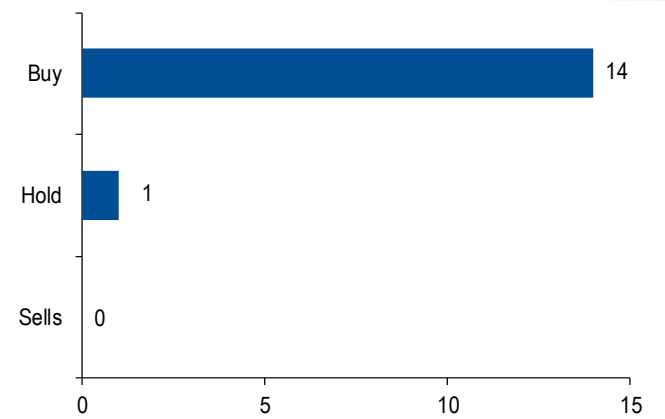
Source: Bloomberg, NHKS Research

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

	3Q18	4Q18	1Q19	2Q19	3Q19					4Q19E
					Actual	Estimate	Y-Y	Q-Q	Surprise	
Income statement										
Sales	8,136	5,290	6,219	8,207	10,111	8,760	24.3%	23.3%	15.4%	6,748
Gross Profit	1,353	521	1,035	1,337	1,363	1,340	0.8%	1.9%	1.7%	1,232
EBIT	897	-84	305	435	495	394	-44.5%	13.8%	25.6%	506
EBITDA	1,152	211	586	741	775	711	-32.7%	4.5%	9.0%	779
Net Profit	287	243	172	194	195	107	-31.8%	0.7%	82.7%	296
Margin										
Gross Margin	16.6%	9.9%	16.6%	16.3%	13.4%	15.3%	-3.1%	-2.8%	-1.8%	18.3%
EBIT Margin	11.0%	-1.6%	4.9%	5.3%	4.9%	4.5%	-6.1%	-0.4%	0.4%	7.5%
EBITDA Margin	14.2%	4.0%	9.4%	9.0%	7.7%	8.1%	-6.5%	-1.4%	0.5%	11.5%
Net Profit Margin	3.5%	4.6%	2.8%	2.4%	1.9%	1.2%	-1.6%	-0.4%	0.7%	4.4%

Unit: IDR bn, %

Source: Company Data, NHKS Research

Earnings Revision

		2019F	2020F	2021F
Income Statement				
Sales	-Revised	31,285	36,458	42,014
	-Previous	31,285	36,458	42,014
	-Change	0.0%	0.0%	0.0%
Gross Profit	-Revised	4,968	5,790	6,671
	-Previous	4,968	5,790	6,672
	-Change	0.0%	0.0%	0.0%
EBIT	-Revised	1,741	2,029	2,218
	-Previous	1,742	2,030	2,135
	-Change	0.0%	0.0%	3.9%
EBITDA	-Revised	2,880	3,172	3,364
	-Previous	2,965	3,276	3,400
	-Change	-2.9%	-3.2%	-1.1%
Net Profit	-Revised	857	889	967
	-Previous	841	876	953
	-Change	1.9%	1.5%	1.5%
Margin				
Gross Margin	-Revised	15.9%	15.9%	15.9%
	-Previous	15.9%	15.9%	15.9%
EBIT Margin	-Revised	5.6%	5.6%	5.3%
	-Previous	5.6%	5.6%	5.1%
EBITDA Margin	-Revised	9.2%	8.7%	8.0%
	-Previous	9.5%	9.0%	8.1%
Net Profit Margin	-Revised	2.7%	2.4%	2.3%
	-Previous	2.7%	2.4%	2.3%

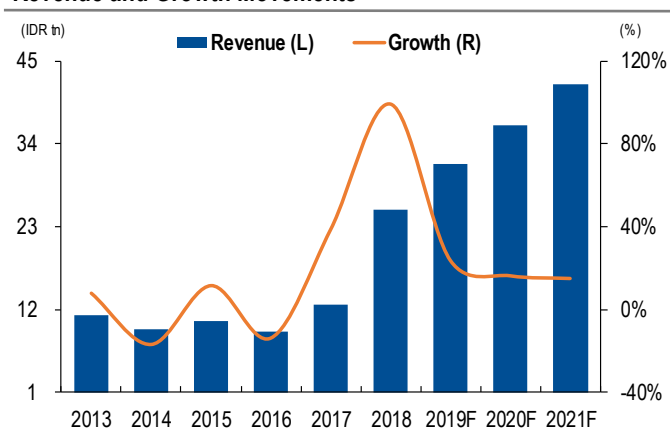
Unit: IDR bn, %

Source: Company Data, NHKS Research

Company Overview

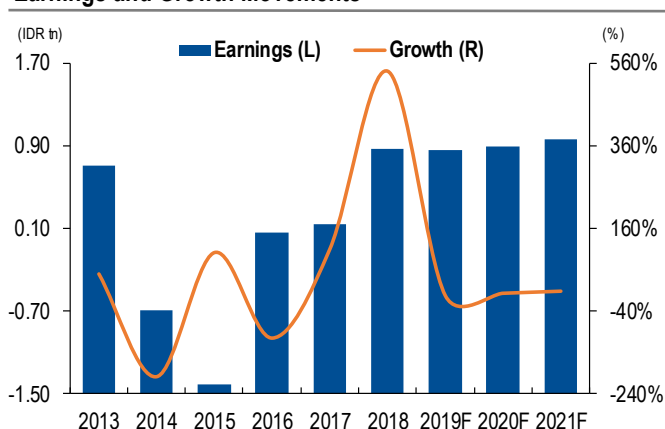
- Aneka Tambang (ANTM) adalah perusahaan tambang yang kegiatan usahanya mencakup eksplorasi, penambangan, pengolahan, dan pemasaran berbagai komoditas mineral, seperti emas, nikel, bijih nikel, perak, bauksit, dan mineral.
- Hampir seluruh produk ANTM diekspor dengan mayoritas penjualan ekspor menggunakan denominasi dolar AS; 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). Sertifikasi tersebut akan menjadi keunggulan bisnis guna memasuki pasar jual beli emas internasional.
- Kapitalisasi ANTM di pasar Asia masih tergolong kecil dibanding para kompetitornya, tetapi ANTM mampu mencatatkan penjualan yang lebih besar dibandingkan kompetitornya yang memiliki kapitalisasi pasar lebih besar. ANTM tetap berencana untuk berkespansi 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	1,397	2,309	2,083	56	467.7%	2.7%	4.1%	13.0x	1.0x
VALE INDONESIA TBK	2,339	2,202	704	5	-90.8%	0.8%	0.3%	18.2x	1.2x
MERDEKA COPPER GOLD TBK	1,646	798	402	66	-15.6%	16.3%	15.5%	9.8x	3.4x
China									
ZHONGJIN GOLD CORP	3,943	5,532	5,254	20	-24.8%	0.4%	1.0%	N/A	2.0x
YINTAI RESOURCES	3,474	1,553	727	122	45.6%	16.8%	9.8%	N/A	2.8x
INNER MONGOLIA	1,994	2,836	2,963	114	-19.3%	3.9%	7.4%	N/A	1.3x
Taiwan									
KING SLIDE WORKS	1,134	366	151	56	7.3%	36.9%	17.3%	12.5x	3.3x
Australia									
MINERAL RESOURCES	1,862	2,216	1,081	117	-39.9%	10.8%	12.3%	9.9x	2.0x
OZ MINERAL	2,264	2,425	719	99	-50.2%	13.8%	4.8%	9.9x	1.2x
INDEPENDENCE GROUP	2,434	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)	(26,318)	(30,669)	(35,343)
Gross Profit	3,476	4,968	5,789	6,671
<i>Gross Margin</i>	13.8%	15.9%	15.9%	15.9%
Operating Expenses	(1,624)	(3,227)	(3,760)	(4,454)
EBIT	1,853	1,741	2,029	2,218
<i>EBIT Margin</i>	7.3%	5.6%	5.6%	5.3%
Depreciation	1,008	1,139	1,143	1,146
EBITDA	2,861	2,880	3,172	3,364
<i>EBITDA Margin</i>	11.3%	9.2%	8.7%	8.0%
Interest Expenses	(391)	(420)	(466)	(550)
EBT	1,266	1,366	1,417	1,542
Income Tax	(391)	(509)	(528)	(574)
Minority Interest	0	0	0	0
Net Profit	874	857	889	967
<i>Growth</i>	540.6%	-2.0%	3.8%	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%	4.3%	4.4%	4.6%
ROA	2.8%	2.5%	2.6%	2.6%
ROIC	4.3%	3.5%	4.0%	4.1%
Cash Dividend (IDR bn)	143	918	927	937
Dividend Yield	0.8%	4.4%	4.0%	3.7%
Payout Ratio	16.4%	107.1%	104.3%	96.8%
DER	50.3%	55.0%	59.0%	57.0%
Net Gearing	76.4%	82.9%	90.7%	86.2%
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%	58.7%	57.1%	57.0%
Debt Ratio	29.8%	32.3%	33.7%	32.5%
Financial Leverage	157.0%	167.5%	169.9%	168.6%
Current Ratio	154.2%	172.1%	175.1%	171.3%
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	4,517	5,239	5,429
Receivables	924	1,476	1,520	1,933
Inventories	2,028	2,298	2,331	3,004
Total Current Assets	8,498	9,883	10,698	11,990
Net Fixed Assets	21,667	21,448	21,403	22,892
Other Non Current Asset	3,141	2,766	3,124	3,132
Total Assets	33,306	34,097	35,224	38,014
Payables	1,158	933	966	1,358
ST Bank Loan	2,574	3,304	3,561	3,705
LT Debt	7,348	7,709	8,308	8,646
Total Liabilities	13,567	14,073	15,107	16,345
Capital Stock	2,403	2,403	2,403	2,403
Retained Earnings	10,591	10,877	10,688	11,931
Shareholders' Equity	19,739	20,025	20,117	21,669

VALUATION INDEX

	2018/12A	2019/12F	2020/12F	2021/12F
Price/Earnings	21.0x	24.3x	26.1x	26.5x
Price/Book Value	0.9x	1.0x	1.2x	1.2x
Price/Sales	0.7x	0.7x	0.6x	0.6x
PE/EPS Growth	0.0x	-12.1x	6.9x	3.0x
EV/EBITDA	9.4x	10.4x	10.4x	10.7x
EV/EBIT	14.5x	17.3x	16.2x	16.2x
EV (IDR bn)	26,816	30,093	32,911	35,915
Sales CAGR (3-Yr)	33.8%	50.9%	42.3%	18.5%
EPS CAGR (3-Yr)	-185.3%	136.5%	86.8%	3.4%
Basic EPS (IDR)	36	36	37	40
Diluted EPS (IDR)	36	36	37	40
BVPS (IDR)	821	833	837	902
Sales PS (IDR)	1,050	1,302	1,517	1,748
DPS (IDR)	6	38	39	39

CASH FLOW STATEMENT

(IDR bn)	2018/12A	2019/12F	2020/12F	2021/12F
Operating Cash Flow	2,094	390	2,049	1,759
Investing Cash Flow	(2,814)	(901)	(1,577)	(1,485)
Financing Cash Flow	(620)	733	250	(83)
Net Changes in Cash	(1,339)	222	722	190

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
2019.11.25	Buy	IDR1,100	IDR1,226

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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