Indocement Tunggal Prakarsa Tbk (INTP IJ)

Penjualan Domestik Sedikit Tertekan

NH KORINDO SEKURITAS INDONESIA

Sepanjang 1Q22, pendapatan INTP naik tipis 3,5% YoY, namun laba turun hingga 48,0% YoY. Penghematan biaya, seiring penggunaan bahan bakar alternatif dan LCV, belum mampu menggantikan porsi bahan bakar fosil sebesar 84% per 1Q22. Guna menguatkan kinerja, INTP menargetkan porsi bahan bakar alternatif hingga 25% di tahun 2025. Sementara itu, total volume penjualan 1Q22 turun 3,4% YoY.

Kenaikan Harga Jual Topang Pendapatan

- Kenaikan harga jual periode 4Q21 dan sekitar Maret 2022, menopang pendapatan neto tumbuh 3,5% YoY menjadi senilai IDR 3,6 triliun, walaupun volume penjualan turun 3,4%. Adapun, kenaikan beban pokok pendapatan 11,1%, sebagian besar dari kenaikan harga batubara periode 1Q22, menekan GPM turun 500 bps menjadi 27,0%. NHKSI Research melihat penggunaan bahan bakar alternatif dan LCV belum efektif menahan penurunan margin.
- Sementara itu, kenaikan beban usaha 5,7% YoY menjadi senilai IDR 776,9 miliar, disebabkan kenaikan tinggi baik biaya transportasi maupun depresiasi. Di sisi lain, tren BI 7DRRR rendah di level 3,50% sejak Februari 2021 juga menekan pendapatan keuangan Perseroan.
- Penjualan dari semen dan *ready mix* tercatat masing-masing senilai IDR 3,2 triliun (+2,7% YoY), dan IDR 280,9 miliar (+17% YoY). Adapun, laba 1Q22 sebesar IDR 182,5 miliar (-48,0% YoY Vs. IDR 351,3 miliar 1Q21).

Penjualan Domestik Sedikit Tertekan

- Volume penjualan INTP secara domestik turun 2,0% YoY sepanjang 1Q22. Penjualan domestik ditopang permintaan dalam negeri, seiring pembangunan wilayah Jabodetabek dan Jawa Barat yang bergerak lebih cepat. Penjualan domestik lebih baik, dibanding volume penjualan ekspor yang turun hingga 65,2% YoY. Adapun, beberapa negara tujuan eskpor INTP yaitu Brunei Darussalam, Malaysia, dan Filipina.
- Kenaikan harga jual pada 4Q21 dan sekitar bulan Maret 2022, seiring dengan volatilitas harga batubara. NHKSI Research menyadari hal ini akan mempengaruhi segmen *second tier* (Semen Rajawali), maupun *first tier* (Semen Tiga Roda).
- Secara nasional, volume penjualan semen 1Q22 tumbuh 4,7% YoY, dengan semen Bulk tumbuh 24,0% Vs. semen Bag turun tipis 0,6%. Kami melihat penjualan semen bulk mulai pulih, seiring dengan maraknya pengembangan area industri dan gencarnya pembangunan infrastruktur.

Mempertahankan Rekomendasi BUY dengan TP IDR 12.700

- NHKSI Research memproyeksikan pertumbuhan laba INTP pada FY22E seiring pemulihan industri semen. Kami mempertahankan rating BUY dengan TP IDR 12.700 atau potensi *upside* 33,6% dari harga terakhir, dengan metode forward P/E sebesar 24,5x.
- Saat ini INTP diperdagangkan pada P/E 18,3x. Adapun, risiko perubahan target harga termasuk: 1) Penurunan daya beli masyarakat seiring kenaikan inflasi, 2) Kenaikan suku bunga, 3) Volatilitas harga batubara.

Indocement Tunggal Prakarsa Tbk | Summary

	2021A	2022F	2023F	2024F
Revenue	14,772	15,043	15,795	16,585
Growth (%)	4.1%	1.8%	5.0%	5.0%
Net Profit	1,788	1,909	2,417	2,837
Growth (%)	-1.0%	6.7%	26.7%	17.4%
EPS (IDR)	486	518	657	771
P/E	24.9x	24.5x	24.5x	24.5x
P/BV	2.2x	2.2x	2.7x	3.3x
EV/EBITDA	11.6x	11.9x	12.1x	13.2x
ROE (%)	8.4%	9.1%	11.2%	13.2%
DER (%)	0.01x	0.01x	0.01x	0.01x
Net Debt	-7,197	-5,232	-7,453	-6,023

Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NHKS Research

Please consider the rating criteria & important disclaimer

Company Update | June 10, 2022

BUY

Target Price (IDR)	**12,700**
Consensus Price (IDR)	12,673
TP to Consensus Price	+0.2%
Potential Upside	+33.6%

Shares data

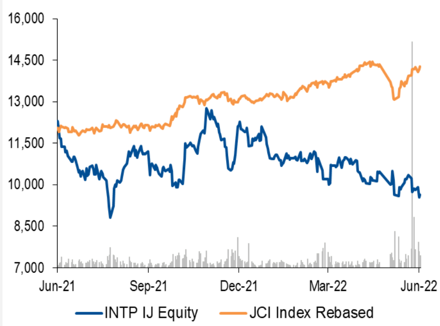
Last Price (IDR)	9,500
Price Date as of	June 9, 2022
52 wk Range (Hi/Lo)	12,950/ 8,800
Free Float (%)	49.0
Outstanding sh.(mn)	3,681
Market Cap (IDR bn)	34,971
Market Cap (USD mn)	2,401
Avg. Trd Vol - 3M (mn)	7.13
Avg. Trd Val - 3M (bn)	71.26
Foreign Ownership	99.3%

Basic Industry

Cement

Bloomberg	**INTP IJ**
Reuters	**INTP.JK**

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-20.2%	-3.5%	-3.5%	-18.9%
Rel. Ret.	-29.5%	-7.6%	-9.1%	-38.8%

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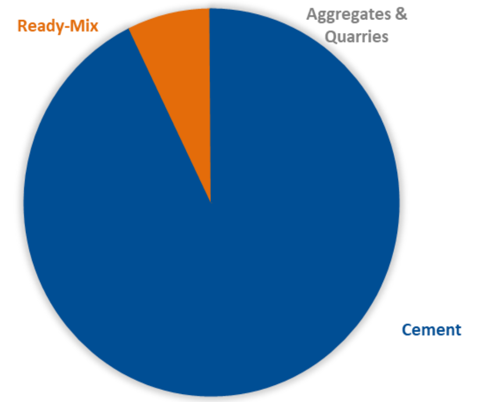
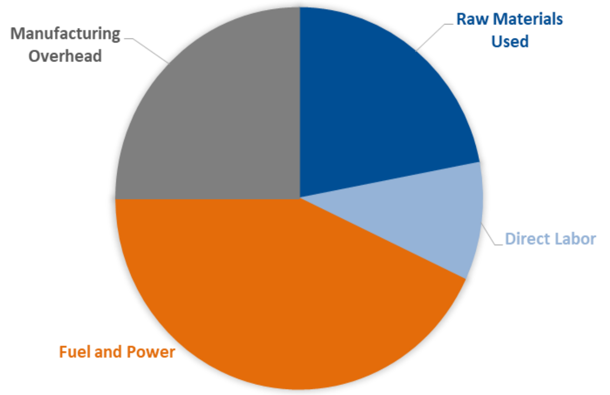
Performance Highlights in Charts

Revenue Breakdown



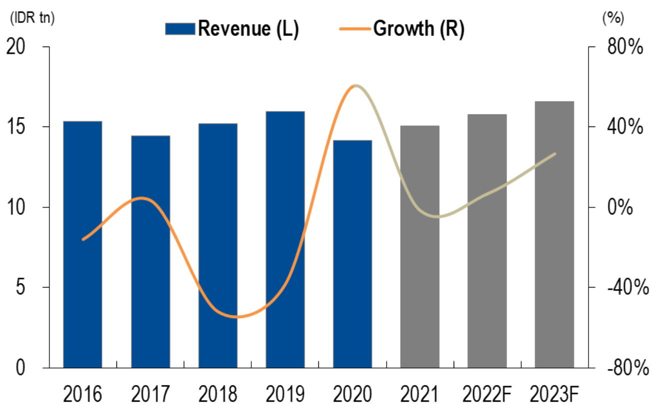
Source: Company Data, NHKSI Research

Manufacturing Cost Breakdown



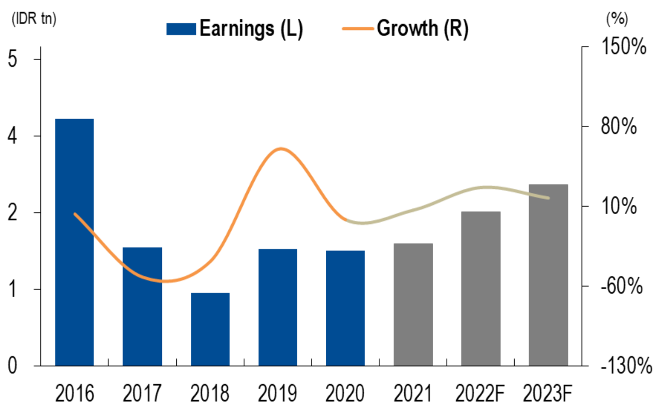
Source: Company Data, NHKSI Research

Revenue Vs. Growth



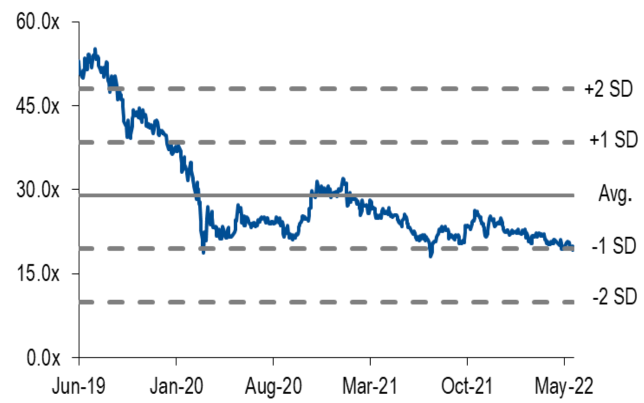
Source: Company Data, NHKSI Research

Earnings Vs. Growt



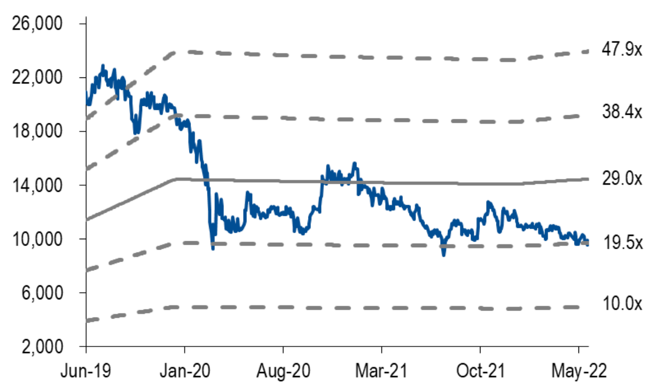
Source: Company Data, NHKSI Research

3-Years Forward P/E Band



Source: Company Data, NHKSI Research

3-Years Dynamic Forward P/E Band



Source: Company Data, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Sales	**14,772**	**15,043**	**15,795**	**16,585**
Growth	*4.1%*	*1.8%*	*5.0%*	*5.0%*
COGS	(9,646)	(9,580)	(9,672)	(9,685)
Gross Profit	**5,126**	**5,463**	**6,123**	**6,899**
Gross Margin	*34.7%*	*36.3%*	*38.8%*	*41.6%*
Operating Expenses	(3,055)	(3,438)	(3,343)	(3,630)
EBIT	**2,071**	**2,025**	**2,780**	**3,270**
EBIT Margin	*14.0%*	*13.5%*	*17.6%*	*19.7%*
Depreciation	(1,253)	(1,456)	(1,492)	(1,529)
EBITDA	**3,324**	**3,481**	**4,272**	**4,798**
EBITDA Margin	*22.5%*	*23.1%*	*27.0%*	*28.9%*
Interest Expenses	(32)	(86)	(30)	(28)
EBT	**2,234**	**2,276**	**2,958**	**3,461**
Income Tax	(446)	(367)	(541)	(624)
Minority Interest	-	-	-	-
Net Profit	**1,788**	**1,909**	**2,417**	**2,837**
Growth	-1.0%	6.7%	26.7%	17.4%
Net Profit Margin	12.1%	12.7%	15.3%	17.1%

PROFITABILITY & STABILITY

	2021/12A	2022/12F	2023/12F	2024/12F
ROE	8.4%	9.1%	11.2%	13.2%
ROA	6.7%	7.4%	9.2%	10.7%
Inventory Turnover	4.7x	4.2x	4.4x	4.2x
Receivables Turnover	5.7x	5.7x	5.7x	5.7x
Payables Turnover	5.3x	6.3x	6.3x	6.3x
Dividend Yield	0.0%	0.0%	0.0%	0.0%
Payout Ratio	102.9%	133.0%	71.2%	122.4%
DER	0.01x	0.01x	0.01x	0.02x
Net Gearing	0.01x	0.02x	0.02x	0.02x
Equity Ratio	78.9%	83.5%	80.2%	82.3%
Debt Ratio	1.1%	1.1%	1.1%	1.2%
Financial Leverage	125.0%	123.2%	122.2%	123.1%
Current Ratio	244.0%	287.8%	266.6%	299.0%
Quick Ratio	195%	223%	220%	235%
Par Value (IDR)	500	500	500	500
Total Shares (mn)	3,681	3,681	3,681	3,681
Share Price (IDR)	12,100	12,700	16,085	18,879
Market Cap (IDR tn)	44.5	46.8	59.2	69.5

BALANCE SHEET

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Cash	6,141	4,742	6,977	5,562
Receivables	2,587	2,688	2,851	2,965
Inventories	2,267	2,247	2,152	2,412
Total Current Assets	**11,337**	**9,936**	**12,237**	**11,194**
Net Fixed Assets	14,342	14,678	14,177	13,727
Other Non Current Assets	451	689	703	631
Total Non Current Assets	**14,799**	**15,459**	**14,972**	**14,449**
Total Assets	**26,136**	**25,394**	**27,209**	**25,643**
Payables	2,083	962	2,112	966
Other Liabilities	3,157	2,936	2,961	3,262
Total Current Liabilities	**4,647**	**3,453**	**4,590**	**3,744**
LT Debt	276	290	304	319
Total Liabilities	**5,515**	**4,187**	**5,377**	**4,547**
Capital Stock	1,841	1,841	1,841	1,841
Retained Earnings	17,669	17,158	17,853	17,216
Shareholders' Equity	**20,621**	**21,207**	**21,832**	**21,096**

VALUATION INDEX

	2021/12A	2022/12F	2023/12F	2024/12F
Price/Earnings	24.9x	24.5x	24.5x	24.5x
PE/EPS Growth	-2.5x	0.4x	0.1x	0.1x
Price/Book Value	2.2x	2.2x	2.7x	3.3x
EV/EBITDA	11.6x	12.2x	12.3x	13.4x
EV (IDR bn)	38,677	42,300	52,542	64,255
Sales CAGR (3-Yr)	0.8%	-0.3%	-0.3%	5.3%
Net Income CAGR (3-Yr)	-1.3%	18.5%	9.6%	16.2%
Basic EPS (IDR)	485.84	518.48	656.69	770.73
BVPS (IDR)	5,602	5,761	5,931	5,731
DPS (IDR)	1.6	1.5	1.5	1.5

CASH FLOW STATEMENT

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Operating Cash Flow	3,538	2,116	5,011	3,140
Investing Cash Flow	(662)	(1,307)	(998)	(996)
Financing Cash Flow	(2,863)	(1,428)	(1,778)	(3,558)
Net Changes in Cash	**14**	**(620)**	**2,235**	**(1,415)**

OWNERSHIP

Shareholders	**%**
Birchwood Omnia Ltd	51.0
Vanguard Group Inc	1.6
Blackrock	1.3
Others	46.2
By Geography	**%**
United Kingdom	86.2
United States	6.8
Luxembourg	3.2
Ireland	1.5
Others	2.3

Source: Company Data, NHKSI Research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
2. Rating system based on a stock's potential upside from the date of publication
   - Buy : Greater than +15%
   - Overweight : +5% to +15%
   - Hold : -5% to +5%
   - Underweight : -5% to -15%
   - Sell : Less than -15%

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