

# HM Sampoerna Tbk (HMSP)

## Market Share 2Q22 Tercatat Stabil

Sepanjang 6M22, top line HMSP tumbuh 12,3% YoY menjadi Rp53,5 triliun. Kenaikan biaya produksi menyebabkan laba kotor, laba operasi, maupun laba bersih terkontraksi masing-masing 9,7% YoY, 22,8% YoY, dan 26,3% YoY. Adapun, pada 2Q22 volume penjualan HMSP tercatat 21,4 miliar unit dan market share tercatat stabil di 27,8% (vs 1Q22: 27,8%).

### Hampir Semua Segmen Tumbuh

- Sepanjang 6M22, HMSP mencatatkan penjualan sebesar Rp53,5 triliun atau tumbuh 12,3% YoY. Adapun, untuk 2Q22 penjualan tercatat Rp27,3 triliun (+13,6% YoY; +4,5% QoQ).
- Penjualan domestik tumbuh 12,3% YoY menjadi Rp53,4 triliun (vs 6M21: Rp47,5 triliun), ditopang oleh hampir semua segmen yang mengalami pertumbuhan. Adapun, untuk penjualan ekspor tercatat tumbuh 40,2% YoY menjadi Rp103,5 miliar (vs 6M21: Rp73,9 miliar).
- Biaya produksi sepanjang 6M22 naik 5,5% YoY menjadi Rp7,5 triliun didorong oleh kenaikan bahan baku sebesar 7,9% YoY menjadi Rp4,1 triliun. Sementara itu, pita cukai juga mengalami kenaikan (28,0% YoY) menjadi Rp34,1 triliun (vs 6M21: Rp26,7 triliun).

### Laba Kompak Terkontraksi

- Kenaikan COGS sebesar 17,4% YoY pada 6M22 menyebabkan laba kotor terkontraksi 9,7% YoY menjadi Rp8,0 triliun (vs 6M21: Rp8,8 triliun). Adapun pada 2Q22, laba kotor tercatat sebesar Rp3,7 triliun (-2,0% YoY; -12,7% YoY).
- Laba operasi terkontraksi 22,8% YoY pada 6M22 menjadi Rp3,8 triliun di tengah naiknya beban operasi menjadi Rp4,2 triliun (vs 6M21: Rp3,9 triliun). Sementara untuk 2Q22, laba operasi juga mengalami penurunan menjadi Rp1,4 triliun (vs 2Q21: Rp1,8 triliun).
- Laba bersih sepanjang 6M22 tercatat Rp3,0 triliun (-26,3% YoY) sementara untuk 2Q22 laba bersih tercatat Rp1,1 triliun (-26,8% YoY; -40,8% QoQ). Adapun, margin pada 2Q22 tercatat lebih rendah yaitu GPM, OPM, dan NPM masing-masing sebesar 13,6%, 5,3%, dan 4,1% (vs 2Q21 GPM: 15,8%, OPM: 7,4%, dan NPM: 6,4%).

### Ekspansi Melalui Merek HEETS

- Volume penjualan HMSP pada 2Q22 tercatat 21,4 miliar unit (+2,2% QoQ; +6,2% YoY), didorong oleh pertumbuhan produk SKM (+2,7% QoQ) dan KLM (+409,0% QoQ) masing-masing menjadi 13,9 miliar unit (vs 1Q22: 13,5 miliar unit) dan 397 juta unit (vs 1Q22: 78 juta unit).
- Market share HMSP pada 2Q22 tercatat stabil di 27,8% (vs 1Q22: 27,8%). Secara QoQ, produk yang mengalami peningkatan market share diantaranya Marlboro dan lainnya. Produk Sampoerna A dan Sampoerna Kretek mengalami penurunan, sementara produk Dji Sam Soe tercatat stabil.
- HMSP juga diketahui melakukan ekspansi pembangunan fasilitas produksi batang tembakau IQOS dengan merek HEETS dan diharapkan mulai beroperasi pada 4Q22. Adapun, pabrik ini dibangun untuk memenuhi permintaan baik domestik maupun ekspor di Kawasan Asia Pasifik.
- Adapun, anggota IQOS club di tahun 2021 tercatat 65.000 anggota dewasa (vs 2020: 30.000 anggota dewasa) serta jumlah gerai juga meningkat menjadi 78 gerai (vs 2020: 14 gerai).

### Rekomendasi Hold dengan TP Rp950

- Kami memberikan rekomendasi HOLD untuk HMSP dengan target price Rp950/saham serta memiliki potensi kenaikan sebesar 4,4%. Adapun risiko dari rekomendasi kami adalah kebijakan pemerintah terkait cukai rokok, downtading, serta penurunan permintaan produk.

### HM Sampoerna Tbk | Summary (IDR bn)

	2021A	2022F	2023F	2024F
Sales	98,875	108,107	114,312	122,814
Growth	7.0%	9.3%	5.7%	7.4%
Net Profit	7,137	6,268	7,797	8,309
Growth	-16.8%	-12.2%	24.4%	6.6%
EPS (IDR)	61	54	67	71
P/E	15.7x	17.6x	14.2x	13.3x
P/BV	3.4x	3.8x	3.8x	4.0x
EV/EBITDA	11.7x	12.9x	9.9x	9.5x
ROE	21.7%	21.4%	27.0%	29.7%
Debt Ratio	0.4%	0.7%	0.7%	0.7%
Dividend Yield	7.6%	6.7%	7.3%	8.3%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

## Hold

<b>Target Price (IDR)</b>	<b>950</b>
Consensus Price (IDR)	978
TP to Consensus Price	-2.9%
vs. Last Price	+4.4%

### Shares data

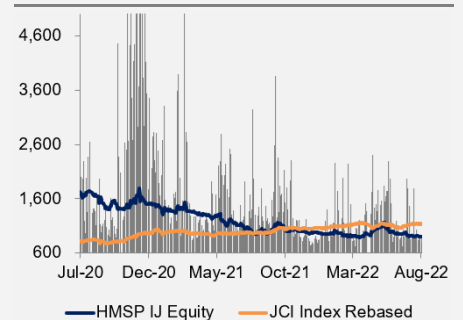
Last Price (IDR)	910
Price date as of	Aug 30, 2022
52 wk range (Hi/Lo)	885 / 1,195
Free float (%)	7.5
Outstanding sh. (mn)	116,318
Market Cap (IDR bn)	105,849
Market Cap (USD mn)	7,131
Avg. Trd Vol - 3M (mn)	23.70
Avg. Trd Val - 3M (bn)	23.77
Foreign Ownership	0.6%

### Consumer Staples

#### Cigarette

Bloomberg	HMSP.IJ
Reuters	HMSP.JK

### Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-7.1%	-2.2%	-18.4%	-9.0%
Rel. Ret.	-14.6%	-5.1%	-18.5%	-25.4%

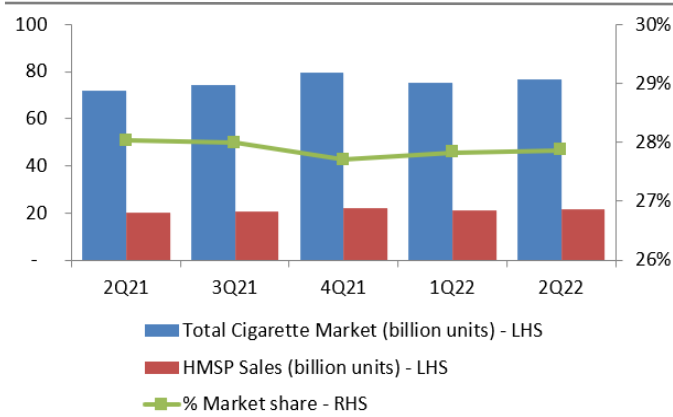
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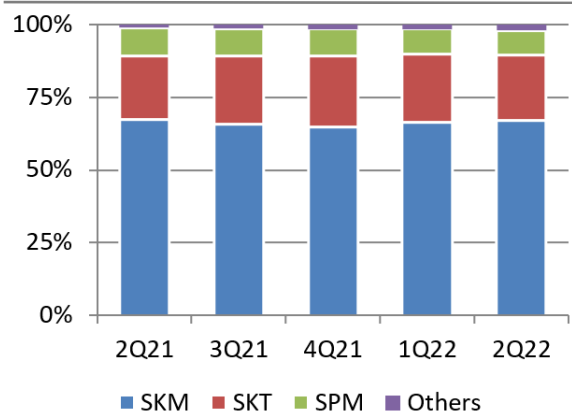
## Performance Highlights in Charts

HMSP Cigs. Market Share vs Industry | 2Q21 - 2Q22



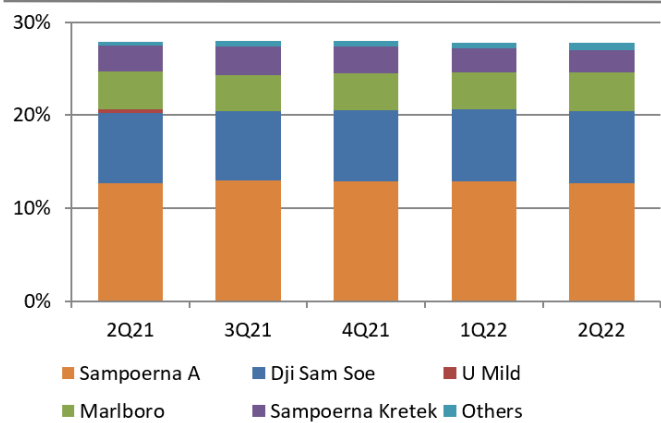
Source: Company Data, NHKSI Research

Revenue Breakdown by Segment | 2Q21 - 2Q22



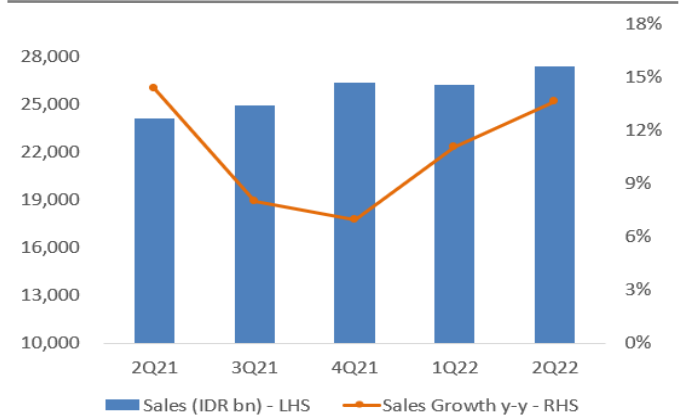
Source: Company Data, NHKSI Research

Market Share by Brand | 2Q21 - 2Q22



Source: Company Data, NHKSI Research

HMSP Quarterly Sales | 2Q21 - 2Q22



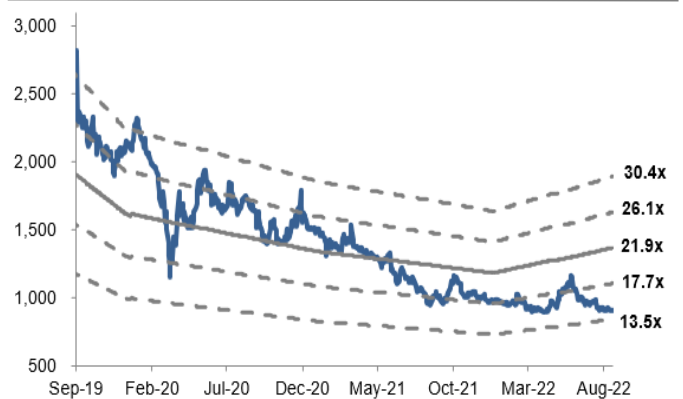
Source: Company Data, Bloomberg, NHKSI Research

Forward P/E Band | Last 3 Years



Source: Company Data, NHKSI Research

Dynamic Forward P/E Band | Last 3 Years



Source: Company Data, NHKSI Research

## Summary of Financials

### INCOME STATEMENT

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
<b>Sales</b>	<b>98,875</b>	<b>108,107</b>	<b>114,312</b>	<b>122,814</b>
Growth	7.0%	9.3%	5.7%	7.4%
COGS	(81,955)	(91,363)	(95,985)	(103,718)
<b>Gross Profit</b>	<b>16,920</b>	<b>16,743</b>	<b>18,327</b>	<b>19,096</b>
Gross Margin	17.1%	15.5%	16.0%	15.5%
Operating Expenses	(8,336)	(8,875)	(8,534)	(8,582)
<b>EBIT</b>	<b>8,583</b>	<b>7,868</b>	<b>9,793</b>	<b>10,514</b>
EBIT Margin	8.7%	7.3%	8.6%	8.6%
Depreciation	(170)	(40)	373	54
<b>EBITDA</b>	<b>8,413</b>	<b>7,828</b>	<b>10,166</b>	<b>10,568</b>
EBITDA Margin	8.5%	7.2%	8.9%	8.6%
Interest Expenses	(57)	(52)	(53)	(54)
<b>EBT</b>	<b>9,152</b>	<b>8,259</b>	<b>10,274</b>	<b>10,949</b>
Income Tax	(2,015)	(1,991)	(2,477)	(2,640)
Minority Interest	-	-	-	-
<b>Net Profit</b>	<b>7,137</b>	<b>6,268</b>	<b>7,797</b>	<b>8,309</b>
Growth	-16.8%	-12.2%	24.4%	6.6%
Net Profit Margin	7.2%	5.8%	6.8%	6.8%

### PROFITABILITY & STABILITY

	2021/12A	2022/12E	2023/12E	2024/12E
ROE	21.7%	21.4%	27.0%	29.7%
ROA	15.5%	12.9%	16.0%	17.2%
Inventory Turnover	4.6x	4.5x	4.5x	5.4x
Receivable Turnover	45.5x	44.2x	44.2x	45.6x
Payables Turnover	26.6x	23.0x	23.4x	21.5x
Dividend Yield	7.6%	6.7%	7.3%	8.3%
Payout Ratio	98.9%	103.2%	129.4%	118.2%
DER	0.0x	0.0x	0.0x	0.0x
Net Gearing	0.0x	0.0x	0.0x	0.0x
Equity Ratio	71.5%	60.3%	59.2%	57.8%
Debt Ratio	0.4%	0.7%	0.7%	0.7%
Financial Leverage	139.8%	165.8%	168.8%	172.9%
Current Ratio	360.6%	206.2%	215.7%	197.2%
Quick Ratio	1.9x	0.9x	0.9x	0.9x
Par Value (IDR)	4	4	4	4
Total Shares (mn)	116,318	116,318	116,318	116,318
Share Price (IDR)	965	950	950	950
Market Cap (IDR tn)	112.2	110.5	110.5	110.5

### BALANCE SHEET

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
Cash	14,021	9,625	10,321	10,448
Receivables	2,173	2,447	2,588	2,692
Inventories	17,654	20,328	21,357	19,382
<b>Total Current Assets</b>	<b>37,598</b>	<b>35,477</b>	<b>37,678</b>	<b>35,766</b>
Net Fixed Assets	6,358	7,472	7,351	7,844
Other Non Current Assets	1,963	5,658	3,811	4,734
<b>Total Non Current Asset</b>	<b>8,321</b>	<b>13,130</b>	<b>11,162</b>	<b>12,578</b>
<b>Total Assets</b>	<b>45,920</b>	<b>48,607</b>	<b>48,840</b>	<b>48,344</b>
Payables	3,084	3,975	4,102	4,831
ST Bank Loan	8	10	22	21
Total Current Liabilities	10,426	17,204	17,470	18,133
LT Debt	175	340	333	323
<b>Total Liabilities</b>	<b>13,072</b>	<b>19,297</b>	<b>19,915</b>	<b>20,389</b>
Capital Stock & APIC	21,071	21,060	21,060	21,060
Retained Earnings	11,161	7,633	7,250	6,279
<b>Shareholders' Equity</b>	<b>32,848</b>	<b>29,310</b>	<b>28,926</b>	<b>27,955</b>

### CASH FLOW STATEMENT

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
Operating Cash Flow	10,306	12	6,917	11,068
Investing Cash Flow	331	(898)	1,881	(1,717)
Financing Cash Flow	(8,598)	(7,255)	(8,102)	(9,224)
<b>Net Changes in Cash</b>	<b>2,039</b>	<b>(8,141)</b>	<b>696</b>	<b>127</b>

### VALUATION INDEX

	2021/12A	2022/12E	2023/12E	2024/12E
Price /Earnings	15.7x	17.6x	14.2x	13.3x
Price /Book Value	3.4x	3.8x	3.8x	4.0x
PE/EPS Growth	-0.9x	-1.4x	0.6x	2.0x
EV/EBITDA	11.7x	12.9x	9.9x	9.5x
EV/EBIT	11.5x	12.9x	10.3x	9.5x
EV (IDR bn)	98,401	101,217	100,527	100,388
Sales CAGR (3-Yr)	-2.5%	0.6%	7.3%	7.5%
Net Profit CAGR (3-Yr)	-19.2%	-23.0%	-3.1%	5.2%
Basic EPS (IDR)	61	54	67	71
BVPS (IDR)	282	252	249	240
DPS (IDR)	73	63	70	79

### OWNERSHIP

Shareholders	%
Philip Morris Ind.	92.5
Vanguard Group	0.3
Blackrock	0.1
Ironhorse LLC	0.0
<b>By Geography</b>	<b>%</b>
Indonesia	99.4
United States	0.5
Ireland	0.1
United Kingdom	0.0

Source: NHKSI research, Bloomberg

## 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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