Telekomunikasi Indonesia Tbk (TLKM)
NeutraDC-Singtel Kembangkan Data Center

TLKM membukukan kinerja positif selama 1H22. EBITDA dan Laba Bersih masing-masing tumbuh 4,5% dan 6,9% YoY menjadi IDR39,4 triliun dan IDR13,3 triliun, ditopang pendapatan yang tumbuh 3,6% YoY menjadi IDR72,0 Triliun. NHKSI Research optimis topline dan bottom line TLKM akan lebih solid di FY22, seiring 1H22 TLKM bertransformasi. Kontribusi pendapatan bisnis digital meningkat, sedangkan kontribusi pendapatan bisnis legacy mengalami penurunan.

EBITDA Tumbuh 4,5% YoY

- Pertumbuhan pendapatan TLKM, yang didukung oleh segmen Data, Internet & IT Services sebagai kontributor terbesar dengan 54,4%, catatkan pertumbuhan 4,4% menjadi senilai IDR39,2 triliun. Kemudian, diikuti oleh IndiHome dengan porsi 19,2% dan pertumbuhan 7,4% menjadi IDR13,8 triliun, melonjak selama pandemi. Adapun, SMS, Fixed & Cellular Voice IDR9,3 triliun (-11,7%); Interconnection IDR4,2 triliun (+9,8%) dan Network & Other Telco Services IDR5,4 triliun (+16,4%).
- Data Traffic dan 3G/4G/5G BTS on Air masing-masing tumbuh 21,4% dan 9,5% YoY. Di sisi lain, Operation, Maintenance & Telco Services sedikit meningkat 2,1% YoY. Pada 1H22, TLKM berhasil membukukan EBITDA dan Laba Bersih masing-masing senilai IDR39,4 triliun (+4,5%) dan IDR13,3 triliun (+6,9% YoY).

Adopsi IoT, AI dan 5G

- TLKM melalui NeutraDC telah menjalin kerjasama strategis dengan Singtel untuk kolaborasi pengembangan bisnis Data Center, serta integrasi layanan Fixed Mobile Convergence (FMC) yang didukung oleh infrastruktur yang dimiliki oleh dua pemimpin pasar Data Center ini.
- NHKSI Research melihat permintaan Data Center akan meningkat, seiring agresifnya bisnis digitalisasi dengan peningkatan adopsi Internet of Things (IoT), Artificial Intelligence (AI) dan teknologi 5G di seluruh wilayah Indonesia. TLKM dan Singtel juga telah mengimplementasikan integrasi bisnis FMC, melalui sinergi layanan IndiHome dengan Telkomsel.
- Saat ini, TLKM tengah menyelesaikan Hyperscale Data Center yang memiliki kapasitas maksimal 75 MW, untuk kemudian membangun di Batam, Manado dan IKN, sesuai dengan strategi besar TLKM bernama Five Bolds Moves. Ekspansi ini, seiring wilayah tersebut memiliki posisi strategis yang berbatasan dengan eksternal, dan didukung oleh terbatasnya pasokan listrik di Singapura.

Rekomendasi Buy dengan Target Price IDR5.300

- NHKSI Research mempertahankan Rating BUY untuk saham TLKM dengan target harga lebih tinggi di IDR5.300 untuk 12 bulan kedepan. Mempertimbangkan bisnis TLKM yang solid sejalan dengan estimasi, ditambah pengembangan bisnis Data Center.
- Kami memproyeksikan pertumbuhan di sisi *top* maupun *bottom line* yang lebih solid di FY22. Target Harga kami merefleksikan nilai EV/EBITDA di level 4,5x; lebih rendah dibandingkan dengan rata-rata 3-tahun di level 5,7x. Saat ini saham TLKM diperdagangkan di level IDR4.600, atau memiliki potensial upside lebih dari 15%.

Telekomunikasi Indonesia Tbk | Summary (IDR bn)

	2021/12A	2022/12F	2023/12F	2024/12F
Sales	143,210	152,281	161,792	167,440
Sales growth	4.9%	6.3%	6.2%	3.5%
EBITDA	83,423	85,284	92,720	101,538
Net profit	24,760	27,545	31,262	35,660
EPS (IDR)	316	360	271	279
EPS growth	12.4%	0.0%	0.0%	0.0%
BVPS (IDR)	1,468	1,561	1,673	1,792
EBITDA margin	58.3%	56.0%	57.3%	60.6%
NPM	17.3%	18.1%	19.3%	21.3%
ROE	18.9%	20.1%	14.4%	14.1%
ROA	8.9%	9.2%	9.9%	11.4%
ROIC	18.6%	17.5%	18.2%	20.0%
P/E	12.8x	14.7x	22.2x	24.6x
P/BV	2.8x	3.4x	3.6x	3.8x
EV/EBITDA	4.7x	4.5x	4.0x	3.7x
DPS (IDR)	154	206	227	266
Dividend yield	3.8%	3.9%	3.8%	3.9%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH KORINDO SEKURITAS

Company Report | Aug. 22, 2022

BUY

Target Price (IDR)	5,300
Consensus Price (IDR)	5,130
TP to Consensus Price	+3.3%
vs. Last Price	+15.2%

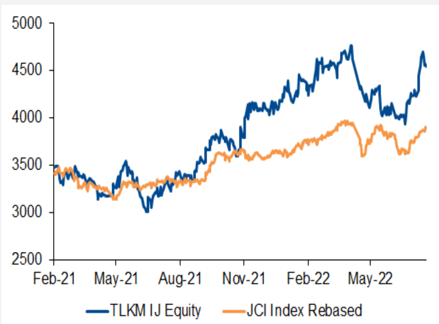
Shares data

Last Price (IDR)	4,600
Price date as of	Aug. 19, 2022
52 wk range (Hi/Lo)	4,850 / 3,290
Free float	47.9%
Outstanding Shares (mn)	99,062
Market Cap (IDR bn)	446,770
Market Cap (USD mn)	30,402
Avg. Trd Vol - 3M (mn)	124.9
Avg. Trd Val - 3M (bn)	529.7
Foreign Ownership	28.6%

Infrastructure
Telecommunication

Bloomberg	**TLKM IJ**
Reuters	**TLKM.JK**

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret	12.6%	13.5%	5.8%	35.8%
Rel. Ret	4.3%	7.3%	-2.2%	19.7%

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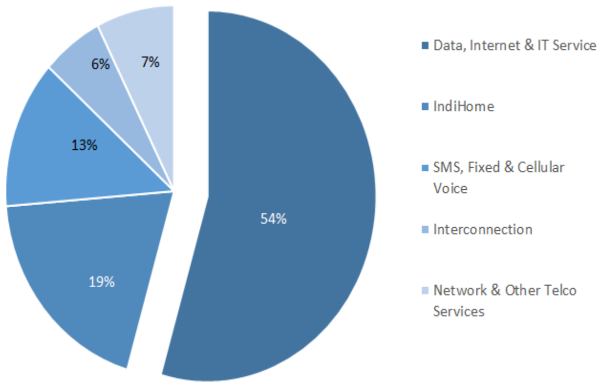
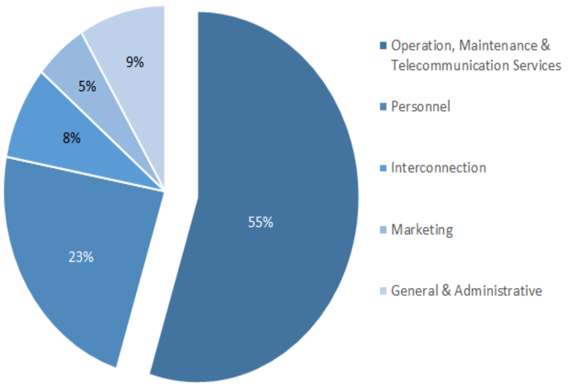
Performance Highlights

Revenue Breakdown 1H22



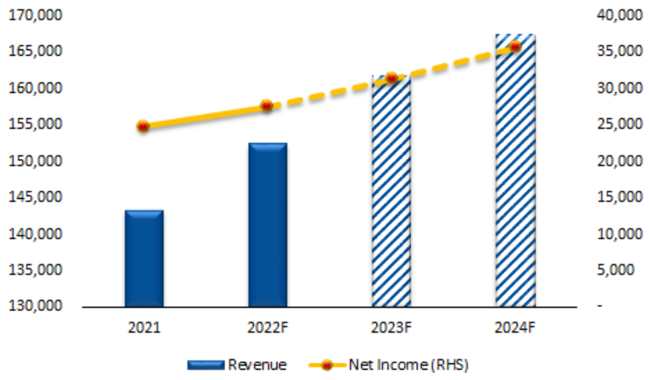
Source: Company, NHKSI Research

Operating Expenses Breakdown 1H22



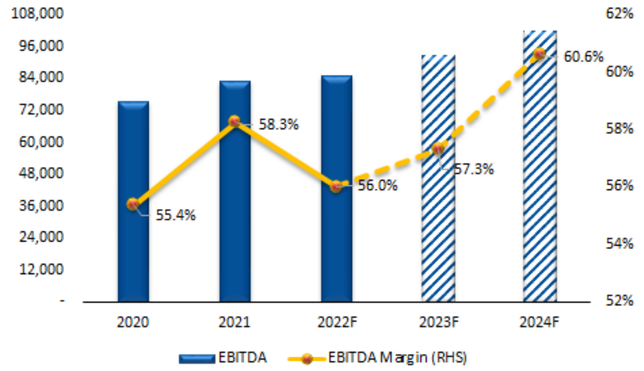
Source: Company, NHKSI Research

Revenue & Net Income (IDR Bn)



Source: Company, NHKSI Research

EBITDA & EBITDA Margin (IDR Bn)

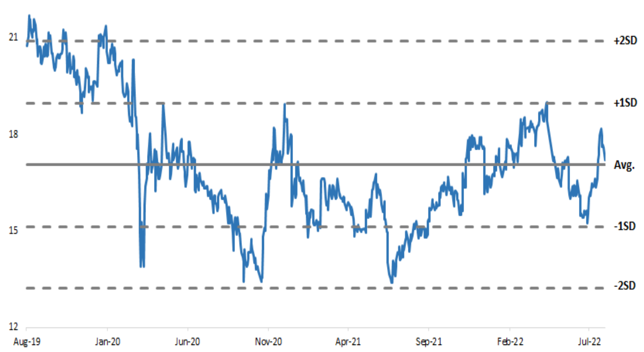


Source: Company, NHKSI Research

EV/EBITDA | Last 3-Years

Source: Company, NHKSI Research

PER | Last 3-Years



Source: Company, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Revenue	**143,210**	**152,281**	**161,792**	**167,440**
Growth	*4.9%*	*6.3%*	*6.2%*	*3.5%*
COGS	-	-	-	-
Gross Profit	**143,210**	**152,281**	**161,792**	**167,440**
Gross Margin	-	-	-	-
Operating Expenses	(91,603)	(97,405)	(101,929)	(102,138)
EBIT	**51,607**	**54,876**	**59,863**	**65,302**
EBIT Margin	*36.0%*	*36.0%*	*37.0%*	*39.0%*
Depreciation	31,816	30,408	32,857	36,237
EBITDA	**83,423**	**85,284**	**92,720**	**101,538**
EBITDA Margin	58.3%	56.0%	57.3%	60.6%
Interest Expenses	(7,929)	(6,806)	(6,147)	(5,003)
EBT	**43,678**	**48,070**	**53,716**	**60,299**
Income Tax	(9,730)	(10,708)	(11,966)	(13,432)
Minority Interest	(9,188)	(9,817)	(10,488)	(11,206)
Net Profit	**24,760**	**27,545**	**31,262**	**35,660**
Growth	*19.0%*	*11.2%*	*13.5%*	*14.1%*
Net Profit Margin	*17.3%*	*18.1%*	*19.3%*	*21.3%*

PROFITABILITY & STABILITY

	2021/12A	2022/12F	2023/12F	2024/12F
ROE	18.9%	20.1%	14.4%	14.1%
ROA	8.9%	9.2%	9.9%	11.4%
ROIC	18.6%	17.5%	18.2%	20.0%
Cash Dividend (IDR bn)	15,262	20,450	22,482	26,357
Dividend Yield	3.8%	3.9%	3.8%	3.9%
Payout Ratio	61.6%	74.2%	71.9%	73.9%
DER	48.4%	57.2%	54.6%	43.0%
Net Gearing	0.6	0.7	0.7	0.6
LT Debt to Equity	35.4%	37.2%	35.5%	28.0%
Capitalization Ratio	32.6%	36.4%	35.3%	30.1%
Equity Ratio	52.5%	51.9%	52.7%	56.5%
Debt Ratio	25.4%	29.7%	28.7%	24.3%
Financial Leverage	196.8%	191.7%	191.3%	183.2%
Current Ratio	88.6%	98.4%	104.3%	107.6%
Par Value (IDR)	50	50	50	50
Total Shares (mn)	99,062	99,062	99,062	99,062
Share Price (IDR)	4,040	5,300	6,015	6,862
Market Cap (IDR tn)	400.2	525.0	595.9	679.7

BALANCE SHEET

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Cash	38,311	43,419	49,524	47,072
Receivables	11,528	16,074	17,078	17,674
Inventories	779	792	839	869
Total Current Assets	**61,277**	**72,258**	**80,162**	**78,781**
Net Fixed Assets	165,026	168,618	173,761	172,525
Other Non Current Assets	50,881	57,154	60,724	62,844
Total Assets	**277,184**	**298,030**	**314,647**	**314,149**
Payables	44,382	36,121	38,524	39,582
ST Bank Loan	18,788	30,937	31,619	26,698
LT Debt	51,529	57,525	58,792	49,642
Total Liabilities	**131,785**	**143,418**	**148,947**	**136,632**
Capital Stock	7,664	7,664	7,664	7,664
Retained Earnings	104,587	111,681	120,461	129,765
Shareholders' Equity	**145,399**	**154,612**	**165,700**	**177,517**

VALUATION INDEX

	2021/12A	2022/12F	2023/12F	2024/12F
Price/Earnings	12.8x	14.7x	22.2x	24.6x
Price/Book Value	2.8x	3.4x	3.6x	3.8x
Price/Sales	2.8x	3.4x	3.7x	4.1x
PE/EPS Growth	0.7x	1.3x	1.6x	1.7x
EV/EBITDA	4.7x	4.5x	4.0x	3.7x
EV/EBIT	7.6x	7.0x	6.3x	5.7x
EV (IDR bn)	394,540	382,920	374,854	372,195
Sales CAGR (3-Yr)	3.1%	4.0%	5.8%	5.3%
EPS CAGR (3-Yr)	20.1%	24.1%	-0.8%	-4.0%
Basic EPS (IDR)	316	360	271	279
Diluted EPS (IDR)	316	360	271	279
BVPS (IDR)	1,468	1,561	1,673	1,792
Sales PS (IDR)	1,446	1,537	1,633	1,690
DPS (IDR)	154	206	227	266

CASH FLOW STATEMENT

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Operating Cash Flow	62,082	44,196	65,118	72,120
Investing Cash Flow	(47,283)	(40,273)	(41,570)	(37,120)
Financing Cash Flow	(6,698)	1,185	(17,444)	(37,451)
Net Changes in Cash	**8,101**	**5,108**	**6,105**	**(2,451)**

OWNERSHIP

By Geography	**%**	**Shareholders**	**%**
Indonesia	71.4	Rep. of Indonesia	52.1
United States	15.8	Bank of New York	4.4
Luxembourg	3.4	Vanguard Group Inc	1.9
Others	9.4	Others	41.7

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%