

United Tractors Tbk (UNTR)

Revisi Naik Target Penjualan Dorong Kinerja FY22

BUY

Target Price (IDR)	38,000
Consensus Price (IDR)	37,354
TP to Consensus Price	+1.7%
Potential Upside	+18.3%

Shares data

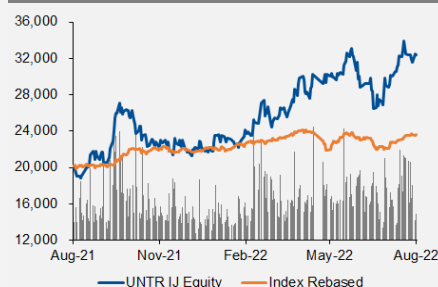
Last Price (IDR)	32,125
Price date as of	Aug. 23, 2022
52 wk range (Hi/Lo)	34,050 / 18,575
Free float	40.5%
Outstanding sh.(mn)	3,730
Market Cap (IDR bn)	120,856
Market Cap (USD mn)	8,184
Avg. Trd Vol - 3M (mn)	6.50
Avg. Trd Val - 3M (bn)	198.83
Foreign Ownership	19.9%

INDUSTRIALS

Industrial Goods

Bloomberg	UNTR IJ
Reuters	UNTR.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret	48.5%	11.6%	7.7%	60.6%
Rel. Ret	41.4%	4.4%	0.4%	43.4%

Arief Machrus

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Penjualan alat berat UNTR 1H22 tumbuh 111% YoY menjadi sebanyak 2.873 unit, didominasi sektor pertambangan dan konstruksi masing-masing hingga 61% dan 18%. Hal ini mendorong pendapatan bersih secara konsolidasi mencapai IDR60,4 triliun (+62% YoY), dan laba bersih senilai IDR10,4 triliun (+129% YoY). NHKSI Research melihat meningkatnya target produksi komoditas energi perusahaan konsumen akan menjaga permintaan alat berat tetap tinggi.

Batubara dan Nikel Masih Menopang Sektor Pertambangan

- Pada 1H22, UNTR mencatatkan pendapatan sebesar IDR60,4 triliun (+62% YoY). Sebanyak tiga dari lima segmen mencatatkan kenaikan penjualan periode ini, dengan kenaikan terbesar dicatatkan segmen Coal Mining (+149%), seiring kenaikan harga komoditas batubara dan nikel mendorong penjualan segmen ini.
- Kemudian diikuti oleh Construction Machinery (+86%) dan Mining Contracting (+29%). Adapun, ketiga segmen tersebut masih mendominasi penjualan alat berat lebih dari 90% selama periode 1H22.

Memanfaatkan Tren Suku Bunga Rendah

- Laba bersih UNTR pada 1H22 tercatat sebesar IDR10,4 triliun (+129% YoY). Namun, sejumlah beban juga meningkat, seperti Cost of Revenue yang naik menjadi IDR43,9 triliun (+50% YoY). Kemudian, diikuti Selling Expenses IDR395,9 miliar (+32% YoY), dan General and Administrative Expenses IDR1,9 triliun (+12% YoY).
- Di sisi lain, UNTR mampu menekan Finance Costs menjadi IDR314,2 miliar (-17% YoY) dengan menekan Interest Expenses, memanfaatkan tren suku bunga rendah. Perseroan juga mampu mencatatkan Finance Income senilai IDR432,6 miliar.

Revisi Naik Target Penjualan Menjadi 4.800 Unit

- Volume penjualan Komatsu periode 1H22 naik 111% YoY menjadi 2.873 unit (Vs. 1.361 unit di 1H21). Melihat solidnya permintaan alat berat, UNTR melakukan penyesuaian terhadap target alat berat Komatsu, meningkatkan target penjualan dari 3.600 unit menjadi 4.800 unit hingga akhir tahun 2022.
- Penjualan alat berat naik seiring meningkatnya aktivitas pertambangan dan konstruksi. Mining masih mendominasi penjualan alat berat, dengan porsi hingga 61%, diikuti sektor Construction, Forestry dan Agribusiness masing-masing sebesar 18%, 12% dan 9%.

Rekomendasi BUY dengan Target Price IDR 38.000

- NHKSI Research merekomendasikan BUY untuk UNTR dengan Target Price IDR38.000 mengimplikasikan FY22F P/E sebesar 12,7x; dengan potensi kenaikan sebesar 18%. Kenaikan TP yang kami lakukan ditopang oleh realisasi penjualan alat berat yang telah mencapai 80% dari target penjualan awal (3.600 unit), atau 60% dari revisi target penjualan (4.800 unit) tahun 2022.

United Tractors Tbk | Summary (IDR bn)

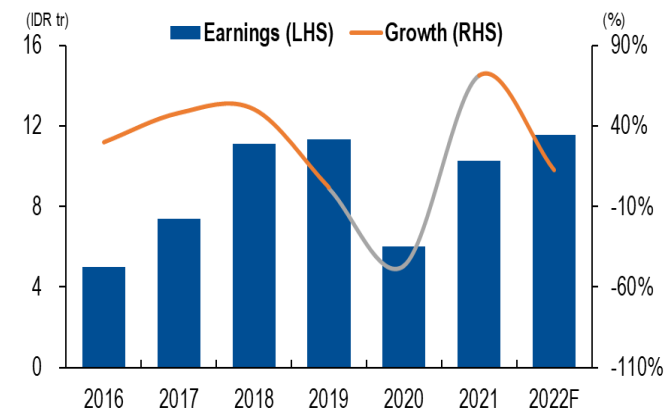
	2021A	2022F	2023F	2024F
Revenue	79,461	86,216	88,113	91,197
Growth	31.7%	8.5%	2.2%	3.5%
Net profit	10,280	11,564	12,655	13,115
Growth	71.2%	9.0%	12.9%	3.6%
EPS	2,756	3,004	3,393	3,516
ROE	14.3%	14.4%	14.5%	13.8%
DER	0.1x	0.1x	0.1x	0.1x
P/E	8.0x	12.7x	12.8x	14.1x
EV/EBITDA	2.5x	4.9x	5.2x	5.1x
Dividend Yield	1.5%	3.5%	3.0%	2.9%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

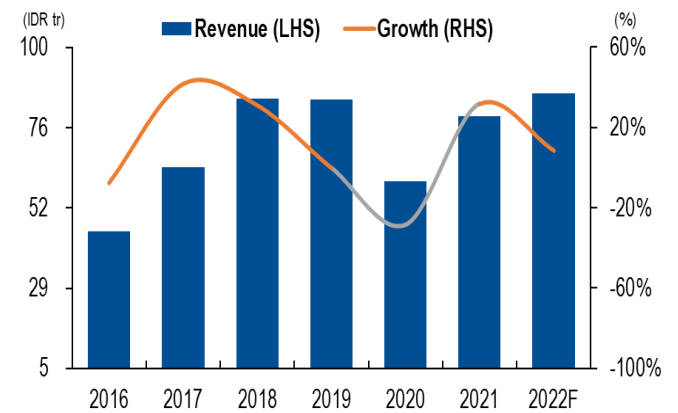
Performance Highlights

Earnings Vs. Growth



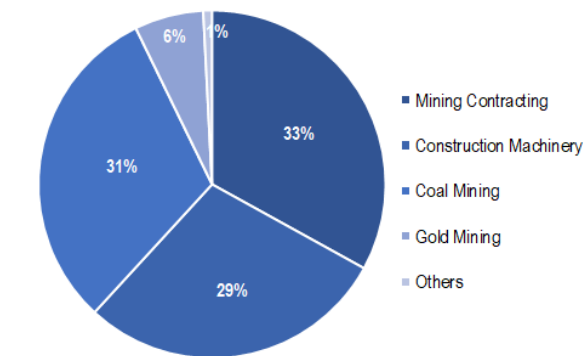
Source: Company, NHKSI Research

Revenue Vs. Growth



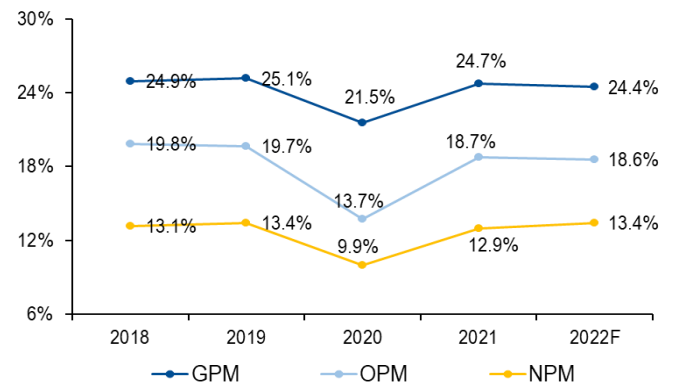
Source: Company, NHKSI Research

Revenue Breakdown | 1H22



Source: Company, NHKSI Research

Profitability Ratios



Source: Company, NHKSI Research

P/E Ratio | Last 3-Years



Source: Bloomberg, NHKSI Research

EV/EBITDA | Last 3-Years



Source: Bloomberg, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Revenue	79,461	86,216	88,113	91,197
<i>Growth</i>	31.7%	8.5%	2.2%	3.5%
COGS	(59,796)	(65,145)	(66,745)	(69,173)
Gross Profit	19,665	21,071	21,367	22,024
<i>Gross Margin</i>	24.7%	24.4%	24.3%	24.2%
Operating Expenses	(4,789)	(5,050)	(5,026)	(5,356)
EBIT	14,876	16,021	16,342	16,668
<i>EBIT Margin</i>	18.7%	18.6%	18.5%	18.3%
Depreciation	8,765	8,092	8,061	9,022
EBITDA	23,640	24,113	24,402	25,691
<i>EBITDA Margin</i>	29.8%	28.0%	27.7%	28.2%
Interest Expenses	(431)	(393)	(515)	(446)
EBT	14,462	16,490	16,338	16,565
Income Tax	(3,854)	(4,561)	(3,872)	(3,644)
Minority Interest	(329)	(365)	189	194
Net Profit	10,280	11,564	12,655	13,115
<i>Growth</i>	71.2%	12.5%	9.4%	3.6%
<i>Net Profit Margin</i>	12.9%	13.4%	14.4%	14.4%

PROFITABILITY & STABILITY

	2021/12A	2022/12F	2023/12F	2024/12F
ROE	14.3%	14.4%	14.5%	13.8%
ROA	9.1%	10.0%	9.6%	9.2%
Inventory Turnover	6.9x	5.5x	5.7x	6.0x
Receivable Turnover	7.2x	4.8x	5.1x	5.5x
Payables Turnover	4.8x	3.1x	4.5x	3.7x
Dividend Yield	1.5%	3.5%	3.0%	2.9%
Payout Ratio	12.2%	44.6%	38.7%	41.5%
DER	0.1x	0.1x	0.1x	0.1x
Net Gearing	13.6%	10.6%	13.6%	13.6%
Equity Ratio	63.8%	69.3%	66.3%	66.5%
Debt Ratio	8.1%	6.9%	8.5%	8.6%
Financial Leverage	157.3%	154.2%	154.1%	157.2%
Current Ratio	198.8%	261.6%	263.9%	282.4%
Quick Ratio	167.8%	201.2%	216.1%	226.4%
Par Value (IDR)	250	251	252	253
Total Shares (mn)	3,730	3,730	3,730	3,730
Share Price (IDR)	22,150	38,000	43,458	49,707
Market Cap (IDR tn)	82.6	141.7	162.1	185.4

BALANCE SHEET

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Cash	33,322	32,768	43,627	59,644
Receivables	12,152	12,702	19,176	13,992
Inventories	9,454	10,343	10,901	12,261
Total Current Assets	60,604	62,202	80,495	92,452
Net Fixed Assets	39,000	40,644	38,396	37,721
Other Non Current Asset	12,957	12,970	12,643	12,486
Total Assets	112,561	115,816	131,534	142,659
Payables	14,518	12,175	17,490	20,004
ST Bank Loan	6,205	5,622	6,382	7,235
LT Debt	2,959	2,409	4,848	5,044
Total Liabilities	40,738	35,501	44,347	47,765
Capital Stock	933	933	933	933
Retained Earnings	56,673	65,224	72,067	79,787
Shareholders' Equity	71,823	80,315	87,187	94,894

VALUATION INDEX

	2021/12A	2022/12F	2023/12F	2024/12F
Price/Earnings	8.0x	12.7x	12.8x	14.1x
Price/Book Value	1.2x	1.8x	1.9x	2.0x
PE/EPS Growth	0.1x	1.0x	1.4x	3.9x
EV/EBITDA	2.5x	4.9x	5.2x	5.1x
EV/EBIT	4.0x	7.4x	7.7x	7.9x
EV (IDR bn)	59,716	118,236	126,459	131,720
Sales CAGR (3-Yr)	-2.1%	0.7%	13.4%	4.7%
EPS CAGR (3-Yr)	-3.1%	23.1%	7.2%	5.4%
Basic EPS (IDR)	2,756	3,004	3,393	3,516
BVPS (IDR)	19,255	21,531	23,374	25,440
DPS (IDR)	335	1,340	1,313	1,458

TOP OWNERSHIP

Shareholders	%
Astra International Tbk	59.5
FMR LLC	2.8
Others	37.7
By Geography	%
Indonesia	81.3
United States	12.2
Others	6.6

CASH FLOW STATEMENT

(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F
Operating Cash Flow	23,324	8,153	24,167	28,563
Investing Cash Flow	(3,198)	(4,967)	(4,783)	(5,108)
Financing Cash Flow	(7,160)	(3,740)	(4,040)	(4,360)
Net Changes in Cash	12,965	(554)	15,344	19,095

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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