

# Indo Tambangraya Megah (ITMG)

## Pendapatan Turun Seiring Merosotnya ASP

ITMG melaporkan penurunan tajam pada top dan bottom line di 3Q23; pendapatan turun sebesar 55% YoY (Rp 8,03 triliun vs Rp 17,84 triliun) sementara laba bersih turun 77% YoY (Rp 1,51 triliun vs Rp 6,47 triliun). Hal ini disebabkan oleh penurunan ASP sebesar 53% YoY (USD 210,5 vs USD 98,7) karena harga batubara global yang terus mengalami penurunan. Margin laba kotor dan laba bersih juga turun menjadi 29% dan 19% YoY dari 55% dan 36%. Namun, ITMG berhasil melakukan pengendalian biaya; biaya produksi per ton berhasil turun 26% YoY meskipun ada ketidakpastian harga bahan bakar dan variabel ekonomi lainnya.

### Produksi lebih dari target, sementara volume penjualan stagnan

- ITMG membukukan kenaikan volume produksi sebesar 20% QoQ dan 13% YoY. Angka yang dilaporkan melebihi target untuk kuartal ini sebesar 10% (5,3 juta ton vs 4,8 juta ton) karena perusahaan memanfaatkan kondisi cuaca yang baik.
- Volume produksi yang lebih tinggi ini akan memungkinkan perusahaan untuk meningkatkan aktivitas pengupasan lapisan tanah penutup di 4Q23, sementara target produksi untuk kuartal ini ditetapkan sebesar 3,5 juta ton karena perusahaan ingin fokus pada manajemen persediaan batubara yang lebih berhati-hati.
- Volume penjualan untuk 3Q23 turun 1% QoQ dan 6% YoY menjadi 5,3 juta ton meskipun harga batubara terus menurun. Mayoritas penjualan batubara ITMG pada 9M23 dikirim ke China (35%), sementara penjualan domestik (23%) dan Jepang (12%) berada di urutan kedua dan ketiga.

### Persiapan tambang batu bara baru terus berlanjut

- ITMG terus melanjutkan persiapan lokasi untuk tambang batu bara GPK yang baru, dan dijadwalkan berproduksi pada tahun 2024.
- Kemajuan yang telah dicapai selama 3Q23 antara lain penyelesaian perataan lahan serta proses cut & fill, pengiriman material untuk pembangunan konveyor, dan pembangunan infrastruktur utama dan pendukung termasuk mess, jembatan, jalan angkut, dermaga, dan area pemuatan tongkang.
- Tambang baru ini akan menghasilkan batubara kalori rendah berkualitas tinggi, meningkatkan volume produksi secara keseluruhan serta menambah keragaman lini produk perusahaan.

### ITMG mengakuisisi perusahaan energi surya dalam upaya diversifikasi pendapatan

- Sejalan dengan tren di industri batubara secara keseluruhan, ITMG terus mengupayakan diversifikasi pendapatan melalui insiasi energi hijau.
- ITMG mengakuisisi 65% saham Suryanesia pada 3Q23, sebuah perusahaan *Solar-as-a-Service* yang menawarkan jasa instalasi, operasi, dan pemeliharaan panel surya. Perusahaan ini memiliki kapasitas 0,5 MWp pada akhir 3Q23, dengan 3,5 MWp lainnya dalam tahap konstruksi dan total kapasitas yang telah dikomitmenkan sebesar 6,3 MWp.
- Tujuan utama dari akuisisi ini adalah untuk memperluas kapasitas bisnis *solar rooftop* ITMG, serta memanfaatkan basis pelanggan yang lebih luas dan memperkuat keberadaan perusahaan di pasar.

### Rekomendasi HOLD dengan TP Rp26.500

- Kami memberikan rekomendasi HOLD untuk ITMG dengan TP Rp26.500, yang mencerminkan rasio PE sekitar 2,64x, setara dengan SD -1 ITMG selama 10 tahun. Harga saat ini diperdagangkan pada rasio PE 2,54x.
- Risiko: 1) Penurunan harga batubara 2) Cuaca yang tidak mendukung 3) Perlambatan ekonomi China

### Indo Tambangraya Megah Tbk | Summary

in IDR bn	2022A	2023E	2024F	2025F
Revenue	54,271	35,522	32,437	31,149
Revenue growth	82.5%	-34.5%	-8.7%	-4.0%
Net profit	17,894	7,601	5,945	5,657
EPS (IDR)	15,835	6,727	5,261	5,006
Net Profit growth	162.8%	-57.5%	-21.8%	-4.8%
NPM	33.0%	21.4%	18.3%	18.2%
ROE	75.6%	26.2%	21.0%	18.9%
ROA	55.3%	20.0%	16.7%	15.1%
P/E	1.6x	3.8x	4.8x	5.1x
P/BV	0.9x	1.0x	1.0x	0.9x
EV/EBITDA	0.3x	1.4x	1.6x	1.6x

Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

Company Update | Nov 17, 2023

## HOLD

Target Price (IDR)	26,500
Consensus Price (IDR)	28,800
TP to Consensus Price	-7.99%
Potential Upside	+4.23%

### Shares data

Last Price (IDR)	25,425
Price Date as of	Nov 16, 2023
52 wk Range (Hi/Lo)	42,350/22,125
Free Float (%)	34.73
Outstanding sh.(mn)	1,129
Market Cap (IDR bn)	28,728
Market Cap (USD mn)	1,853
Avg. Trd Vol - 3M (mn)	1.59
Foreign Ownership (%)	72.23

### Mining

#### Coal

Bloomberg	ITMG IJ
Reuters	ITMG.JK

### Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-31.2%	-7.5%	-9.8%	-33.1%
Rel. Ret.	-32.9%	-8.4%	-10.7%	-32.3%

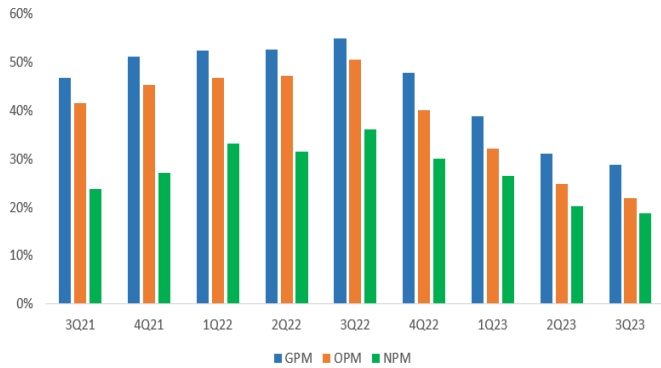
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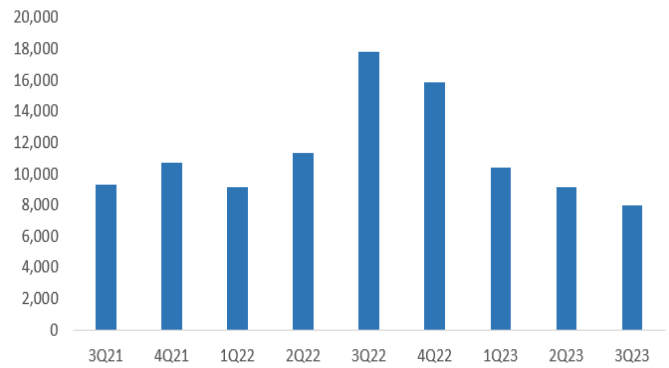
## Performance Highlights in Charts

### ITMG Quarterly Profit Margins | 3Q21 - 3Q23



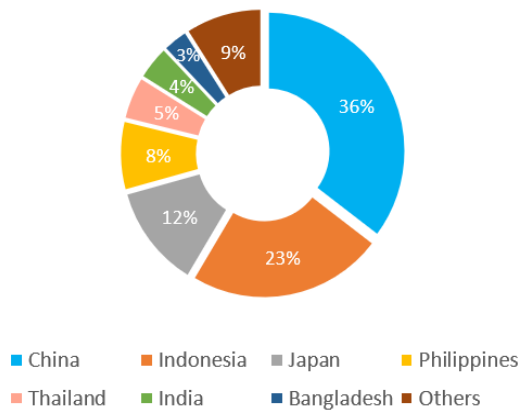
Source: Company Data, NHKSI Research

### ITMG Quarterly Revenue (IDR Bn) | 3Q21 - 3Q23



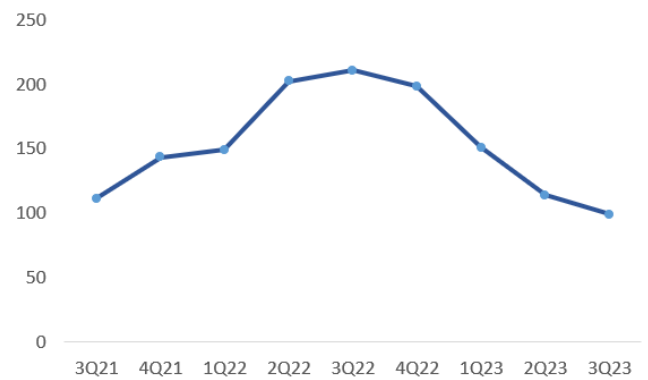
Source: Company Data, NHKSI Research

### ITMG Coal Sales Destination | 9M23



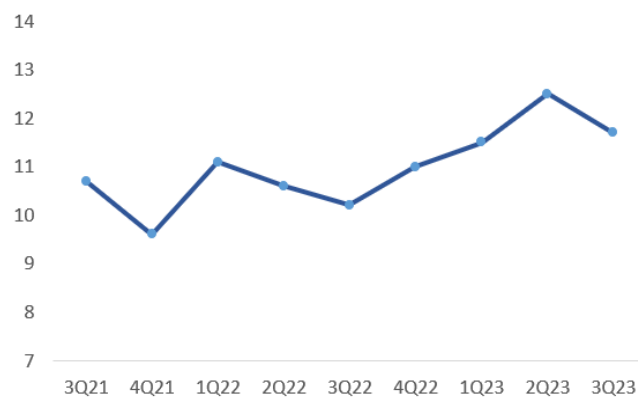
Source: Company Data, NHKSI Research

### ITMG Average Selling Price (USD/Ton) | 3Q21 - 3Q23



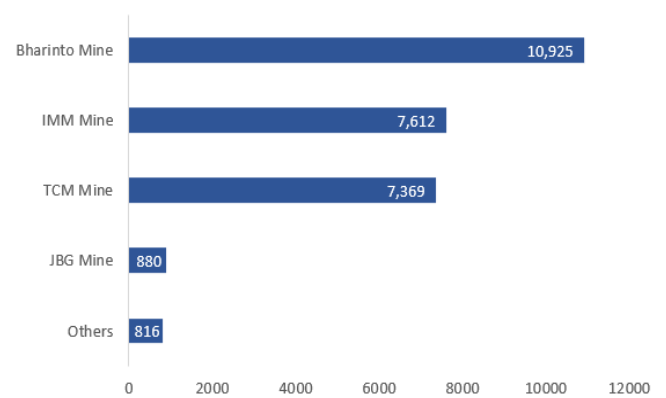
Source: Company Data, NHKSI Research

### ITMG Quarterly Strip Ratio (bcm/t) | 3Q21 - 3Q23



Source: Company Data, NHKSI Research

### ITMG Revenue Breakdown (IDR Bn) | 9M23



Source: Company Data, NHKSI Research

## Summary of Financials

### INCOME STATEMENT

(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
<b>Revenue</b>	<b>54,271</b>	<b>35,522</b>	<b>32,437</b>	<b>31,149</b>
<i>Growth</i>	82.5%	-34.5%	-8.7%	-4.0%
COGS	26,028	23,922	22,025	21,462
<b>Gross Profit</b>	<b>28,242</b>	<b>11,601</b>	<b>10,412</b>	<b>9,687</b>
<i>Gross Margin</i>	52.0%	32.7%	32.1%	31.1%
Operating Expenses	(3,173)	(2,381)	(2,206)	(2,180)
<b>EBIT</b>	<b>25,070</b>	<b>9,219</b>	<b>8,207</b>	<b>7,507</b>
<i>EBIT Margin</i>	46.2%	26.0%	25.3%	24.1%
Depreciation	2,502	1,554	1,148	1,180
<b>EBITDA</b>	<b>27,572</b>	<b>10,773</b>	<b>9,354</b>	<b>8,687</b>
<i>EBITDA Margin</i>	50.8%	30.3%	28.8%	27.9%
<b>EBT</b>	<b>23,036</b>	<b>9,787</b>	<b>7,556</b>	<b>7,154</b>
Income Tax	5,153	2,192	1,617	1,502
Minority Interest	(11)	(8)	(6)	(6)
<b>Net Profit</b>	<b>17,894</b>	<b>7,601</b>	<b>5,945</b>	<b>5,657</b>
<i>Growth</i>	162.8%	-57.5%	-21.8%	-4.8%
<i>Net Profit Margin</i>	33.0%	21.4%	18.3%	18.2%

### BALANCE SHEET

(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Cash	22,180	14,596	14,891	16,026
Receivables	4,349	2,437	2,222	1,707
Inventories	1,490	1,353	1,111	1,067
<b>Total Current Assets</b>	<b>29,596</b>	<b>21,007</b>	<b>21,500</b>	<b>22,567</b>
Net Fixed Assets	6,257	6,285	6,449	6,758
Other Non Current Assets	5,088	7,645	8,473	8,999
<b>Total Assets</b>	<b>40,941</b>	<b>34,938</b>	<b>36,422</b>	<b>38,324</b>
Payables	8,138	4,878	4,621	4,438
ST Debt	569	467	980	1,052
LT Debt	204	220	461	495
<b>Total Liabilities</b>	<b>10,698</b>	<b>7,249</b>	<b>7,590</b>	<b>7,372</b>
Capital Stock	991	989	989	989
Retained Earnings	23,491	20,746	21,940	24,032
<b>Shareholders' Equity</b>	<b>30,243</b>	<b>27,689</b>	<b>28,832</b>	<b>30,952</b>

### CASH FLOW STATEMENT

(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Operating Cash Flow	19,951	5,316	6,527	6,554
Investing Cash Flow	(1,071)	(2,502)	(2,641)	(2,476)
Financing Cash Flow	(7,669)	(10,080)	(3,632)	(2,973)
<b>Net Changes in Cash</b>	<b>11,059</b>	<b>(7,228)</b>	<b>295</b>	<b>1,135</b>

### PROFITABILITY & STABILITY

	2022/12A	2023/12F	2024/12F	2025/12F
ROE	75.6%	26.2%	21.0%	18.9%
ROA	55.3%	20.0%	16.7%	15.1%
Inventory Turnover	36.4	26.3	29.2	29.2
Days Inventory Outstanding	10.0	13.9	12.5	12.5
Receivables Turnover	8.2	13.3	14.6	18.3
Account Receivable Days	44.7	27.4	25.0	20.0
Dividend Yield (%)	28.4%	35.2%	16.6%	12.4%
Payout Ratio (%)	45.5%	132.8%	79.9%	63.0%
DER	2.6%	2.5%	5.0%	5.0%
Current Ratio	3.3	3.8	3.8	4.1
Quick Ratio	2.6	2.9	2.8	3.1
DAR	2%	2%	4%	4%
Total Shares (mn)	1,129	1,129	1,129	1,129
Share Price (IDR)	25,425	25,425	25,425	25,425
Market Cap (IDR tn)	28.7	28.7	28.7	28.7

### VALUATION INDEX

	2022/12A	2023/12F	2024/12F	2025/12F
Price/Earnings	1.6x	3.8x	4.8x	5.1x
Price/Book Value	0.9x	1.0x	1.0x	0.9x
EV/EBITDA	0.3x	1.4x	1.6x	1.6x
EV (IDR bn)	7,224	14,823	15,203	14,193
BVPS (IDR)	26,787	24,526	25,538	27,416
Basic EPS (IDR)	15,835	6,727	5,261	5,006

### TOP OWNERSHIP

Shareholders	%
Banpu Minerals Private Limited	65.1
Public	34.9

By Geography	%
Singapore	65.1
Indonesia	27.8
Others	7.1

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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