

# Telekomunikasi Indonesia Tbk (TLKM)

## Optimalisasi Kinerja Pasca Sinergi Tsel-Indihome

Per periode 9M23, pendapatan TLKM bertumbuh 2.2% menjadi IDR 111.24T secara YoY (9M22: IDR 108.87T). Operating Profit meningkat cukup signifikan 10.8% YoY menjadi IDR 34.98T (9M22: IDR 31.57T). Nilai EBITDA secara YoY menurun sejumlah -0.7% menjadi IDR 59.063T (9M22: IDR 59.459T). Net profit dari TLKM secara YoY mengalami kenaikan 17.6% YoY menjadi IDR 19.50T (9M22: IDR 16.58T). Merger dari Tsel dan Indihome ini cukup berkontribusi positif terhadap kinerja Telkomsel dan Indihome, dimana cukup tercermin dari efisiensi yang ditunjukkan TLKM dan kinerja operasional Tsel dan Indihome.

### Kinerja TLKM yang Kembali Optimal Pasca Merger Tsel-Indihome

- Pertumbuhan Pendapatan di Periode 9M23 ini sebagian besar disumbang oleh segmen Data, Internet & IT Services yang bertumbuh 4.8% YoY menjadi IDR 63.37T (9M22: IDR 60.47T) dan segmen Indihome yang masih bertumbuh 4.3% YoY menjadi IDR 21.79T (9M22: IDR 20.89T). Segmen yang mengalami penurunan cukup drastis dan tren turun adalah segmen SMS, Fixed & Cellular Voice yang menurun 20.8% YoY menjadi IDR 10.81T (9M22: IDR 13.66T) dikarenakan adanya peralihan perubahan perilaku konsumen yang merupakan imbas kanibalisasi akibat perubahan tren yang lebih mengarah pada aplikasi Instant Messaging (OTT). Segmen lain seperti Interconnection mengalami pertumbuhan 7.8% YoY menjadi IDR 6.63T dan Segmen lain—lain seperti Jaringan dan Servis lain (Sewa Menara) mengalami pertumbuhan 12.2% YoY menjadi IDR 8.64T.
- Per periode 9M23, Opex (Beban operasional) naik 5.6% YoY ke level IDR 52.17T (9M22: IDR 49.42T). Hal ini terutama dipicu oleh peningkatan biaya O&M (Operation and Maintenance) sebagai kontributor terbesar dari Opex yang mengalami kenaikan 6.4% YoY menjadi IDR 28.86T (9M22: IDR 27.17T) dimana biaya ini disebabkan dari penggunaan frekuensi spektrum yang lebih tinggi untuk menjaga kapasitas & meningkatkan kualitas jaringan TLKM. Selain itu, di periode ini biaya lain yang berkontribusi meningkatkan Opex TLKM di 9M23 ini adalah biaya segmen Interconnection, +17.1% YoY menjadi IDR 4.52T (9M22: IDR 3.86T) yang ditujukan untuk menumbuhkan segmen wholesale voice di skala internasional. Pasca merger antara Tsel-Indihome, biaya dari G&A hanya meningkat 1.6% YoY menjadi IDR 4.52T (9M22: 4.45T) dan biaya marketing berhasil tertekan -6.9% YoY menjadi IDR 2.59T di 9M23 (9M22: IDR 2.78T) akibat efisiensi dari pasca merger dan promosi yang lebih selektif.

### Kinerja Operasional Tsel Yang Meningkat

- Pendapatan Tsel di 9M23 mengalami pertumbuhan stagnan 0.6% secara YoY dan 0.3% QoQ menjadi IDR 66.59T (9M22: IDR 66.16T & 2Q23: IDR 22.51T). Pertumbuhan ini masih ditopang segmen Digital Business yang mencetak pertumbuhan +7.0% YoY dan +0.5% QoQ untuk meredakan tren penurunan dari bisnis Tsel di Segmen Legacy (-26.5% YoY & -0.7% QoQ) akibat adanya perubahan perilaku serta transisi komunikasi yang lebih condong ke Data & efek Instant Messaging (OTT).
- Berdasarkan kinerja operasional Tsel terkait dengan jumlah pelanggan, adapun jumlah pelanggan dari Telkomsel (TSEL) turun secara YoY sebesar -1.0% namun sudah mulai ontrack kembali mengalami kenaikan secara QoQ +3.3% menjadi 158.3 juta (9M22: 159.836 juta & 6M23: 153.27 juta) yang disebabkan oleh pembersihan pelanggan yang bertujuan untuk mengoptimalkan jumlah pelanggan yang lebih produktif. Jumlah basis pelanggan yang sudah mulai stabil ini juga mendukung peningkatan produktivitas dan kualitas pelanggan yang ditunjukkan melalui angka ARPU yang meningkat cukup solid pasca sinergi antara Tsel-Indihome dimana meningkat 11.4% YoY menjadi 47.8k/User (9M22 : 42.3k/User).

### Rekomendasi Buy dengan Target Price IDR 4.800 (+29.0%)

- NHKS Research mempertahankan Rating BUY untuk saham TLKM dalam 12 bulan kedepan. Adapun target harga kami merefleksikan nilai FY23 F EV/EBITDA di level 6.5x. Rekomendasi ini didukung dengan pertumbuhan berkelanjutan dan efisiensi kinerja dari TLKM. Yang menjadi risiko dari call ini adalah risiko persaingan dan kompetisi di industri Telekomunikasi yang semakin intens dan ketat.

### Telekomunikasi Indonesia Tbk | Summary (IDR bn)

	2022/12A	2023/12F	2024/12F	2025/12F
Revenue	147,306	155,393	166,931	185,034
<b>Sales growth</b>	5.5%	7.4%	10.8%	12.9%
EBITDA	78,992	80,546	87,904	97,046
Net profit	20,753	26,366	28,381	31,912
EPS (IDR)	209	266	286	322
<b>EPS growth</b>	-16.2%	27.0%	7.6%	12.4%
BVPS (IDR)	1,507	1,579	1,663	1,764
EBITDA margin	53.6%	51.8%	52.7%	52.4%
NPM	14.1%	17.0%	17.0%	17.2%
ROE	13.9%	16.9%	17.2%	18.3%
ROA	7.5%	9.3%	9.5%	10.1%
ROIC	14.4%	16.2%	16.7%	17.8%
P/E	17.8x	18.0x	18.2x	17.1x
P/BV	2.5x	3.0x	3.1x	3.1x
EV/EBITDA	5.6x	6.4x	6.3x	5.8x
DPS (IDR)	168	212	221	243
<b>Dividend yield</b>	4.5%	4.4%	4.3%	4.4%

Source: Company Data, Bloomberg, NHKS Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

## BUY

Target Price (IDR)	4,800
Consensus Price (IDR)	4,659
TP to Consensus Price vs. Last Price	+3.03%
	+29.0%

### Shares data

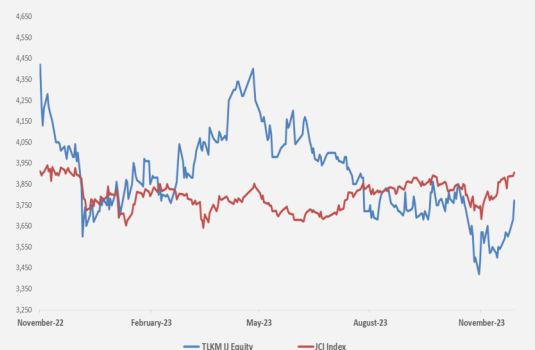
Last Price (IDR)	3,720
Price date as of	November 29, 2023
52 wk range (Hi/Lo)	4,770 / 3,570
Free float	47.86%
Outstanding Shares (mn)	99,062
Market Cap (IDR bn)	373,464
Market Cap (USD mn)	24,589
Avg. Trd Vol - 3M (mn)	102,967
Avg. Trd Val - 3M (bn)	408,142
Foreign Ownership	23.20%

### Infrastructure

#### Telecommunication

Bloomberg	TLKM.IJ
Reuters	TLKM.JK

### Share Price Performance



	YTD	1M	3M	12M
Abs. Ret	-2.1%	8.8%	0.0%	-6.5%
Rel. Ret	-4.8%	4.3%	-2.0%	-6.9%

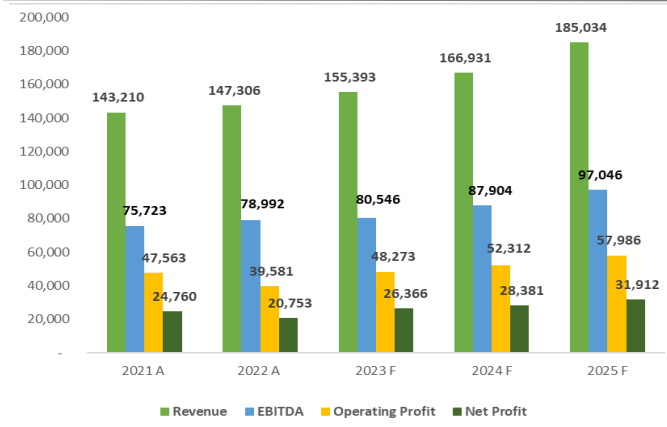
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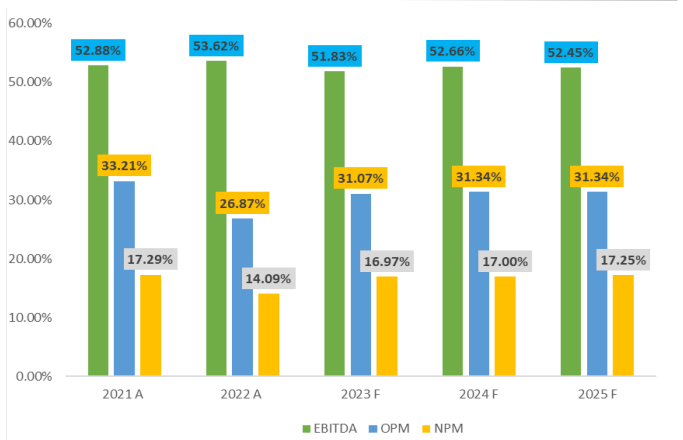
# Performance Highlights

## TLKM Profitability (IDR Billion)



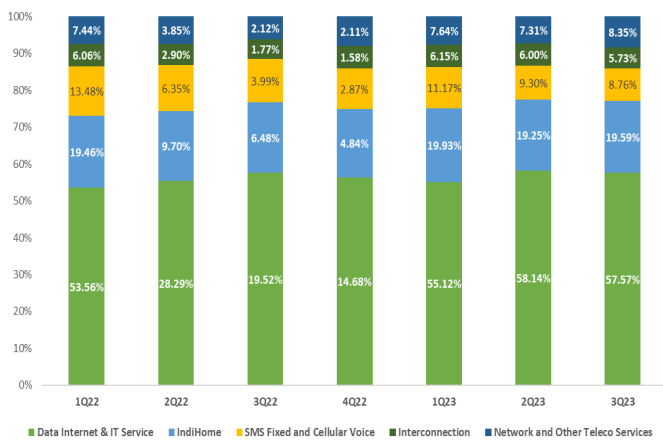
Source: Company, NHKSI Research

## TLKM Profitability Margin (%)



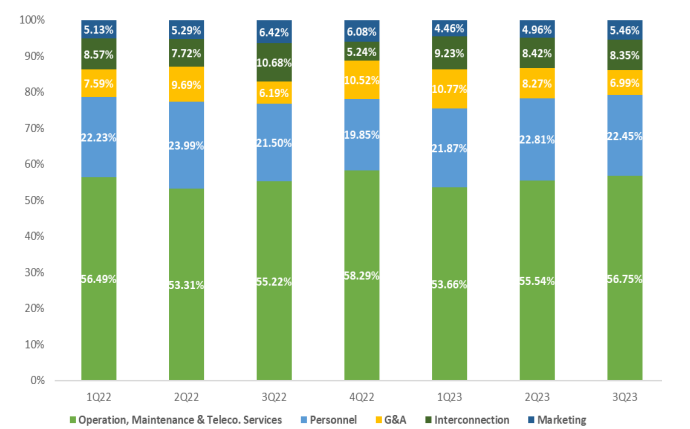
Source: Company, NHKSI Research

## Revenue Contribution Per Segment (Quarterly)



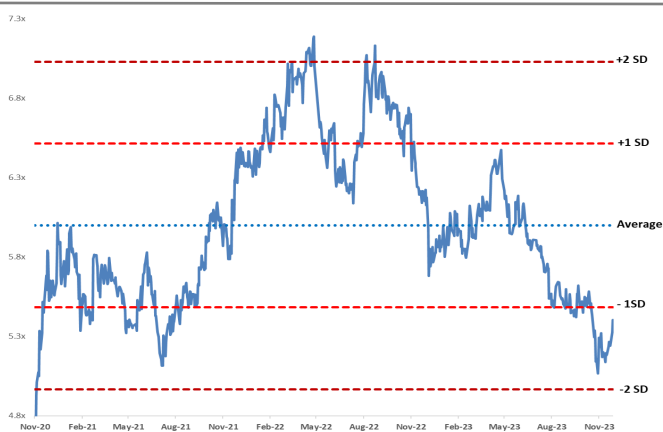
Source: Company, NHKSI Research

## Opex Breakdown Per Category (Quarterly)



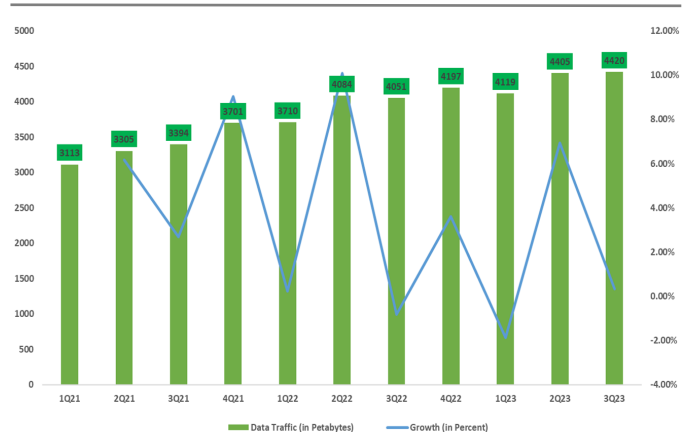
Source: Company, NHKSI Research

## F-EV/EBITDA | Last 3-Years



Source: Company, NHKSI Research

## Tsel Traffic Mobile Data (In Petabytes)



Source: Company, NHKSI Research

## Summary of Financials

### INCOME STATEMENT

(IDR Bn)	2022/12A	2023/12F	2024/12F	2025/12F
Revenue	147,306	155,393	166,931	185,034
Growth	5.5%	7.4%	10.8%	12.9%
Gross Profit	147,306	155,393	166,931	185,034
Operating Expenses	(107,725)	(107,120)	(114,618)	(127,047)
EBIT	39,581	48,273	52,312	57,986
EBIT Margin	26.9%	31.1%	31.3%	31.3%
Depreciation	33,255	32,273	35,592	39,060
EBITDA	78,992	80,546	87,904	97,046
EBITDA Margin	53.6%	51.8%	52.7%	52.4%
Interest Expenses	(3,242)	(3,942)	(4,672)	(5,001)
EBT	36,339	44,330	47,640	52,985
Income Tax	(8,659)	(10,563)	(11,352)	(12,626)
Minority Interest	(6,927)	(7,401)	(7,907)	(8,448)
Net Profit	20,753	26,366	28,381	31,912
Growth	-16.2%	27.0%	7.6%	12.4%
Net Profit Margin	14.1%	17.0%	17.0%	17.2%

### PROFITABILITY & STABILITY

	2022/12A	2023/12F	2024/12F	2025/12F
ROE	13.9%	16.9%	17.2%	18.3%
ROA	7.5%	9.3%	9.5%	10.1%
ROIC	14.4%	16.2%	16.7%	17.8%
Cash Dividend (IDR bn)	16,602	21,025	21,930	24,040
Dividend Yield	4.5%	4.4%	4.3%	4.4%
Payout Ratio	80.0%	79.7%	77.3%	75.3%
DER	84.4%	81.5%	81.6%	80.9%
Net Gearing	0.61	0.71	0.72	0.66
LT Debt to Equity	27.6%	31.7%	31.3%	29.5%
Capitalization Ratio	28.9%	31.1%	30.9%	29.6%
Equity Ratio	54.2%	55.1%	55.1%	55.3%
Debt Ratio	22.0%	24.9%	24.6%	23.3%
Financial Leverage	182.2%	196.6%	196.8%	187.5%
Current Ratio	78.2%	89.6%	100.5%	117.3%
Par Value (IDR)	50	50	50	50
Total Shares (mn)	99,062	99,062	99,062	99,062
Share Price (IDR)	3,720	4,800	5,200	5,500
Market Cap (IDR tn)	368.5	475.5	515.1	544.8

### BALANCE SHEET

(IDR Bn)	2022/12A	2023/12F	2024/12F	2025/12F
Cash	31,947	31,063	39,315	53,106
Receivables	12,685	14,676	16,229	18,503
Inventories	1,144	815	874	971
Total Current Assets	55,057	56,344	66,936	84,238
Net Fixed Assets	189,809	195,535	197,943	193,883
Other Non Current Assets	30,326	31,991	34,366	38,093
Total Assets	275,192	283,870	299,245	316,215
Payables	46,032	36,563	39,053	43,627
ST Bank Loan	19,431	21,098	21,989	22,002
LT Debt	41,218	49,516	51,607	51,637
Total Liabilities	125,930	127,483	134,463	141,444
Capital Stock	7,664	7,664	7,664	7,664
Retained Earnings	111,897	117,238	123,689	131,561
Shareholders' Equity	149,262	156,387	164,782	174,771

### VALUATION INDEX

	2022/12A	2023/12F	2024/12F	2025/12F
Price/Earnings	17.8x	18.0x	18.2x	17.1x
Price/Book Value	2.5x	3.0x	3.1x	3.1x
Price/Sales	2.5x	3.1x	3.1x	2.9x
PE/EPS Growth	-1.1x	0.7x	2.4x	1.4x
EV/EBITDA	5.6x	6.4x	6.3x	5.8x
EV/EBIT	11.2x	10.7x	10.5x	9.8x
EV (IDR bn)	441,791	515,050	549,405	565,374
Sales CAGR (3-Yr)	2.8%	4.4%	5.2%	7.9%
EPS CAGR (3-Yr)	3.6%	8.2%	4.7%	15.4%
Basic EPS (IDR)	209	266	286	322
Diluted EPS (IDR)	209	266	286	322
BVPS (IDR)	1,507	1,579	1,663	1,764
Sales PS (IDR)	1,487	1,569	1,685	1,868
DPS (IDR)	168	212	221	243

### CASH FLOW STATEMENT

(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Operating Cash Flow	54,478	47,269	64,509	72,639
Investing Cash Flow	(37,483)	(39,664)	(40,375)	(38,727)
Financing Cash Flow	(26,820)	(8,489)	(15,882)	(20,121)
Net Changes in Cash	(9,825)	(884)	8,252	13,791

### OWNERSHIP

By Geography	% Shareholders	%
Indonesia	73.51	Rep. of Indonesia 52.09
United States	14.56	Bank of New York 3.76
Luxembourg	3.58	Vanguard Group Inc. 2.01
Others	8.35	Others 42.14

Source: Bloomberg, 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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