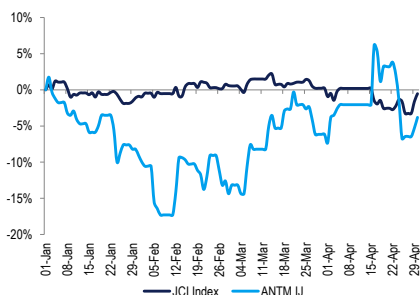


Stock Data

Target price	Rp1,800
Prior TP	Rp1,800
Current price	Rp1,640
Upside/downside	+10%
Shares outstanding (mn)	24,031
Market cap (Rp bn)	39,410
Free float	35%
Avg. 6m daily T/O (Rp bn)	92

Price Performance

	3M	6M	12M
Absolute	4.8%	-4.9%	-20.4%
Relative to JCI	3.7%	-12.3%	-25.8%
52w low/high (Rp)	1,410 – 2,130		



Major Shareholders

Mineral Industri Indonesia	65.0%
----------------------------	-------

Ryan Winipta

PT Indo Premier Sekuritas
 ryan.winipta@ipc.co.id
 +62 21 5088 7168 ext. 718

Reggie Parengkuan

PT Indo Premier Sekuritas
 reggie.parengkuan@ipc.co.id
 +62 21 5088 7168 ext. 714

1Q24 result: below consensus but drop in NP was expected

- ANTM reported NP of Rp238bn in 1Q24 (+4% qoq/-86% yoy), below ours/consensus expectation (7%/8% IPS/cons).
- As highlighted in our 1Q24F preview ([report](#)), the negative performance is expected, as nickel-ore sales volume was limited due to RKAB issues.
- We think potential -ve share-price reaction post soft 1Q result is a buying opportunity. Maintain our Buy rating with Rp1,800/share TP.

1Q24: negative EBIT but positive on bottom-line on one-off & WBN

ANTM reported NP of Rp238bn in 1Q24 (+4% qoq/-86% yoy), which was below ours and consensus forecast (7%/8% IPS/cons). The soft NP was primarily driven by RKAB issues, which led to limited nickel ore, ferronickel, and bauxite ore sales in 1Q24. As a result, revenue of Rp8.6tr was below ours/consensus forecast (21%/19%) with negative EBIT recorded in 1Q24. Below operating line, income from WBN Rp194bn, Rp248bn forex gain, and Rp55bn other income helped to turn negative EBIT into positive NP.

Operational: robust gold volume, but nickel ore volume was limited

Gold sales volume was robust with +7% qoq increase at 228.7k oz in 1Q24, which was broadly in-line with our FY24F forecast (c.29% IPS) as we have already taken into account Lebaran seasonality in which trading frequency is higher. However, ANTM only recorded 1mn wmt nickel-ore sales (-57% yoy/-71% qoq), which was below FY24F management guidance with 1Q24 achievement at 5%.

Existing ore-sales and gold-sales volume guidance may be unrealistic

We would like to highlight the possibility of guidance revision for nickel-ore and gold-sales volume in the upcoming earnings call with management, as: 1) RKAB issues took longer than what company and industry players initially expected – but on positive side, ANTM could benefit from premium to benchmark price, while on gold, 2) we expect elevated gold price to negatively affect gold-trading volume, similar to historical precedents. Thus, we think guidance revision is highly likely.

Maintain Buy rating with an unchanged TP of Rp1,800/share

We have previously flagged the soft 1Q24F result and hence this shall not change our bottom-up thesis on ore scarcity and ANTM's ability to benefit from recent nickel-ore dynamics in Indonesia. We kept our forecast unchanged for now, pending the details from the upcoming earnings call on 6th of May and re-iterate our Buy rating with an unchanged TP of Rp1,800/share (based on 13x FY24F P/E).

Financial Summary (US\$ mn)	2021A	2022A	2023F	2024F	2025F
Revenue	38,446	45,930	41,344	40,998	40,137
EBITDA	3,629	4,800	4,909	5,024	5,508
Net profit	1,862	3,821	3,476	3,304	3,690
EPS growth	62%	105%	-9%	-5%	12%
ROE	9%	16%	14%	12%	13%
PER (x)	19.4	9.4	10.4	10.9	9.8
EV/EBITDA (x)	10.2	7.2	6.6	5.9	5.3
Dividend yield	1%	3%	5%	5%	5%
IPS vs. consensus			93%	98%	106%

Source: Company, Indo Premier

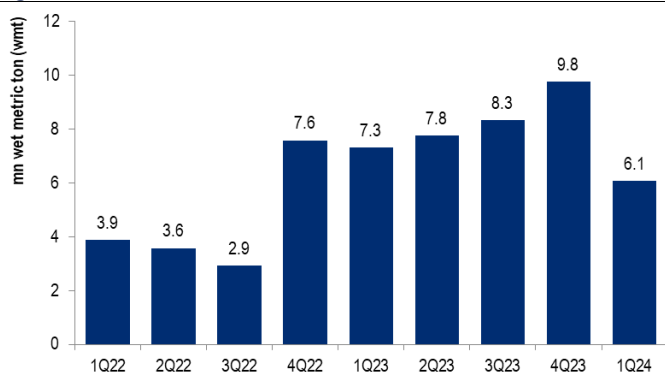
Share price closing as of: 30 April 2024

Fig. 1: ANTM's sales guidance vs. FY23

Item	Metrics	Guidance	FY23	yoy (%) increase
Sales volume				
Nickel ore	mn w mt	18.8	11.7	60%
Ferronickel	ton Ni	22,464	20,138	12%
Gold sales	k oz	1,201	840	43%
Bauxite ore	mn w mt	3.1	1.5	103%
Production volume				
Nickel ore	mn w mt	20.6	13.5	53%
Ferronickel	ton Ni	22,464	21,473	5%
Bauxite ore	mn w mt	3.5	2.0	73%

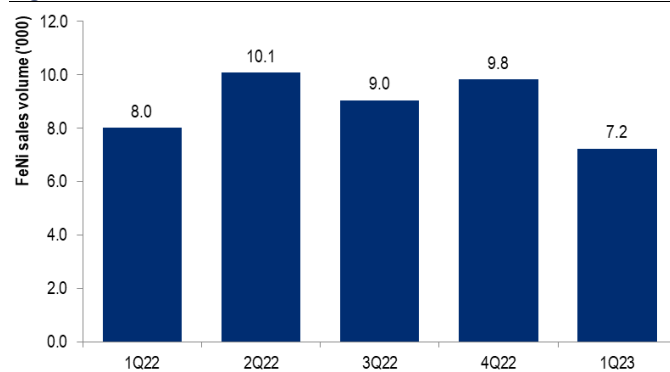
Source: Company data, Indo Premier

Fig. 2: WBN ore-sales



Source: Bloomberg, LME, Indo Premier

Fig. 3: WBN FeNi sales



Source: Bloomberg, KSEI, Indo Premier

Fig. 4: ANTM 1Q24 result

ANTM 1Q24 result	1Q24	1Q23	% yoy	4Q23	% qoq	IPS FY24F	% IPS	Cons. FY24F	% Cons.
Revenue	8,621	11,593	-26%	10,149	-15%	40,998	21%	46,019	19%
COGS	8,370	8,744	-4%	9,932	-16%				
Gross profit	251	2,850	-91%	217	15%	7,270	3%	7,358	3%
Operating expenses	742	938	-21%	945	-22%				
EBIT	(491)	1,911	na	(728)	na	3,714	-13%	3,114	-16%
Net interest income (expenses)	79	(42)	na	97	-18%				
Income from associates/JV	194	444	-56%	224	-13%				
Other income (expenses)	303	(194)	na	578	-48%				
Pre-tax profit	86	2,120	-96%	170	-50%				
Corporate income tax	125	(456)	na	59	113%				
Minority interests	28	-	na	0	na				
Net profit	238	1,663	-86%	229	4%	3,304	7%	3,032	8%

Source: Bloomberg, Indo Premier

Fig. 5: ANTM 1Q24 operational data summary

ANTM 1Q24 operational data	1Q24	1Q23	% yoy	4Q23	% qoq	IPS FY24F	% IPS	Guidance	% Gui
Production									
Gold (k oz)	5.3	9.8	-45%	9.6	-45%				
Ferronickel (k ton)	4.8	5.4	-12%	5.7	-16%				
Nickel ore (k w mt)	1,440	3,410	-58%	2,772	-48%				
Bauxite ore (k w mt)	153.0	347.1	-56%	597.0	-74%				
Alumina (k t)	24.8	41.0	-40%	46.4	-47%				
Sales									
Gold (k oz)	228.7	232.2	-2%	214.4	7%	789	29%	1,201	19%
Ferronickel (k ton)	-	4.3	-100%	6.0	-100%	15.2	0%	22.5	0%
Nickel ore (k w mt)	1,000	3,440	-71%	2,298.9	-57%	14,000	7%	18,750	5%
Bauxite ore (k w mt)	-	84.3	-100%	511.3	-100%	1,750	0%	3,050	0%
Alumina (k t)	38.9	33.1	18%	37.9	3%	164	24%	170	23%
ASP									
Gold (US\$/oz)	2,123	1,983	7%	2,071	3%	2,033	104%		
Ferronickel (US\$/t)	na	18,460	na	13,529	na	13,000	na		
Nickel ore (US\$/w mt)	34	57	-41%	43	-22%	40	85%		
Bauxite ore (US\$/w mt)	na	24	na	20	na	24	na		
Alumina (US\$/t)	573	588	-3%	473	na	651	na		

Source: Bloomberg, Indo Premier

Fig. 6: Valuation band



Source: Company, Indo Premier

Fig. 7: Peers comparison table

Ticker	Company	Rating	Target price (Rp/share)	P/E			EV/EBITDA			Dividend yield (%)		
				24F	25F	26F	24F	25F	26F	24F	25F	26F
ADMR IJ	Adaro Minerals Indonesia	Buy	1,650	8.7	8.4	6.6	7.3	8.1	7.3	N/A	N/A	N/A
ANTM IJ	Aneka Tambang	Buy	1,800	11.6	10.4	N/A	6.4	5.7	N/A	4.5%	4.3%	N/A
HRUM IJ	Harum Energy	Buy	1,450	8.7	9.1	7.3	6.7	6.3	4.3	N/A	N/A	N/A
INCO IJ	Vale Indonesia	Hold	4,250	32.9	124.3	126.9	9.7	12.6	10.4	N/A	N/A	N/A
MBMA IJ	Merdeka Battery Materials	Buy	700	42.3	18.2	14.4	14.3	8.6	7.0	N/A	N/A	N/A
MDKA IJ	Merdeka Copper Gold	Buy	3,100	179.7	75.1	50.0	12.3	9.5	7.9	N/A	N/A	N/A
NCKL IJ	Trimegah Bangun Persada	Buy	1,050	9.0	7.3	N/A	5.9	4.6	N/A	2.8%	3.3%	N/A

Source: Bloomberg, Indo Premier

Income Statement (US\$ mn)	2021A	2022A	2023F	2024F	2025F
Net revenue	38,446	45,930	41,344	40,998	40,137
Cost of sales	(32,087)	(37,720)	(34,099)	(33,729)	(32,347)
Gross profit	6,359	8,211	7,246	7,270	7,790
SG&A Expenses	(3,621)	(4,269)	(3,613)	(3,556)	(3,630)
Operating profit	2,738	3,942	3,633	3,714	4,160
Net interest	(269)	(296)	(202)	(194)	(150)
Income from associates	453	931	771	716	721
Others	122	638	255	0	0
Pre-tax income	3,044	5,215	4,457	4,236	4,731
Income tax	(1,182)	(1,394)	(980)	(932)	(1,041)
Minority interest	(0)	(0)	0	0	0
Net income	1,862	3,821	3,476	3,304	3,690

Balance Sheet (US\$ mn)	2021A	2022A	2023F	2024F	2025F
Cash & equivalent	5,089	4,476	7,021	9,393	10,187
Receivable	1,448	1,833	919	911	892
Inventory	3,107	2,906	3,031	2,998	2,875
Other current assets	2,084	2,480	1,753	1,694	1,694
Total current assets	11,728	11,695	12,724	14,996	15,648
Fixed assets	16,864	16,472	16,538	16,571	16,570
Other non-current assets	4,324	5,471	5,459	5,844	6,023
Total non-current assets	21,188	21,942	21,997	22,415	22,593
Total assets	32,916	33,637	34,721	37,411	38,241
ST loans	1,089	189	1,320	1,320	1,320
Payable	1,399	1,302	1,042	1,031	988
Other payables	0	0	0	0	0
Current portion of LT loans	0	0	0	0	0
Other current liabilities	4,074	4,481	3,219	3,219	1,931
Total current liab.	6,562	5,972	5,581	5,569	4,239
Long term loans	3,703	2,082	1,672	1,672	1,672
Other LT liab.	1,813	1,871	2,190	3,326	3,447
Total non-current liabilities	5,517	3,954	3,862	4,998	5,120
Total liabilities	12,079	9,925	9,443	10,567	9,359
Equity	6,338	6,338	6,338	6,338	6,338
Retained earnings	10,272	13,143	14,708	16,274	18,312
Minority interest	4,228	4,232	4,232	4,232	4,232
Total SHE + minority int.	20,837	23,712	25,278	26,844	28,882
Total liabilities & equity	32,916	33,637	34,721	37,411	38,241

Source: Company, Indo Premier

Cash Flow Statement (US\$ mn)	2021A	2022A	2023F	2024F	2025F
Net income	2,471	3,517	3,470	3,096	3,501
Depr. & amortization	891	858	1,286	1,319	1,353
Changes in working capital	(414)	167	647	88	(980)
Others	0	0	0	0	0
Cash flow from operating	2,948	4,542	5,403	4,503	3,875
Capital expenditure	609	(432)	(1,357)	(1,306)	(1,306)
Others	(651)	(916)	423	913	(122)
Cash flow from investing	(41)	(1,348)	(933)	(393)	(1,429)
Loans	(1,738)	(2,860)	(15)	0	0
Equity	312	4	0	0	0
Dividends	(402)	(931)	(1,910)	(1,738)	(1,652)
Others	0	0	0	0	0
Cash flow from financing	(1,828)	(3,787)	(1,925)	(1,738)	(1,652)
Changes in cash	1,079	(594)	2,544	2,372	794

Key Ratios	2021A	2022A	2023F	2024F	2025F
Gross margin	17%	18%	18%	18%	19%
Operating margin	7%	9%	9%	9%	10%
Pre-tax margin	8%	11%	11%	10%	12%
Net margin	5%	8%	8%	8%	9%
ROA	6%	11%	10%	9%	10%
ROE	9%	16%	14%	12%	13%
Acct. receivables TO (days)	26.6	25.1	45.0	45.0	45.0
Inventory TO (days)	10.3	13.0	11.3	11.3	11.3
Payable TO (days)	22.9	29.0	32.7	32.7	32.7
Debt to equity	0.3	0.1	0.1	0.1	0.1
Interest coverage ratio (x)	7.6	10.3	10.5	9.3	10.4
Net gearing	0.0	(0.1)	(0.2)	(0.2)	(0.2)

Source: Company, Indo Premier