

BUY

Last price	Rp 1,185
Target price	Rp 1,400
Upside potential	18.1 %

General Information

Ticker	TINS
Sector	Basic Materials
52-week range	1,090 - 2,070
Year-to-date return	5.1 %
Last price (13 Jan 2023)	1,185
Target price	1,400
Shares outstanding	7,447,753,454
Market cap.	8,825,587,842,990
Free float	2,606,699,502
Earnings per share (Dec 2021)	175

Source: company, Profindo research

Shareholder structure

Pemerintah Republik Indonesia	-
PT Indonesia Asahan Aluminium ("INALUM")	65.00 %
Public	35.00 %
Total	100.00 %

Source: company, Profindo research

Company Overview

PT Timah Tbk (TINS) merupakan perusahaan yang bergerak di bidang penambangan, pengolahan, dan perdagangan timah. Perseroan melakukan operasi kegiatan usahanya melalui beberapa anak usaha Perseroan. Perseroan beroperasi di daerah Provinsi Bangka Belitung, Provinsi Riau, Kalimantan Selatan, Barat Daya Sulawesi, dan Banten.

Financial Performance

Perseroan mencatatkan penghasilan sebesar Rp 10.2 triliun pada kuartal III tahun 2022. Jumlah ini naik 5% dibanding periode yang sama tahun sebelumnya.

EBITDA Perseroan pada periode ini mengalami peningkatan sebesar 12.8% dibanding periode yang sama tahun sebelumnya. Pada periode ini, EBITDA Perseroan tercatat sebesar Rp 2.2 triliun dengan margin EBITDA sebesar 21.4%.

Perseroan mencatatkan laba bersih sebesar Rp 1.2 trillun, dengan margin laba bersih sebesar 11.3% pada periode ini, dimana nilai laba bersih tersebut naik 87.3% dibanding periode yang sama tahun sebelumnya.

Valuation

Dengan metode valuasi relatif, Perseroan memperoleh rekomendasi BUY dengan target harga Rp 1,400. Rekomendasi ini didasarkan pada rasio Price to Earnings growth (PEG), dengan 3 tahun *earnings forecast* Perseroan sebesar 4.00x.

Research analyst:

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<i>(in ldr. mn.)</i>					
Simplified income statement	2019A	2020A	3Q21	2021A	3Q22
Revenue	19,341,569	15,215,980	9,699,160	14,607,003	10,181,677
Cost of revenue	(18,197,638)	(14,096,099)	(7,702,509)	(11,172,514)	(7,911,496)
Gross profit	1,143,931	1,119,881	1,996,651	3,434,489	2,270,181
Selling expenses	(155,134)	(69,441)	(105,493)	(132,819)	(120,140)
General and administrative expenses	(1,067,241)	(832,986)	(696,826)	(1,062,334)	(643,272)
EBITDA	895,471	1,098,303	1,931,332	3,188,962	2,177,980
Depreciation expenses	(818,781)	(811,408)	(631,507)	(816,807)	(551,071)
EBITA	76,690	286,895	1,299,825	2,372,155	1,626,909
Amortization expenses	-	-	-	-	-
EBIT	76,690	286,895	1,299,825	2,372,155	1,626,909
Financial expenses and other income & expenses	(797,741)	(556,655)	(409,354)	(643,450)	(134,749)
EBT	(721,051)	(269,760)	890,471	1,728,705	1,492,160
Tax expenses	109,767	(70,842)	(278,431)	(425,862)	(346,004)
EAT	(611,284)	(340,602)	612,040	1,302,843	1,146,156

<i>(in %)</i>					
Profit Margin	2019A	2020A	3Q21	2021A	3Q22
Gross profit margin	5.9 %	7.4 %	20.6 %	23.5 %	22.3 %
EBITDA margin	4.6 %	7.2 %	19.9 %	21.8 %	21.4 %
EBIT margin	0.4 %	1.9 %	13.4 %	16.2 %	16.0 %
Net profit margin	(3.2 %)	(2.2 %)	6.3 %	8.9 %	11.3 %

<i>(in ldr. mn.)</i>					
Simplified Balance Sheet	2019A	2020A	3Q21	2021A	3Q22
Assets					
Current assets					
Cash and cash equivalents	1,599,370	807,300	1,101,560	1,782,262	1,401,418
Trade receivables - third parties - net	1,620,118	1,197,782	1,851,230	1,870,901	1,128,492
Other current assets components	9,087,567	4,552,182	3,988,345	3,770,882	3,721,919
Total current assets	12,307,055	6,557,264	6,941,135	7,424,045	6,251,829
Non-current assets					
Fixed assets	3,601,375	3,436,272	3,378,927	3,448,268	3,436,337
Other non-current assets components	4,452,848	4,524,164	3,484,474	3,818,676	3,566,643
Total non-current assets	8,054,223	7,960,436	6,863,401	7,266,944	7,002,980
Total assets	20,361,278	14,517,700	13,804,536	14,690,989	13,254,809
Liabilities					
Current liabilities					
Short-term bank loans	8,343,666	3,802,286	1,776,651	1,533,429	952,829
Trade payables - third parties	1,969,247	884,620	1,061,120	886,385	823,666
Bonds and notes payable - current maturity	600,000	-	1,051,200	1,051,200	-
Long-term bank loans - current maturity	67,845	-	78,107	70,330	160,042
Other current liabilities components	977,427	1,178,259	1,692,754	2,144,646	1,344,782
Total current liabilities	11,958,185	5,865,165	5,659,832	5,685,990	3,281,319
Non-current liabilities					
Bonds payable	2,093,000	2,093,000	806,000	806,000	806,000
Long-term bank loans - net of current maturity	8,830	356,388	460,540	628,498	777,595
Other non-current liabilities components	1,042,858	1,263,011	1,289,001	1,262,081	1,264,222
Total non-current liabilities	3,144,688	3,712,399	2,555,541	2,696,579	2,847,817
Total liabilities	15,102,873	9,577,564	8,215,373	8,382,569	6,129,136
Equity					
Retained earnings	4,950,462	4,609,863	5,487,531	5,912,658	6,602,772
Other equity components	307,943	330,273	101,632	395,762	522,901
Total equity	5,258,405	4,940,136	5,589,163	6,308,420	7,125,673
Total liabilities & equity	20,361,278	14,517,700	13,804,536	14,690,989	13,254,809

<i>(in multiple)</i>					
Current & Debt to Equity Ratios	2019A	2020A	3Q21	2021A	3Q22
Current ratio	1.03 x	1.12 x	1.23 x	1.31 x	1.91 x
Debt to equity ratio	2.11 x	1.27 x	0.75 x	0.65 x	0.38 x

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