

XL Axiata Tbk (EXCL)

PSBB Membawa Dampak Positif bagi Segmen Data

Perseroan mencatatkan pertumbuhan segmen data 16,5% YoY. Segmen data berhasil naik signifikan efek dari penerapan PSBB yang memaksa masyarakat lebih banyak melakukan kegiatan daring dari rumah, seperti *school from home* maupun *work from home*. Disamping itu, kami masih menilai segmen data masih akan berpotensi tumbuh hingga akhir 2020, melihat bahwa permintaan dan kebutuhan trafik data yang masih terus meningkat. Perseroan juga telah memperbanyak kerjasama antar penyedia layanan OTT untuk memperluas jaringan pelanggan dari XL Home.

Kinerja Memuaskan 1H20, Segmen Data Melonjak 16,5% YoY. Perseroan menorehkan kinerja cemerlang selama semester pertama 2020, terbukti bahwa perseroan mampu membukukan pendapatan sebesar Rp13,1 triliun (+6,7% YoY; 1,4% QoQ). Kami melihat pendapatan perseroan ditopang dari tingginya pendapatan di segmen data sebesar Rp10,6 triliun dengan kontribusi 81,3% dan tumbuh 16,5% YoY. Disamping itu, perseroan juga menekan beban umum dan administrasi menjadi Rp171 miliar (-43,7% YoY; -11,9% QoQ) serta keuntungan dari jual dan sewa balik menara yang mencapai Rp1,8 triliun (+778,2% YoY) hingga akhir juni 2020 membuat laba bersih perseroan melonjak menjadi Rp1,7 triliun (+517,4% YoY).

Segmen Data Berpotensi Tumbuh hingga 2H20. Perseroan mencatatkan pertumbuhan data signifikan selama masa PSBB berlangsung dan menjadi kontributor terbesar bagi pendapatan EXCL. Kami melihat masih ada ruang pertumbuhan pendapatan dari segmen data hingga 2H20 dimana pemerintah hingga saat ini masih menerapkan belajar secara daring dan bekerja dari rumah. Disamping itu, kebijakan yang dikeluarkan Gubernur DKI Jakarta untuk memperketat kembali PSBB pada 14 September 2020 akan membawa dampak positif bagi pendapatan data perseroan. Ditambah saat ini perseroan berencana menambah kerjasama dengan penyedia layanan OTT seperti Netflix; Vidio; Genflix; Viu; Youtube dan lainnya. Hal ini akan memperluas jaringan pelanggan yang dapat mengakses layanan broadband dari XL Home. Oleh karena itu, kami optimis pendapatan data perseroan akan tumbuh 5,6% pada 2H20E, dengan target pendapatan kami untuk FY20E sebesar Rp27,3 triliun (+8,6% YoY).

Mempertahankan BUY dengan Target Harga 3,350. Kami mempertahankan rating BUY dengan target harga 3,350 hingga 12 bulan kedepan dengan mencerminkan nilai EV/EBITDA di level 5,5x. Kami optimis kinerja perseroan akan tumbuh hingga akhir 2020, didorong permintaan serta kebutuhan trafik data yang akan terus meningkat hingga 2H20, mengingat PSBB yang masih terus diterapkan. Saat ini EXCL diperdagangkan di level EV/EBITDA 3,8x.

XL Axiata Tbk | Summary (IDR bn)

	2018	2019	2020 F	2021 F
Revenue	22,939	25,133	27,283	28,613
Revenue growth	0.3%	9.6%	8.6%	4.9%
EBITDA	8,584	9,702	12,056	12,207
Net profit	(3,297)	713	1,510	1,535
EPS (IDR)	(308)	67	141	143
BVPS (IDR)	1,716	1,786	1,930	2,074
EBITDA margin	37.4%	38.6%	44.2%	42.7%
NPM	-14.4%	2.8%	5.5%	5.4%
ROE	-18.0%	3.7%	7.3%	6.9%
ROA	-5.7%	1.1%	2.3%	2.2%
DER	1.3x	1.4x	1.5x	1.5x
P/BV	1.7x	1.8x	1.7x	1.6x
EV/EBITDA	6.3x	6.5x	5.4x	5.5x
DPS (IDR)	-	-	-	-
Dividend yield	0.0%	0.0%	0.0%	0.0%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

BUY

Target Price (IDR)	3,350
Consensus Price (IDR)	3,455
TP to Consensus Price	-3.0%
vs. Last Price	+64.2%

Shares data

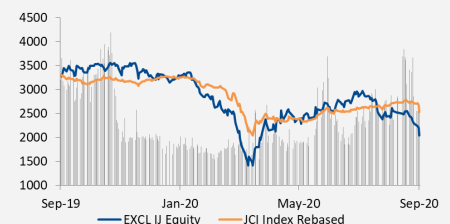
Last Price (IDR)	2,040
Price date as of	Sept. 10, 2020
52 wk range (Hi/Lo)	3,730 / 1,315
Free float	33.6%
Outstanding sh.(mn)	10,706
Market Cap (IDR bn)	23,018
Market Cap (USD mn)	1,540
Avg. Trd Vol - 3M (mn)	17.3
Avg. Trd Val - 3M (bn)	43.9
Foreign Ownership	99.1%

Infrastructure

Telecommunication

Bloomberg	EXCL IJ
Reuters	EXCL.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret	-35.2%	-16.7%	-22.7%	-37.8%
Rel. Ret	-12.9%	-11.6%	-22.1%	-15.0%

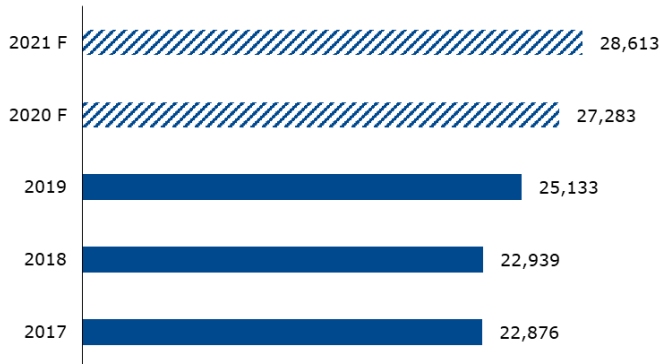
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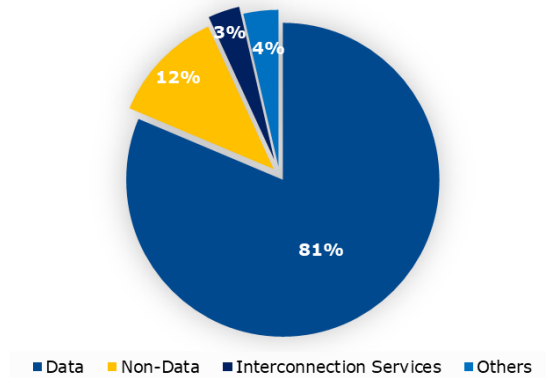
Performance Highlights

Revenue Projections



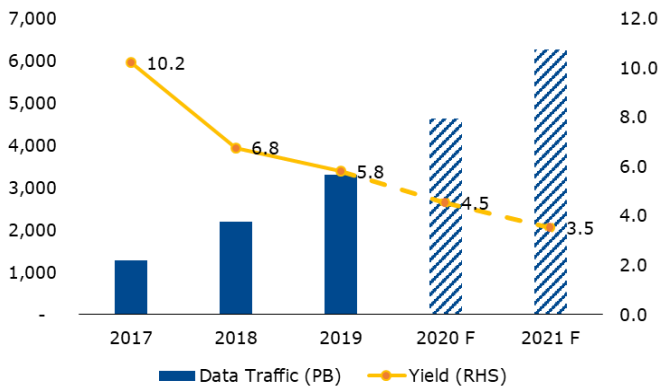
Source: Company, NHKSI Research

Revenue Contributions 1Q20



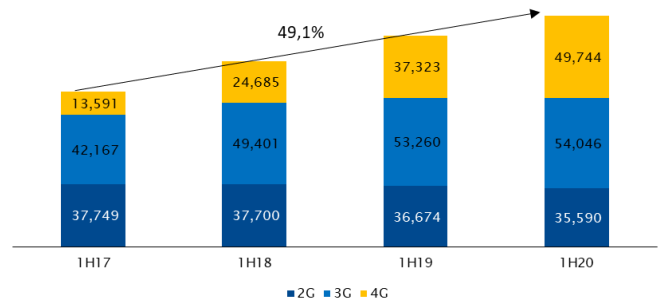
Source: Company, NHKSI Research

Data Traffic (PB) and Yield (IDR/MB)



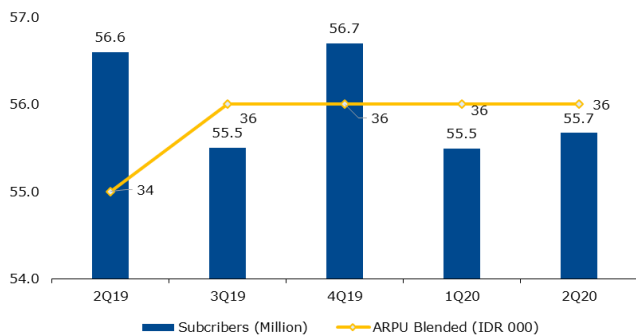
Source: Company, NHKSI Research

BTS Quantity



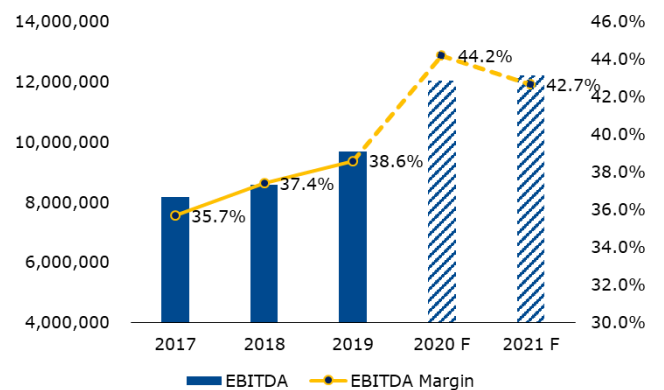
Source: Company, NHKSI Research

Subscribers and ARPU Blended



Source: Company, NHKSI Research

EBITDA Margin



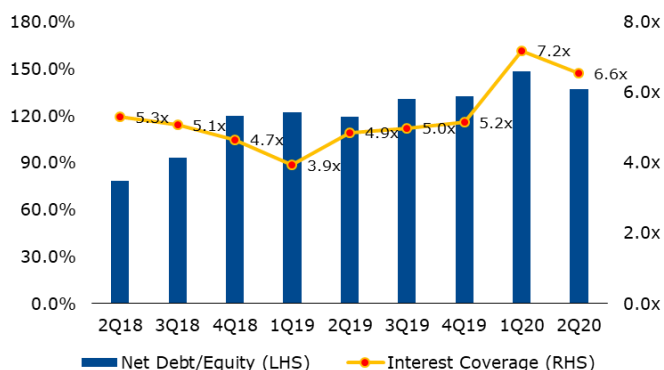
Source: Bloomberg, Company, NHKSI Research

Forward EV/EBITDA Trade in -1SD



Source: NHKSI Research

Leverage



Source: Bloomberg, Company, NHKSI Research

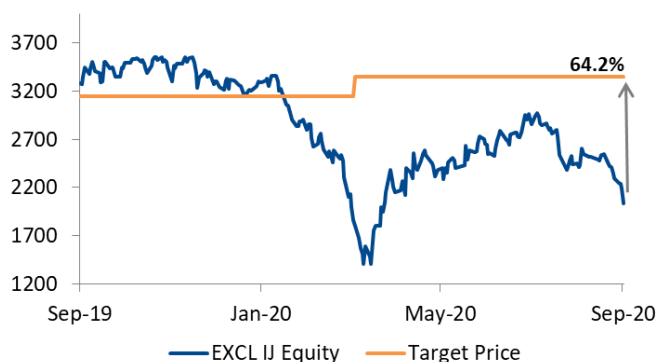
Rating and Target Price Update

Target Price

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
07/03/2020	Buy	3,350 (Dec 2020)	2,720	3,395	+23.2%	-1.3%
09/11/2020	Buy	3,350 (12 Month)	2,040	3,455	+64.2%	-3.0%

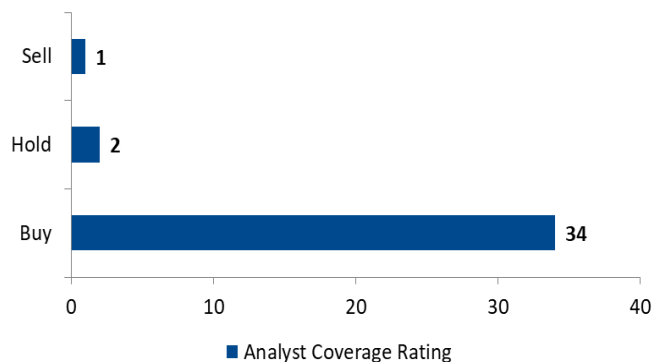
Source: NHKSI Research, Bloomberg

Analyst Coverage Rating



Source: Bloomberg

Closing and Target Price



Source: NHKSI Research

NH Korindo Sekuritas Indonesia (NHKSI) stock ratings

1. Period: End of year target price
2. Rating system based on a stock's absolute return from the date of publication
 - Buy : Greater than +15%
 - Hold : -15% to +15%
 - Sell : Less than -15%

Financial Summary

INCOME STATEMENT

(IDR bn)	2018/12	2019/12	2020/12E	2021/12F
Revenue	22,939	25,133	27,283	28,613
Growth	0.3%	9.6%	8.6%	4.9%
COGS	-	-	-	-
Gross Profit	22,939	25,133	27,283	28,613
Operating Expenses	(25,710)	(21,858)	(22,357)	(24,371)
Operating Profit	(2,771)	3,274	4,926	4,242
OP Margin	-12.1%	13.0%	18.1%	14.8%
Financial Cost	(1,746)	(2,243)	(2,389)	(2,558)
Finance Income	487	111	208	363
EBIT	(4,396)	1,144	2,745	2,047
EBIT Margin	-19.2%	4.6%	10.1%	7.2%
Income Tax	1,099	(432)	(1,235)	(512)
EAT	(3,297)	713	1,510	1,535
Non Controlling Interest	-	-	-	-
Net Profit	(3,297)	713	1,510	1,535
Growth	N/A	N/A	111.9%	1.7%
Net Profit Margin	-14.4%	2.8%	5.5%	5.4%

BALANCE SHEET

(IDR bn)	2018/12	2019/12	2020/12E	2021/12F
Cash	1,047	1,603	1,826	2,457
Receivables	569	663	701	743
Inventories	189	75	131	135
Total Current Assets	7,059	7,146	7,450	8,136
Net Fixed Assets	36,760	42,082	44,993	48,620
Other Non Current Assets	13,796	13,498	13,809	14,137
Total Assets	57,614	62,725	66,252	70,893
Trade Payables	9,106	8,042	8,226	8,967
Lease Liabilities	1,249	1,997	2,200	1,683
LT Loan	8,043	4,267	4,400	4,712
Total Liabilities	39,271	43,603	45,587	48,692
Capital Stock	1,069	1,069	1,069	1,069
Retained Earnings	5,125	5,851	7,394	8,930
Shareholders' Equity	18,343	19,122	20,666	22,201

CASH FLOW STATEMENT

(IDR bn)	2018/12	2019/12	2020/12E	2021/12F
Operating Cash Flow	8,629	8,983	9,419	10,214
Investing Cash Flow	(12,474)	(11,386)	(10,287)	(11,854)
Financing Cash Flow	2,437	3,741	1,091	2,270
Net Changes in Cash	(1,408)	1,338	223	631

Source: Company Data, NHKSI Research

PROFITABILITY & STABILITY

	2018/12	2019/12	2020/12E	2021/12F
ROE	-18.0%	3.7%	7.3%	6.9%
ROA	-5.7%	1.1%	2.3%	2.2%
Cash Dividend (IDR bn)	-	-	-	-
Dividend Yield	0.0%	0.0%	0.0%	0.0%
Payout Ratio	-	-	-	-
DAR	0.4x	0.4x	0.5x	0.5x
DER	1.3x	1.4x	1.5x	1.5x
LT Debt to Equity	43.8%	22.3%	21.3%	21.2%
Equity Ratio	31.8%	30.5%	31.2%	31.3%
Debt Ratio	40.0%	42.9%	47.4%	47.5%
Current Ratio	0.4x	0.3x	0.3x	0.3x
Quick Ratio	0.4x	0.3x	0.3x	0.3x
Cash Ratio	0.1x	0.1x	0.1x	0.1x
Par Value (IDR)	100	100	100	100
Total Shares (mn)	10,688	10,706	10,706	10,706
Share Price (IDR)	2,960	3,150	3,350	3,350
Market Cap (IDR tn)	31.6	33.7	35.9	35.9

VALUATION INDEX

	2018/12	2019/12	2020/12E	2021/12F
Price/Earnings	-9.6x	47.3x	23.8x	23.4x
Price/Book Value	1.7x	1.8x	1.7x	1.6x
Price/Sales	1.4x	1.3x	1.3x	1.3x
PE/EPS Growth	N/A	N/A	0.2x	13.9x
EV/EBITDA	6.3x	6.5x	5.4x	5.5x
EV/Sales	2.3x	2.5x	2.4x	2.3x
EV (IDR bn)	53,660	62,797	65,469	67,067
Sales CAGR (3-Yr)	0.1%	5.6%	6.0%	7.6%
EPS CAGR (3-Yr)	370.2%	23.7%	59.0%	-177.5%
Basic EPS (IDR)	(308)	67	141	143
Diluted EPS (IDR)	(308)	67	141	143
BVPS (IDR)	1,716	1,786	1,930	2,074
Sales PS (IDR)	2,146	2,348	2,548	2,673
DPS (IDR)	-	-	-	-

OWNERSHIP

By Geography	% Shareholders	%
Malaysia	87.5	Axiata Investment 66.3
United States	5.7	Norges Bank 1.5
Norway	2.0	Vanguard Group Inc 1.2
Luxembourg	1.2	Dimensional Fund 1.1

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