

PT United Tractors Tbk

Slower Result Due To Weakness In Main Segment

Reliance
Sekuritas Indonesia

1Q24 Result: Lower Performance by Construction Machinery

Pada 1Q24, UNTR membukukan *revenue* sebesar Rp32,41 triliun atau turun -7,10% YoY. Penurunan didorong oleh pendapatan segmen *construction machinery* yang turun -21,58% YoY menjadi Rp8,35 triliun dan segmen *coal mining* sebesar Rp8,34 triliun atau turun -20,80% YoY. Sementara *net profit* tercatat turun -14,58% YoY menjadi Rp4,80 triliun didorong peningkatan pada beban keuangan dan kerugian kurs. Dari sisi operasional, penjualan Komatsu menurun -37,13% YoY menjadi 1.126 juta unit di tengah penurunan permintaan pada sektor kehutanan dan konstruksi. Sedangkan PAMA masih mencatatkan kinerja yang solid dimana volume *overburden removal* dan *coal production* masing-masing tumbuh sebesar +16,73% YoY dan +18,52% YoY.

Expect Slower FY24F Performance

Kinerja UNTR 1Q24 relatif masih sesuai dengan ekspektasi kami. Pada FY24F kami memproyeksi *revenue* UNTR sebesar Rp123 triliun (-4,33% YoY) dan *net income* Rp17,26 triliun (-16,28% YoY) sejalan potensi perlambatan industri pertambangan dan konstruksi dalam negeri di tengah normalisasi harga komoditas dan perlambatan perekonomian China. Sementara pada segmen *construction machinery*, kami memproyeksi penjualan Komatsu dan scania sebesar 4,000 unit dan 1,024 unit atau sejalan dengan *guideline* manajemen. Sedangkan, kami memproyeksi volume *overburden removal* PAMA sebesar 1,170 juta bcm dan coal sales volume sebesar 12,8 juta ton.

Diversification to Green Energy

Pada Jan-24, UNTR melalui EPN (Energia Prima Nusantara) telah menyelesaikan akuisisi sebesar 49,6% saham SES (Supreme Energy Sriwijaya) yang mengoperasikan geothermal di wilayah Sumatera Selatan dengan kapasitas 2x49 MW. Langkah UNTR untuk diversifikasi bisnis ke energi terbarukan, kami lihat akan berdampak secara positif secara jangka panjang tercermin dari kontribusi segmen *energy* yang mengalami peningkatan. Di tengah masih tingginya kebutuhan modal, hal ini akan berdampak pada kenaikan beban keuangan sehingga pada FY24F kami memproyeksi penurunan NPM menjadi 15,06% diikuti penurunan DPR menjadi 30%/div. yield 5,35%.

Neutral Rating, Target Price Rp26.675

Kami memberikan *neutral rating* pada UNTR dengan target harga Rp26.675/lembar atau upside potential sebesar 7,45% berdasarkan target 5-Y average EV/EBITDA sebesar 3,4x. *Target price* tersebut merefleksikan P/E untuk FY24F-FY25F masing-masing sebesar 5,61x-5,54x. Saat ini, UNTR diperdagangkan dengan P/E sebesar 5,23x. Risiko dari investasi: 1) Penurunan harga komoditas, 2) Permintaan coal yang lebih rendah ditengah China yang berencana meningkatkan produksi dalam negeri.

Key Metrics

Key Financial	2021	2022	2023	2024F	2025F	2026F
Revenue (Rp Miliar)	79,461	123,607	128,583	123,051	127,867	130,924
Gross Profit (Rp Miliar)	19,665	34,759	35,786	31,346	32,657	34,489
Net Income (Rp Miliar)	10,280	21,005	20,612	17,261	17,495	18,774
EBITDA (Rp Miliar)	19,569	35,836	34,021	30,499	31,343	34,085
GPM (%)	24.75%	28.12%	27.83%	25.47%	25.54%	26.34%
NPM (%)	12.94%	16.99%	16.03%	14.03%	13.68%	14.34%
EPS (Rp)	2,830	5,784	5,675	4,753	4,817	5,169
EV/EBITDA (x)	2.89	1.66	2.42	2.99	2.70	2.23
P/E (X)	7.83	4.51	3.99	5.61	5.54	5.16
PBV (x)	1.12	1.06	0.98	1.00	0.89	0.78

NEUTRAL

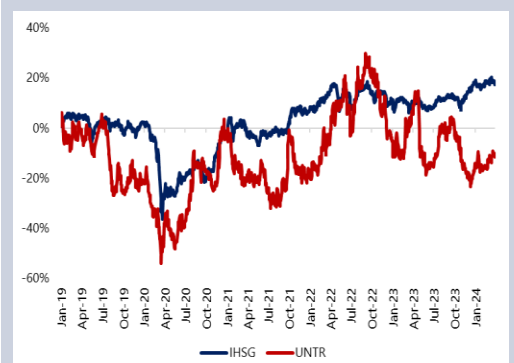
Target Price: Rp26.675
Upside : 7,45%

Last Price: Rp24.825
Ticker Code: UNTR
Sector: Industrial
Sub Sector: Heavy equipment
Shares: 3,73 juta
Market Cap: Rp90,16 triliun
1Y Low - High: 20.925 – 31.700

Major Shareholders:

Astra International 59,50%
Masyarakat 37,86%
Saham Treasury 2,64%

Relative performance vs IHSG:



Brief Company Profile:

UNTR menjalankan sejumlah segmen bisnis diantaranya penjualan alat berat dengan merek seperti Komatsu, Scania dan UD Trucks. UNTR juga menjalankan mining service di bawah anak usaha PAMA. Perusahaan juga mulai menjalankan energi terbarukan dengan mengoperasikan PLTU, PLTM dan PLTS.

Ayu Dian

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Grafik 1: 1Q24 Financial & Operational Result

1Q24 Result	1Q23	1Q24	% YoY	FY24F	Runrate to FY23F
Financial (Rp Ribu)					
Revenue	34,888,824	32,412,321	-7.10%	123,051,096	26.34%
Gross profit	8,672,269	8,186,731	-5.60%	31,345,945	26.12%
% GPM	24.86%	25.26%		25.47%	
Profit for the year	5,323,328	4,547,211	-14.58%	18,532,210	24.54%
% NPM	15.258%	14.029%		15.061%	
Operational					
Komatsu (Unit)	1,791	1,126	-37.13%	4,000	28.15%
Scania & UD Trucks (Unit)	119	307	157.98%	1,024	29.98%
Coal production (Juta ton)	27	32	18.52%	135	23.62%
Overburden removal (Juta bcm)	245	286	16.73%	1,170	24.45%
Coal sales volume (Ribu ton)	2,978	3,968	33.24%	12,809	30.98%
Gold sales volume (Ribu ons)	59	49	-16.95%	235	20.85%

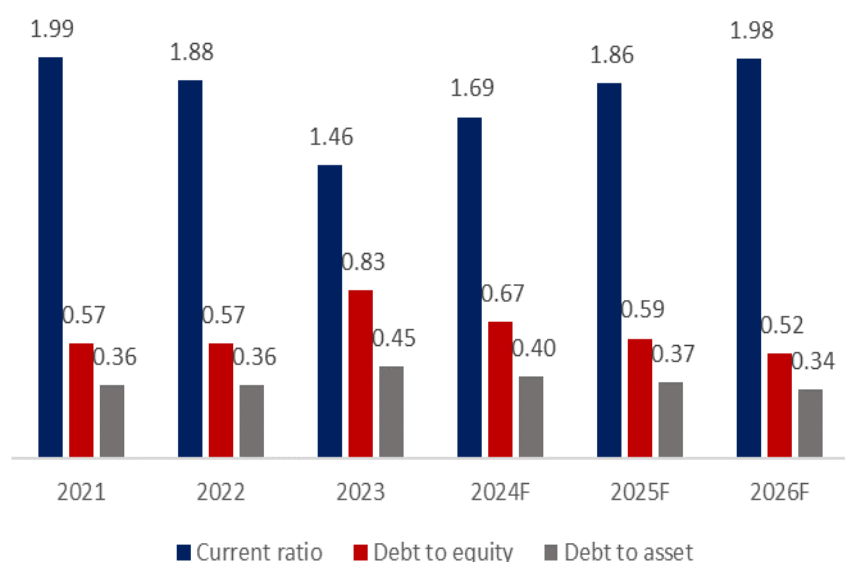
Sumber: UNTR, Reli Research

Grafik 2: Forward EV/EBITDA



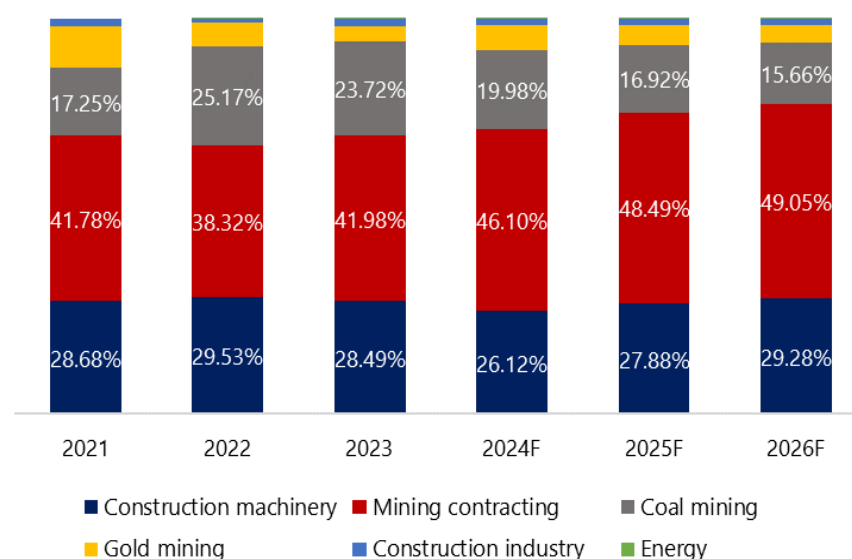
Sumber: UNTR, Reli Research

Grafik 3: Solvency Ratio (x)



Sumber: UNTR, Reli Research

Grafik 4: Revenue Contribution by Segments



Sumber: UNTR, Reli Research



Financial summary

Balance Sheet (Rp Miliar)	2021	2022	2023	2024F	2025F	2026F
Cash and cash equivalents	33,322	38,282	18,597	21,686	28,026	34,983
Trade receivables	14,019	19,649	22,315	23,821	23,054	23,117
Inventories	9,454	15,390	17,184	15,769	16,327	16,586
Fixed assets	20,457	23,678	36,002	38,835	43,802	49,665
Mining properties	11,925	11,905	17,846	15,256	15,067	15,067
Others	23,384	31,575	42,085	46,427	47,836	47,967
Total Assets	112,561	140,478	154,028	161,795	174,112	187,384
Trade payables	14,958	25,432	29,766	26,082	26,063	27,297
ST debt	6,176	1,969	1,291	1,250	1,382	1,257
LT debt	2,959	897	17,415	14,669	14,262	12,715
Others	16,645	22,666	21,520	23,155	23,017	22,578
Total Liabilities	40,739	50,964	69,993	65,155	64,723	63,847
Share capital	933	933	933	933	933	933
Additional paid-in capital	9,704	9,704	9,704	9,704	9,704	9,704
Retained earning	56,673	71,324	66,871	78,954	91,201	104,342
Others	4,513	7,554	6,528	7,049	7,552	8,558
Total Equity	71,823	89,514	84,036	96,639	109,389	123,537

Income Statement (Rp Miliar)	2021	2022	2023	2024F	2025F	2026F
Revenue	79,461	123,607	128,583	123,051	127,867	130,924
Cost of revenue	(59,796)	(88,849)	(92,797)	(91,705)	(95,210)	(96,435)
Gross Profit	19,665	34,759	35,786	31,346	32,657	34,489
Operating expenses	(5,770)	(6,187)	(6,949)	(6,904)	(7,995)	(7,583)
Operating Profit	13,895	28,572	28,838	24,441	24,661	26,906
Finance income	872	998	1,127	984	823	603
Finance cost	(754)	(760)	(1,879)	(2,223)	(2,127)	(1,948)
Others	449	636	635	1,182	1,228	1,054
Profit Before Income Tax	14,462	29,446	28,720	24,384	24,586	26,615
Income tax benefit/(expenditure)	(3,854)	(6,452)	(6,590)	(5,852)	(5,901)	(6,388)
Profit For The Year	10,608	22,994	22,130	18,532	18,685	20,227

Cashflow (Rp Miliar)	2021	2022	2023	2024F	2025F	2026F
Net Income	10,280	21,005	20,612	17,261	17,495	18,774
DnA	4,989	6,151	6,053	7,354	8,062	8,816
Change in Working Capital	737	(1,091)	(126)	(3,775)	190	913
Change in Others	3,291	3,495	(1,573)	(1,159)	(396)	260
Total CFO	19,296	29,560	24,966	19,681	25,351	28,763
Capex	(91)	(9,352)	(24,318)	(7,597)	(12,840)	(14,679)
Change in Others	(1,250)	(6,390)	(11,548)	(2,557)	(1,558)	(309)
Total CFI	(1,341)	(15,742)	(35,866)	(10,155)	(14,398)	(14,988)
Short-term Debt	1,932	(4,222)	(722)	(41)	132	(125)
Long-term Debt	(5,551)	(1,951)	16,396	(2,794)	(408)	(1,541)
Equity Financing	-	(3,191)	-	-	-	-
Dividend	(3,014)	(6,367)	(25,009)	(5,178)	(5,249)	(5,632)
Others	1,585	6,861	605	1,577	911	481
Total CFF	(5,047)	(8,871)	(8,729)	(6,436)	(4,614)	(6,817)
Net cashflow	12,908	4,947	(19,630)	3,090	6,339	6,957
Cash beginning	20,499	33,322	38,282	18,597	21,686	28,026
Adjustment	(85)	13	(55)	-	-	-
Cash ending	33,322	38,282	18,597	21,686	28,026	34,983

Key Ratio	2021	2022	2023	2024F	2025F	2026F
Revenue growth	31.67%	55.56%	4.03%	-4.30%	3.91%	2.39%
Net profit growth	88.34%	116.75%	-3.76%	-16.26%	0.83%	8.25%
EPS growth	71.24%	104.34%	-1.87%	-16.26%	1.36%	7.31%
GPM	24.75%	28.12%	27.83%	25.47%	25.54%	26.34%
NPM	12.94%	16.99%	16.03%	14.03%	13.68%	14.34%
ROA (x)	9.42%	16.37%	14.37%	11.45%	10.73%	10.79%
ROE (x)	14.77%	25.69%	26.33%	19.18%	17.08%	16.37%
DER (x)	0.57	0.57	0.83	0.67	0.59	0.52
DAR (x)	0.36	0.36	0.45	0.40	0.37	0.34

Sumber: UNTR, Reli Research



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Analyst Rating

BUY : Expected return of 2x Risk Free or more within a 12-month period
NEUTRAL : Expected return between -1.9x and 1.9x Risk Free
SELL : Expected return of -2x Risk Free or more within a 12-month period
NON-RATED : Analysts do not express any trading recommendation

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