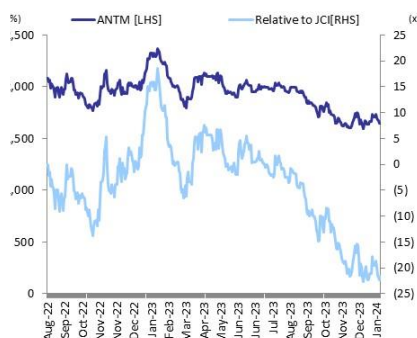


BUY

(Maintain)

Last Price (Rp)	1,645
Target Price (Rp)	1,960
Previous Target Price (Rp)	1,960
Upside/Downside	+19.1%
No. of Shares (mn)	24,031
Mkt Cap (Rpbn/US\$mn)	39.531/2.547
Avg, Daily T/O (Rpbn/US\$mn)	67.5/4.3
Free Float (%)	34.9
Major Shareholder (%)	
Inalum	65.0
EPS Consensus (Rp)	
	2023F 2024F 2025F
BRIDS	121.9 131.5 134.1
Consensus	157.5 156.8 165.3
BRIDS/Cons (%)	(22.6) (16.1) (18.9)

ANTM relative to JCI Index



Source: Bloomberg

Aneka Tambang (ANTM IJ)

Completion of project divestments set the stage for more future downstream projects

- ANTM divested SDA with proceeds of US\$416mn and contingent rights to receive further payments within 36 months.
- It also completed the divestment of Feni Haltim (FHT), with potential one-off gain of Rp599bn in 4Q23.
- We maintain our Buy rating and TP of Rp1,960 for now, based on the valuation the existing projects.

ANTM completed divestment of subsidiary (SDA)...

ANTM just completed a series of transactions (i.e. the divestment of Sumberdaya Arindo/ SDA and Feni Haltim/ FHT) on 28 Dec 2023. HongKong CBL Limited (HKCBL) will acquire 49% of ANTM's ownership in SDA, in a transaction valued at US\$416.5mn, which will be settled on a cash basis. ANTM also has contingent rights to receive payments if there are additional reserves in the SDA mining area within a period of 36 months from the date of the completion of the transaction.

...and FHT to HKCBL, with potential one-off gains in 4Q23

Another transaction is the divestment of FHT to HKCBL, with the latter purchasing 10% of ANTM's shares in FHT and the entire 50% shareholding in FHT held by International Mineral Capital (IMC), ANTM's wholly-owned subsidiary. The transaction amounts to Rp781.2 bn, with Rp130.2 bn for the 10% ownership of ANTM's direct shareholding in FHT and Rp651 bn for the 50% ownership of IMC's shares in FHT. The management also mentioned that the company would record one-off gains of Rp599bn in 4Q23.

HPAL and other downstream projects in the pipeline

ANTM and HKCBL also plan to build an HPAL with respective shareholdings of 30% and 70%. For the EV Battery Project, there are sub-projects which ANTM does not have a direct ownership, but instead have an exposure through Industri Baterai Indonesia (IBC), which ANTM holds a 25% stake. These sub-projects relate to the Battery Materials, Battery Cells, and Battery Recycling. Based on management's guidance, ANTM will also need to participate in funding these projects to maintain its ownership in IBC. We believe ANTM will utilize the divestment proceeds (totaling to around Rp7tr) to finance the downstream projects.

Maintain Buy with a TP of Rp1,960

We have not yet factored in the above projects into our valuation as details are still limited, and thus maintain our DCF-based TP of Rp1,960. Nonetheless, we see the divestment to be positive, as it enables ANTM to tap further into battery value chain projects. Risks to our view include further declines in nickel prices which would make the projects unfeasible.

Key Financials

Year to 31 Dec	2021A	2022A	2023F	2024F	2025F
Revenue (Rpbn)	38,446	45,930	39,741	43,729	44,105
EBITDA (Rpbn)	3,796	5,029	3,761	4,209	4,436
EBITDA Growth (%)	21.4	32.5	(25.2)	11.9	5.4
Net Profit (Rpbn)	1,984	3,821	2,928	3,160	3,221
EPS Growth (%)	72.6	92.6	(23.4)	7.9	1.9
PER (x)	19.9	10.3	13.5	12.5	12.3
PBV (x)	1.9	1.7	1.5	1.3	1.2
EV/EBITDA	10.6	8.0	11.4	9.7	8.6

BRI Danareksa Sekuritas Analysts

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Exhibit 1. SDA ownership structure post-divestment

Shareholders	Shares	Nominal Value (Rp)	Percentage
Before the SDA-HKCBL Divestment Transaction			
Company	81,133,930	8,113,393,000,000.00	100%
After the SDA-HKCBL Divestment Transaction			
Company	41,378,305	4,137,830,500,000.00	51%
HKCBL	39,755,625	3,975,562,500,000.00	49%

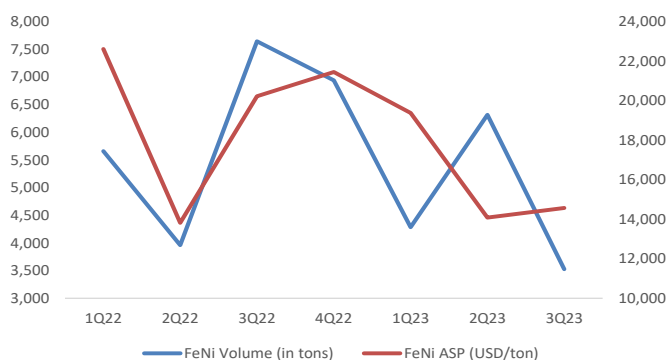
Source: Company BRIDS Estimates

Exhibit 2. FHT ownership structure post-divestment

Shareholders	Shares	Nominal Value (Rp)	Percentage
Before the SDA-HKCBL Divestment Transaction			
Company	81,133,930	8,113,393,000,000.00	100%
After the SDA-HKCBL Divestment Transaction			
Company	41,378,305	4,137,830,500,000.00	51%
HKCBL	39,755,625	3,975,562,500,000.00	49%

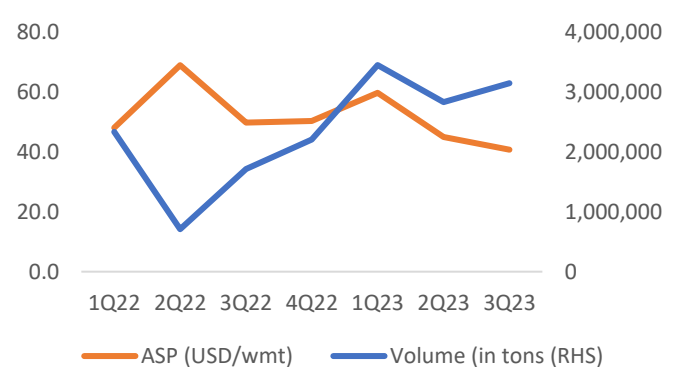
Source: Company BRIDS Estimates

Exhibit 3. FeNi volume vs ASP trend



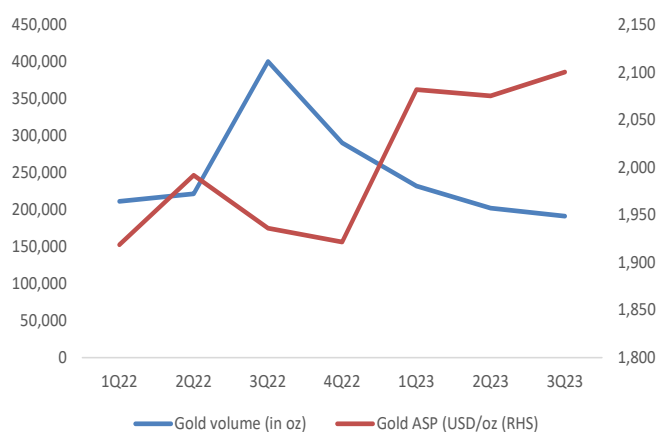
Source: Company, BRI Danareksa Sekuritas estimates

Exhibit 4. Nickel ore sales volume vs ASP



Source: Company, BRI Danareksa Sekuritas estimates

Exhibit 5. Gold sales volume vs ASP



Source: Company, BRI Danareksa Sekuritas estimates

Exhibit 6. Valuation

FCF	=	23,179.0
Terminal Value	=	22,984.4
Enterprise value	=	46,163.4
Net debt	=	(943.2)
Value of equity	=	47,106.5
No of shares (billion)	=	24.0

Price per share	=	1,960
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Source: Company, BRI Danareksa Sekuritas estimates

Exhibit 7. Income Statement

Year to 31 Dec (Rpbn)	2021A	2022A	2023F	2024F	2025F
Revenue	38,446	45,930	39,741	43,729	44,105
COGS	(32,087)	(37,720)	(33,336)	(36,179)	(34,258)
Gross profit	6,359	8,211	6,405	7,551	7,665
EBITDA	3,796	5,029	3,761	4,209	4,436
Oper. profit	2,738	3,942	2,645	3,065	3,264
Interest income	90	85	90	94	99
Interest expense	(359)	(381)	(362)	(344)	(327)
Forex Gain/(Loss)	61	0	0	0	0
Income From Assoc. Co's	453	931	1,554	1,399	1,259
Other Income (Expenses)	184	638	(22)	0	0
Pre-tax profit	3,166	5,215	3,905	4,214	4,295
Income tax	(1,182)	(1,394)	(976)	(1,053)	(1,074)
Minority interest	0	0	0	0	0
Net profit	1,984	3,821	2,928	3,160	3,221
Core Net Profit	1,923	3,821	2,329	3,160	3,221

Exhibit 8. Balance Sheet

Year to 31 Dec (Rpbn)	2021A	2022A	2023F	2024F	2025F
Cash & cash equivalent	5,089	4,476	3,711	5,718	8,653
Receivables	1,945	2,346	2,423	2,666	2,556
Inventory	3,107	2,906	3,157	3,355	3,101
Other Curr. Asset	1,587	1,966	953	1,070	1,015
Fixed assets - Net	16,864	16,472	22,327	23,183	24,011
Other non-curr.asset	4,324	5,471	6,555	6,756	6,599
Total asset	32,916	33,637	39,126	42,747	45,935
ST Debt	1,129	2,004	282	309	327
Payables	1,399	1,302	1,187	1,388	1,408
Other Curr. Liabilities	4,034	2,667	2,851	2,895	2,939
Long Term Debt	4,569	2,974	6,798	6,870	6,832
Other LT. Liabilities	948	979	1,368	1,485	1,406
Total Liabilities	12,079	9,925	12,486	12,946	12,913
Shareholder's Funds	20,837	23,712	26,640	29,801	33,022
Minority interests	0	0	0	0	0
Total Equity & Liabilities	32,916	33,637	39,126	42,747	45,935

Exhibit 9. Cash Flow

Year to 31 Dec (Rpbn)	2021A	2022A	2023F	2024F	2025F
Net income	1,984	3,821	2,928	3,160	3,221
Depreciation and Amort.	1,111	1,138	1,164	1,190	1,217
Change in Working Capital	(303)	(1,132)	755	(312.4)	482.9
Other Oper. Cash Flow	1,957	(914)	(703)	250	228
Operating Cash Flow	4,748	2,912	4,145	3,410	3,449
Capex	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Others Inv. Cash Flow	1,673	534	(5,038)	94	99
Investing Cash Flow	(327)	(1,466)	(7,038)	94	99
Net change in debt	(2,804)	(727)	2,008	20.8	22.8
New Capital	312	4	0	0.0	0.0
Dividend payment	(460)	(794)	(1,910)	(1,171.3)	(1,264.1)
Other Fin. Cash Flow	(345)	(342)	121	(344)	(327)
Financing Cash Flow	(3,297)	(1,859)	218	(344)	(327)
Net Change in Cash	1,125	(412)	(2,676)	3,160	3,221
Cash - begin of the year	3,984	5,089	4,476	3,711	5,718
Cash - end of the year	5,089	4,476	3,711	5,718	8,653

Exhibit 10. Key Ratio

Year to 31 Dec	2021A	2022A	2023F	2024F	2025F
Growth (%)					
Sales	40.5	19.5	(13.5)	10.0	(4.1)
EBITDA	21.4	32.5	(25.2)	11.9	5.4
Operating profit	34.7	44.0	(32.9)	15.9	6.5
Net profit	72.6	92.6	(23.4)	7.9	1.9
Profitability (%)					
Gross margin	16.5	17.9	16.1	17.3	18.3
EBITDA margin	9.9	10.9	9.5	9.6	10.6
Operating margin	7.1	8.6	6.7	7.0	7.8
Net margin	5.2	8.3	7.4	7.2	7.3
ROAA	6.1	11.5	8.0	7.7	7.3
ROAE	9.9	17.2	11.6	11.2	10.3
Leverage					
Net Gearing (x)	0.0	0.0	0.1	0.0	0.0
Interest Coverage (x)	7.6	10.3	7.3	8.9	10.0

Source : ANTM, BRIDS Estimates

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INVESTMENT RATING

BUY	Expected total return of 10% or more within a 12-month period
HOLD	Expected total return between -10% and 10% within a 12-month period
SELL	Expected total return of -10% or worse within a 12-month period

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