

Telkom Indonesia (TLKM): IDR 3,050 – BUY, SSI TP: IDR 3,600; Cons. TP: IDR 4,132

2Q24 Results: 30 July 2024 (IDR Bn)	2Q24	QoQ (%)	YoY (%)	6M23	6M24	YoY (%)	6M24/ SSI (%)	6M24/ Cons. (%)
Revenue	37,863	1.2	1.3	73,478	75,292	2.5	49.2	48.7
Operating Profit	10,403	(8.2)	(8.1)	22,436	21,739	(3.1)	46.8	46.2
EBITDA	18,447	(5.0)	(4.9)	38,384	37,868	(1.3)	47.9	47.0
Net Profit	5,708	(5.7)	(9.9)	12,756	11,761	(7.8)	45.4	45.2
Key Ratios								
EBITDA Margin (%)	48.7	-	-	52.2	50.3	-	-	-
OPM (%)	27.5	-	-	30.5	28.9	-	-	-
NPM (%)	15.1	-	-	17.4	15.6	-	-	-

SWOT Analysis of The Results (Below)

Strength

+1.2% QoQ and +1.3% YoY 2Q24 top-line growth to IDR 37.9tn on higher data revenue (62% of sales) growth of +5.3% QoQ and +7.2% YoY helped by higher data traffic and mobile subs base

Weakness

One-off from early retirement program that kicked in 2Q24 amounting to IDR 1.2tn dragged down EBITDA growth and margin to 48.7% (1Q23: 51.9%)

Opportunity

700Mhz spectrum auction in 2H24 may potentially increase blended ARPU (2Q23: IDR 45k), offering higher revenue growth (SSI FY24F ARPU: IDR 47.5k); substantial YTD underperformance may provide buying opportunities

Threat

Intensifying competition and lower purchasing power may trigger another price war and prolonged down-trading; IDR depreciation may increase USD-based capex ahead

Peer Comparables

Company Ticker	Market Cap (USD Mn)	2024F				
		EPS Growth (%)	P/B (x)	P/E (x)	EV/EBITDA (x)	ROE (x)
ST SP	37,846	28.0	2.0	18.2	15.3	10.6
TLKM IJ	17,844	2.6	2.6	16.3	5.1	15.1
ADVANC TB	18,771	7.6	7.1	21.4	8.4	34.3
MAXIS MK	5,980	-1.1	4.8	20.6	9.0	23.0
ISAT IJ	5,705	32.5	2.6	16.5	4.6	18.7
EXCL IJ	1,745	1.6	0.8	13.2	4.4	4.9
Sector	87,890	7.9	3.1	16.4	8.9	17.8

Relative Performance vs JCI (%)

