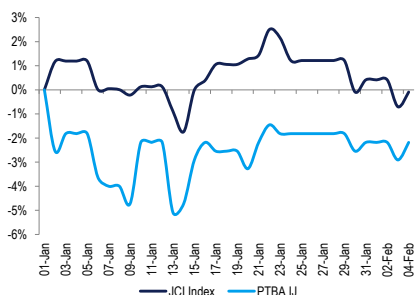


Stock Data

Target price	Rp2,900
Prior TP	Rp2,900
Current price	Rp2,690
Upside/downside	+8%
Shares outstanding (mn)	11,521
Market cap (Rp bn)	30,991
Free float	34%
Avg. 6m daily T/O (Rp bn)	27

Price Performance

	3M	6M	12M
Absolute	-6.3%	5.1%	5.9%
Relative to JCI	-0.8%	4.9%	7.6%
52w low/high (Rp)	2,410 – 3,140		



Major Shareholders

Indonesia Asahan Aluminium	65.9%
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4Q24 operational & preview: robust sales and DMO reversal to drive NP

- Sales volume remained robust at 11.6Mt (+3% qoq) despite lower production volume (-27% qoq) due to seasonality.
- We expect PTBA to report 4Q24F NP of Rp1.4tr (+14% qoq), primarily driven by DMO reversal that is reconciled to the revenue.
- We maintain our FY24-26F NP estimates and maintain our Hold rating at unchanged DCF-based TP of Rp2,900/share.

4Q24 ops: sales volume remained robust despite lower production

PTBA's coal production declined to 10Mt in 4Q24 (-27% qoq), likely attributed to higher rainfall. Nonetheless, sales volume rose to 11.6Mt (+3% qoq), thanks to inventory sales. Meanwhile, transportation volume surged to 11.7Mt (+29% qoq), likely driven by additional carriages installed in PTBA's railway, in addition to hauling to third party port. PTBA indicated that hauling run rate to third party port has reached 350kt/month recently. Overall, FY24 coal production and sales volume of 43/43Mt (+3%/+16% yoy) was in-line with our estimates and management's guidance.

4Q24 preview: in-line with ours/cons estimates

We expect PTBA to report 4Q24 NP of Rp1.4tr (+14% qoq), bringing FY24F NP to Rp4.6tr (-25% yoy), in-line with ours and consensus estimates (at 101/98% respectively). The qoq rise in net profit is primarily driven by DMO reversal that is being booked to PTBA's 4Q24 coal revenue, making its 4Q24 ASP optically higher vs. its actual ASP. We estimate ASP – inclusive of DMO reconciliation – of around Rp860k/t in 4Q24 (+11% qoq). Excluding DMO reversal, ASP is still expected to slightly improve by 1-2% on the back of higher ICI prices (+2% qoq). Meanwhile, cash cost is expected to rise by c.4-5% qoq despite lower oil price (-6% qoq), primarily attributed to higher transportation volume (+29% qoq) and expectation of higher stripping ratio due to pre-stripping activity (+10% to +15% qoq).

Maintain Hold at unchanged DCF-based TP of Rp2,900/share

We maintain our FY24-26F NP estimates for now as we expect 4Q24F NP to be in-line with our estimates. Maintain our Hold rating at unchanged DCF-based TP of Rp2,900/sh as PTBA continues to trade at a rich valuation of 6.4x FY25F P/E (32% premium to UNTR) and railway volume upside has been priced-in by the market, in our view. We expect PTBA's dividend, which should be disbursed around May, to yield 11% return based on 75% payout ratio and today's closing price. Downside risks are execution risk in Keramasan railway and higher cash cost attributed to B40 fuel transitioning from B35 previously.

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Financial Summary (Rp bn)	2022A	2023A	2024F	2025F	2026F
Revenue	42,649	38,489	40,622	42,387	51,308
EBITDA	16,155	8,394	7,127	7,771	9,302
Net profit	12,568	6,106	4,539	4,829	5,763
EPS growth	59%	-51%	-26%	6%	19%
ROE	44%	28%	21%	21%	23%
PER (x)	2.5	5.1	6.8	6.4	5.4
EV/EBITDA (x)	1.6	3.3	4.1	3.9	3.3
Dividend yield	25.5%	40.6%	14.8%	11.0%	11.7%
IPS vs. consensus			98%	108%	125%

Source: Company, Indo Premier

Share price closing as of: 4 February 2025

Fig. 1: FY24 operational summary

Operational summary	FY24	FY23	% yoy	4Q24	4Q23	% yoy	3Q24	% qoq	IPS FY24F	% of IPS	PTBA FY24F	% of PTBA
Production volume (Mt)	43.3	41.9	3%	10.3	10.0	3%	14.2	-27%	42.0	103%	41.3	105%
Sales volume (Mt)	42.9	37.0	16%	11.6	10.0	16%	11.2	3%	42.0	102%	43.1	100%
Domestic portion	22.6	21.5	5%	5.6	5.8	-3%	5.4	5%	23.1	98%	22.4	101%
Export portion	20.3	15.5	31%	6.0	4.2	43%	5.9	2%	18.9	107%	20.7	98%
Railway volume (Mt)	38.2	32.4	18%	11.8	8.7	35%	9.1	30%	35.0	109%	33.7	113%

Source: Company, Indo Premier

Fig. 2: DCF valuation

DCF valuation summary	
Sum of FCFF PV	31,611
Cash	2,792
Debt	1,234
Equity value	33,170
Outstanding shares	11.5
Target price (Rp/sh)	2,900
Current price	2,690
Upside/downside	8%
Implied FY24F P/E	7.3

Source: Company, Indo Premier

Fig. 3: PTBA P/E band



Source: Company, Indo Premier

Fig. 4: Peers comparison table

Ticker	Company	Rating	Target price (Rp/share)	P/E			EV/EBITDA			Dividend yield (%)		
				24F	25F	26F	24F	25F	26F	24F	25F	26F
AADI.U	Adaro Andalan Indonesia	Buy	12,000	3.6	4.6	5.0	3.5	3.7	3.4	65.3%	9.7%	9.0%
ITMG.U	Indo Tambangraya Megah	Hold	22,000	4.8	6.5	13.2	2.1	2.7	5.2	17.8%	13.6%	10.0%
PTBA.U	Bukit Asam	Hold	2,900	6.8	6.4	5.4	4.1	3.9	3.3	14.8%	11.0%	11.7%
UNTR.U	United Tractors	Buy	33,000	4.9	4.8	4.7	2.3	2.0	1.7	9.3%	8.7%	8.9%

Source: Company, Indo Premier

Income Statement (Rp bn)	2022A	2023A	2024F	2025F	2026F
Net revenue	42,649	38,489	40,622	42,387	51,308
Cost of sales	(24,682)	(29,332)	(32,269)	(33,453)	(40,481)
Gross profit	17,966	9,157	8,353	8,934	10,828
SG&A Expenses	(3,343)	(2,593)	(2,905)	(3,070)	(3,685)
Operating profit	14,623	6,564	5,448	5,863	7,142
Net interest	228	380	47	8	(57)
Forex gain (loss)	829	571	400	400	400
Others	523	638	0	0	0
Pre-tax income	16,202	8,154	5,895	6,271	7,485
Income tax	(3,423)	(1,862)	(1,297)	(1,380)	(1,647)
Minority interest	(212)	(187)	(59)	(63)	(75)
Net income	12,568	6,106	4,539	4,829	5,763

Balance Sheet (Rp bn)	2022A	2023A	2024F	2025F	2026F
Cash & equivalent	7,030	4,139	2,792	2,284	1,438
Receivable	3,510	3,797	4,514	4,710	5,701
Inventory	3,837	5,500	5,378	5,575	6,747
Other current assets	10,055	1,713	1,713	1,713	1,713
Total current assets	24,432	15,148	14,396	14,282	15,599
Fixed assets	8,410	8,566	9,620	11,201	12,533
Other non-current assets	12,517	15,051	15,167	15,280	15,387
Total non-current assets	20,927	23,617	24,788	26,480	27,921
Total assets	45,359	38,765	39,184	40,762	43,519

ST loans	1,936	2,082	2,482	2,573	3,114
Payable	1,510	792	792	792	792
Other payables	592	490	490	490	490
Current portion of LT loans	6,664	6,604	6,604	6,604	6,604
Total current liab.	10,702	9,968	10,368	10,459	11,000
Long term loans	771	744	744	744	744
Other LT liab.	4,971	6,490	6,490	6,490	6,490
Total non-current liabilities	5,741	7,234	7,234	7,234	7,234
Total liabilities	16,443	17,202	17,602	17,693	18,234

Equity	1,152	1,152	1,152	1,152	1,152
Retained earnings	26,292	19,019	18,979	20,403	22,545
Minority interest	1,472	1,392	1,451	1,514	1,589
Total SHE + minority int.	28,916	21,563	21,582	23,069	25,286
Total liabilities & equity	45,359	38,765	39,184	40,762	43,519

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2022A	2023A	2024F	2025F	2026F
Net income	12,568	6,106	4,539	4,829	5,763
Depr. & amortization	1,533	1,829	1,679	1,908	2,160
Changes in working capital	(2,374)	(1,803)	(195)	(302)	(1,622)
Others	802	(3,027)	59	63	75
Cash flow from operating	12,527	3,105	6,082	6,497	6,376
Capital expenditure	(2,369)	(2,402)	(2,850)	(3,600)	(3,600)
Others	1,074	9,651	0	0	0
Cash flow from investing	(1,294)	7,249	(2,850)	(3,600)	(3,600)
Loans	467	2	0	0	0
Equity	315	(129)	0	0	0
Dividends	(7,909)	(12,568)	(4,579)	(3,404)	(3,622)
Others	(1,541)	(541)	0	0	0
Cash flow from financing	(8,669)	(13,235)	(4,579)	(3,404)	(3,622)
Changes in cash	2,636	(2,891)	(1,347)	(507)	(846)

Key Ratios	2022A	2023A	2024F	2025F	2026F
Gross margin	42%	24%	21%	21%	21%
Operating margin	34%	17%	13%	14%	14%
Pre-tax margin	38%	21%	15%	15%	15%
Net margin	29%	16%	11%	11%	11%
ROA	28%	16%	12%	12%	13%
ROE	44%	28%	21%	21%	23%
Acct. receivables TO (days)	12.2	10.1	9.0	9.0	9.0
Inventory TO (days)	6.4	5.3	6.0	6.0	6.0
Payable TO (days)	12.8	14.1	13.0	13.0	13.0
Debt to equity	0.0	0.1	0.1	0.1	0.0
Interest coverage ratio (x)	80.7	41.1	34.0	37.1	44.4
Net gearing	(0.2)	(0.1)	(0.1)	(0.0)	(0.0)

Source: Company, Indo Premier

INVESTMENT RATINGS

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

ANALYSTS CERTIFICATION

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

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