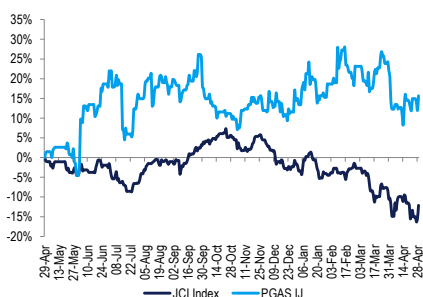


Stock Data

Target price	Rp1,500
Prior TP	Rp1,500
Current price	Rp1,550
Upside/downside	-3%
Shares outstanding (mn)	24,242
Market cap (Rp bn)	37,574
Free float	43%
Avg. 6m daily T/O (Rp bn)	56

Price Performance

	3M	6M	12M
Absolute	0.3%	4.4%	15.7%
Relative to JCI	8.7%	21.2%	27.8%
52w low/high (Rp)	1,280 – 1,715		



Major Shareholders

PT Pertamina	56.9%
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1Q25 results: miss from forex loss & lower gas spread

- PGAS reported US\$62mn NP (-18% qoq/-49% yoy) in 1Q25, below consensus and our forecast (17% IPS/consensus) on lower spread.
- Excluding forex loss of US\$20mn and other income/expenses, core NP came at US\$75mn, which was still below ours/consensus (at 21%)
- We maintain our FY25F/26F NP forecast as we await for operational details and kept our Hold rating with TP of Rp1,500/share unchanged.

1Q25 review: below on forex loss & potentially lower gas spread

PGAS reported US\$62mn NP (-18% qoq/-49% yoy) in 1Q25, below estimates (17% IPS/consensus) mainly due to US\$20mn forex loss, in addition to potentially lower than expected gas spread (at US\$1.5-1.6/mmbtu). Core NP came at US\$75mn, which also below ours/consensus forecast (21%). Revenue was flattish on qoq/yoy basis at US\$967mn, while gross profit margin significantly declined on both qoq (-300bps) and yoy basis (-700 bps), which we think is due to lower gas spread and lower margin from upstream business. Opex rose by +9%/+11% yoy/qoq to US\$47mn.

Segmental: Saka Energi contribution declined & lower gas spread

PGAS has yet to release its 1Q25 operational data, but based on 2M25 data of 868bbtud, we think distribution gas spread is likely to arrive at US\$1.5-1.6/mmbtu (vs. US\$2.3/mmbtu in 1Q24 and US\$2.2 in 4Q24) despite having already obtained several LNG cargoes during 1Q25. On trading & transmission business, GPM declined by 400-500bps vs. 16-17% quarterly GPM in FY24, with Saka GPM declining worse than trading business at only 5% (vs. 12-24% avg. in FY24).

Maintain Hold rating with unchanged Rp1,500/share TP

We maintain our FY25F/26F NP forecast and our TP is kept unchanged at Rp1,500/share as we await more details on operational data and more clarity during earnings call. We maintain our Hold rating as we see limited share price appreciation amidst lack of EPS growth visibility in FY25F. Nonetheless, dividend yield still remain attractive at c.9% yield underpinning our Hold rating. Downside risks include uncertainty in LNG supply, lower domestic factories activity amid rising costs & potentially weaker consumption globally.

Financial Summary (US\$ mn)	2022A	2023A	2024F	2025F	2026F
Revenue	3,569	3,646	3,636	3,567	3,398
EBITDA	739	707	736	757	615
Net profit	326	278	339	357	279
EPS growth	7%	-15%	22%	5%	-22%
ROE	12%	10%	12%	12%	9%
PER (x)	7.1	8.6	7.1	6.7	8.6
EV/EBITDA (x)	4.1	3.8	3.4	3.1	3.7
Dividend yield	9%	10%	8%	10%	10%
IPS vs. consensus			104%	107%	92%

Source: Company, Indo Premier

Share price closing as of: 12 March 2025

Fig. 1: 1Q25 financial summary

PGAS 1Q25 results	1Q25			1Q24			4Q24			IPS FY25F	% of IPS	Cons FY25F	% of cons
	1Q25	1Q24	% yoy	1Q25	1Q24	% yoy	4Q24	% qoq					
Revenue	967	949	2%	967	949	2%	972	-1%	3,567	27%	3,525	27%	
Cost of revenue	(826)	(738)	12%	(826)	(738)	12%	(802)	3%	(2,729)	30%	(2,624)	31%	
Gross profit	141	212	-34%	141	212	-34%	170	-17%	838	17%	901	16%	
Gross profit margin (%)	15%	22%		15%	22%		18%		23%		26%		
Operating expenses	(39)	(45)	-14%	(39)	(45)	-14%	(57)	-32%	(260)	15%	(324)	12%	
EBIT	102	167	-39%	102	167	-39%	113	-10%	578	18%	577	18%	
EBIT margin (%)	11%	18%		11%	18%		12%		16%		16%		
Depreciation	47	43	9%	47	43	9%	43	11%	179	26%	426	11%	
EBITDA	149	210	-29%	149	210	-29%	155	-4%	757	20%	1,003	15%	
EBITDA margin (%)	15%	22%		15%	22%		16%		21%		28%		
Finance income	18	16	18%	18	16	18%	16	13%	54	34%		N/A	
Finance costs	(18)	(20)	-8%	(18)	(20)	-8%	(14)	33%	(79)	23%		N/A	
Profit from JV/Asso	20	20	-1%	20	20	-1%	15	29%	75	26%		N/A	
Other inc. (exp.)	(16)	3	-653%	(16)	3	-653%	(17)	-7%	0	N/A		N/A	
Profit before tax	105	185	-43%	105	185	-43%	114	-7%	628	17%	590	18%	
Income tax	(15)	(40)	-62%	(15)	(40)	-62%	(18)	-17%	(177)	9%		N/A	
Tax rate (%)	14%	21%		14%	21%		16%		28%				
Minorities	(28)	(24)	16%	(28)	(24)	16%	(19)	47%	(95)	30%		N/A	
Net profit	62	121	-49%	62	121	-49%	76	-18%	357	17%	355	17%	
Net margin (%)	6%	13%		6%	13%		8%		10%				
Core profit	75	119	-37%	75	119	-37%	90	-16%	357	21%	355	21%	

Source: Company data, Bloomberg, Indo Premier

Fig. 2: 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
AKRA IJ	AKR Corporindo	Buy	2,000	12.0	9.4	8.5	8.9	6.7	5.9	8.8%	7.0%	5.8%
MEDC IJ	Medco Energi Internasional	Buy	1,700	5.0	5.6	5.3	3.7	3.3	3.1	3.2%	3.3%	4.0%
PGEO IJ	Pertamina Geothermal	Hold	1,250	15.6	15.1	13.5	8.3	7.6	6.9	4.5%	4.8%	5.0%
PGAS IJ	Perusahaan Gas Negara	Hold	1,500	7.3	8.2	8.8	3.5	3.9	3.9	8.3%	9.6%	8.5%

Source: Bloomberg, Indo Premier

Income Statement (US\$ mn)	2022A	2023A	2024F	2025F	2026F
Net revenue	3,569	3,646	3,636	3,567	3,398
Cost of sales	(2,788)	(2,913)	(2,822)	(2,729)	(2,702)
Gross profit	781	734	814	838	697
SG&A Expenses	(199)	(202)	(252)	(260)	(265)
Operating profit	582	532	562	578	432
Net interest	(106)	(49)	(19)	(25)	(21)
Income from associates	81	65	75	75	75
Others	(14)	(24)	(20)	0	0
Pre-tax income	543	524	597	628	486
Income tax	(141)	(147)	(168)	(177)	(136)
Minority interest	(75)	(99)	(90)	(95)	(70)
Net income	326	278	339	357	279

Balance Sheet (US\$ mn)	2022A	2023A	2024F	2025F	2026F
Cash & equivalent	1,448	1,245	856	1,007	1,089
Receivable	568	448	447	438	418
Inventory	60	71	69	67	66
Other current assets	137	129	129	129	129
Total current assets	2,212	1,892	1,500	1,640	1,701
Fixed assets	303	307	307	307	307
Other non-current assets	4,680	4,400	4,376	4,347	4,314
Total non-current assets	4,982	4,707	4,683	4,654	4,621
Total assets	7,195	6,599	6,183	6,295	6,322
ST loans	0	3	0	0	0
Payable	236	245	238	230	227
Other payables	175	117	117	117	117
Current portion of LT loans	48	75	0	0	0
Other current liabilities	534	1,023	470	470	470
Total current liab.	993	1,462	825	817	815
Long term loans	2,101	916	993	993	993
Other LT liab.	659	681	681	681	681
Total non-current liabilities	2,761	1,596	1,673	1,673	1,673
Total liabilities	3,753	3,059	2,498	2,490	2,488
Equity	(124)	(124)	(124)	(124)	(124)
Retained earnings	2,821	2,870	3,015	3,134	3,164
Minority interest	745	794	794	794	794
Total SHE + minority int.	3,442	3,540	3,685	3,804	3,834
Total liabilities & equity	7,195	6,599	6,183	6,295	6,322

Source: Company, Indo Premier

Cash Flow Statement (US\$ mn)	2022A	2023A	2024F	2025F	2026F
Net income	430	289	339	357	279
Depr. & amortization	158	175	174	179	183
Changes in working capital	(4)	17	(4)	3	19
Others	0	0	0	0	0
Cash flow from operating	584	481	509	538	481
Capital expenditure	139	60	(150)	(150)	(150)
Others	190	73	0	0	0
Cash flow from investing	329	133	(150)	(150)	(150)
Loans	(751)	(604)	(553)	0	0
Equity	(11)	15	0	0	0
Dividends	(206)	(228)	(195)	(237)	(250)
Others	0	0	0	0	0
Cash flow from financing	(968)	(817)	(748)	(237)	(250)
Changes in cash	(56)	(203)	(389)	151	82

Key Ratios	2022A	2023A	2024F	2025F	2026F
Gross margin	22%	20%	22%	23%	20%
Operating margin	16%	15%	15%	16%	13%
Pre-tax margin	15%	14%	16%	18%	14%
Net margin	9%	8%	9%	10%	8%
ROA	5%	4%	5%	6%	4%
ROE	12%	10%	12%	12%	9%
Acct. receivables TO (days)	6.3	8.1	8.1	8.1	8.1
Inventory TO (days)	46.8	41.0	41.0	41.0	41.0
Payable TO (days)	11.8	11.9	11.9	11.9	11.9
Debt to equity	0.8	0.6	0.3	0.3	0.3
Interest coverage ratio (x)	5.6	7.2	10.6	9.5	7.7
Net gearing	0.3	0.1	0.0	(0.0)	(0.0)

Source: Company, Indo Premier