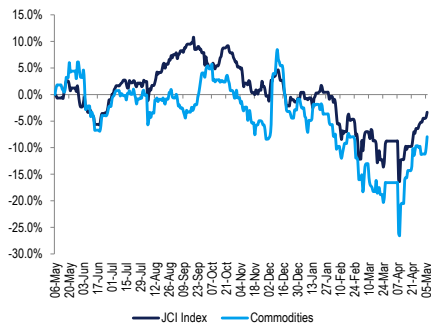


Sector Index Performance

	3M	6M	12M
Absolute	-0.2%	-6.4%	-7.9%
Relative to JCI	1.7%	1.4%	-4.6%



Summary Valuation Metrics

P/E (x)	2025F	2026F	2027F
ANTM IJ	11.3	9.7	10.5
INCO IJ	21.0	9.6	5.0
PGAS IJ	7.5	9.6	N/A
PTBA IJ	10.5	8.9	9.0

EV/EBITDA (x)	2025F	2026F	2027F
ANTM IJ	6.8	6.2	6.7
INCO IJ	4.7	3.5	2.2
PGAS IJ	3.5	4.2	N/A
PTBA IJ	6.0	5.3	5.3

Div. Yield	2025F	2026F	2027F
ANTM IJ	7.0%	6.6%	7.7%
INCO IJ	N/A	N/A	N/A
PGAS IJ	8.9%	9.3%	N/A
PTBA IJ	11.9%	7.1%	8.5%

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1Q25 recap: muted price reaction despite miss on overall results

- 7 out of 12 companies under our coverage have reported below than expected results but share price reaction was relatively muted.
- UNTR & PTBA delivered negative surprises with Pama's margin compression and below consensus NP delivery from PTBA.
- 2Q25F outlook: dividend remain a key focus for SOEs (i.e. PGAS, ANTM, INCO, TINS); maintain ANTM as our top pick.

Muted share price reaction despite negative surprises

Aside from ANTM (up by +5% post result release) and PGAS (-3%) – both outperformer vs. JCI YTD, share price performance for majority of companies under our coverage were relatively muted. We think UNTR was the most surprising given the magnitude of the decline in Pama's pre-tax margin. Meanwhile, several co. reported below consensus result, including PTBA (c.8% consensus), HRUM (core NP at 17% consensus), but share price reaction was muted. In conclusion, we think a lot of the downsides are mostly priced in by the market and combined with the sector underperformance YTD, this suggests that downside is already limited. However, we argue that after the relief-rally post Liberation Day, these companies would still need catalysts in order to re-rate.

Nickel in 2Q25F: royalty hike & ore premium; RKAB quota approvals

Starting on April 26th 2025, royalty increases across several commodities would be in effect (i.e. nickel ore, gold, copper, etc). One of the most frequently asked questions is whether nickel-ore miners could pass-on the royalty increase to smelters. So far, ore premium has gone up by US\$1.5/wmt since the effective royalty date, more or less already equivalent to c.4% royalty increase. This has further proven that miners have the bargaining power over smelters which was in-line with our initial thesis. Thus, with average ore price already higher vs. average 1Q25, we expect smelters' cash costs to further rose, particularly for those that are not 100% fully-integrated (i.e. MBMA/NCKL/HRUM). Several co. are also seeking further approval in RKAB quota – i.e. ANTM, INCO, and HRUM, which may be able to ease ore scarcity.

What to expect in 2Q25F: dividend & mixed pricing environment

Several SOEs under our coverage would announce their dividend payout ratio in May25/Jun25. Among our coverage, PTBA would provide the most attractive yield at 16%, followed by PGAS (14% yield), ANTM (6% yield), INCO (4% yield), all of which are assuming 100% payout ratio. However, we argue that dividend is already partially priced-in, with PTBA in particular, considering its share price trading relatively resilient post its poor result ([report](#)). Nevertheless, in 2Q-to-date, pricing environment is relatively better for nickel-ore & MHP, due to ore scarcity and landslide in IMIP in addition to lower matte output; while NPI pricing were lower in comparison to 1Q25.

Maintain ANTM as our top pick; re-iterate sector Neutral rating

We re-iterate our sector Neutral rating and maintain ANTM as our top pick, as we think ANTM would still provide better earnings upside vs. other companies in our coverage. With 1Q25 already accounts for c.50% of consensus forecast, we think at least there would be another 30-40% consensus earnings upgrade on ANTM. Upside risk is China stimulus.

Fig. 1: 1Q25 result recap

Net profit	1Q25	1Q24	% yoy	4Q24	% qoq	Cons FY25F	% of cons
Metals							
ADMR	65	115	-43%	104	-37%	303	22%
ANTM	2,131	238	795%	1,446	47%	3,882	55%
HRUM	6	1	500%	(16)	-138%	135	4%
INCO	22	6	255%	7	228%	87	25%
NCKL	1,657	1,001	65%	1,541	8%	7,465	22%
O&G							
AKRA	565	596	-5%	756	-25%	2,491	23%
ESSA	8	10	-21%	12	-30%	46	17%
PGAS	62	121	-49%	76	-18%	355	17%
Coal							
AADI	196	277	-29%	N/A	N/A	850	23%
ADRO	77	374	-80%	197	-61%	601	13%
PTBA	391	791	-51%	1,873	-79%	4,708	8%
UNTR	3,187	4,547	-30%	3,940	-19%	19,647	16%

Source: Bloomberg, Company data, Indo Premier estimates

Fig. 2: Companies under our coverage & recommendation

Ticker	Company	Rating	Target price (Rp/share)	P/E			EV/EBITDA			Dividend yield (%)		
				25F	26F	27F	25F	26F	27F	25F	26F	27F
Metals												
ADMR IJ	Adaro Minerals Indonesia	Buy	1,500	8.5	5.8	N/A	9.0	7.2	N/A	N/A	N/A	N/A
ANTM IJ	Aneka Tambang	Buy	2,500	11.3	9.7	10.5	6.8	6.2	6.7	7.0%	6.6%	7.7%
HRUM IJ	Harum Energy	Hold	1,450	5.2	4.0	N/A	4.7	3.1	N/A	N/A	N/A	N/A
INCO IJ	Vale Indonesia	Buy	3,650	21.0	9.6	5.0	4.7	3.5	2.2	N/A	N/A	N/A
MBMA IJ	Merdeka Battery Materials	Buy	560	50.8	9.2	3.5	11.6	5.4	1.9	N/A	N/A	N/A
MDKA IJ	Merdeka Copper Gold	Buy	2,400	N/A	13.0	9.0	9.9	5.7	4.7	N/A	N/A	N/A
NCKL IJ	Trimegah Bangun Persada	Buy	1,100	6.0	4.8	4.8	4.4	3.6	3.2	4.3%	5.0%	6.2%
Coal												
AADI IJ	Adaro Andalan Indonesia	Buy	12,000	3.1	3.1	N/A	2.7	2.0	N/A	14.3%	14.4%	N/A
ITMG IJ	Indo Tambangraya Megah	Hold	21,000	7.9	15.0	15.5	2.4	4.3	4.2	14.5%	6.3%	4.3%
PTBA IJ	Bukit Asam	Sell	2,000	10.5	8.9	9.0	6.0	5.3	5.3	11.9%	7.1%	8.5%
UNTR IJ	United Tractors	Hold	24,000	6.0	5.3	5.3	1.6	1.3	N/A	10.8%	11.1%	N/A
Oil & Gas												
AKRA IJ	AKR Corporindo	Buy	1,480	9.6	8.1	7.6	7.0	5.2	4.5	8.7%	6.8%	0.0%
MEDC IJ	Medco Energi Internasional	Hold	1,200	8.7	5.3	4.7	3.6	3.5	3.1	3.6%	3.7%	2.0%
PGEO IJ	Pertamina Geothermal	Hold	850	14.5	12.7	11.7	7.9	7.1	6.4	5.4%	5.2%	0.0%
PGAS IJ	Perusahaan Gas Negara	Hold	1,500	7.5	9.6	N/A	3.5	4.2	N/A	8.9%	9.3%	N/A
ESSA IJ	ESSA Industries	Buy	900	20.8	18.1	17.8	7.3	6.9	7.7	N/A	N/A	N/A

Source: Bloomberg, Company data, Indo Premier

SECTOR RATINGS

- OVERWEIGHT : An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
- NEUTRAL : A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
- UNDERWEIGHT : An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation

COMPANY 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

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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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