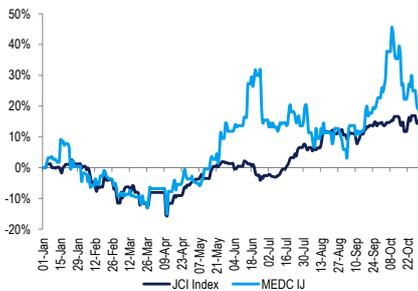


Stock Data

Target price	Rp1,600
Prior TP	Rp,1,600
Current price	Rp1,330
Upside/downside	+20%
Shares outstanding (mn)	25,136
Market cap (Rp bn)	33,431
Free float	21%
Avg. 6m daily T/O (Rp bn)	68

Price Performance

	3M	6M	12M
Absolute	3.5%	26.7%	3.9%
Relative to JCI	-5.6%	6.0%	-3.9%
52w low/high (Rp)	935 – 1,600		



Major Shareholders

Medco Daya Abadi Lestari	51.6%
Diamond Bridge Pte Ltd	21.5%

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3Q25 results: production improvement boosted NP qoq

- MEDC reported 9M25 net profit of US\$86mn (-69% yoy), which came in-line with our forecast (71%), but below consensus (50%).
- EBITDA came in-line with our forecast at 73% IPS but above consensus at 79% consensus, supported by production improvement in 3Q25.
- We fine-tuned our FY25F NP estimate by +4%. Maintain our BUY call on a better 4Q25F outlook, and retain our Rp1,600/share TP unchanged.

3Q25 review: production improvement boosted NP qoq

MEDC reported US\$86mn NP in 9M25 (-69% yoy), which came in-line with our forecast (71%), but below consensus (50%). We believe the miss versus consensus was due to overly optimistic assumptions on the effective tax rate, while EBITDA actually came in above consensus at 79%. In 3Q25, revenue rose by +7% qoq despite lower O&G ASP (-2% qoq), driven by higher oil and gas lifting volumes (+17% and +16% qoq, respectively), thanks to the higher participating interest from Corridor block (increase from 46% to 70%). Cash costs rose to US\$9.2/boe (+7% qoq), but GP and EBITDA remained robust, up +6%/+11% growth qoq, respectively. Below the operating line, associate income shrank to US\$3mn due to lower AMMN contribution, while other income rose to US\$13mn (vs. US\$4mn in 2Q25); Excluding other income, core NP still rose by +131% qoq to US\$35mn.

AMMN: wider net loss on higher cash costs

AMMN reported net loss of US\$30mn in 3Q25 (vs. US\$10mn loss in 2Q25). However, revenue doubled qoq to US\$363mn, supported by higher copper cathode sales of 47Mlbs (+15% qoq) and refined gold sales of 43koz during the quarter, following the start-up of its PMR smelter in Jul25. Cash costs trended higher qoq, likely due to the ramp-up phase, causing gross profit to decline -30% qoq. This was partly offset by lower operating expenses (-43% qoq), leading to only a -4% qoq decline in EBITDA. However, higher interest expenses (+35% qoq) widened the net loss to US\$30mn. Going forward, AMMN expects to secure concentrate export permit sometime in 4Q25F, which should improve profitability in the short-term.

Maintain BUY call with an unchanged TP of Rp1,600/share

We fine-tuned our FY25F estimates by +4%. As a result, we maintain our BUY call and keep our TP unchanged at Rp1,600/sh. MEDC guided production to reach 155-160mboepd vs. 9M25 of 150mboepd, indicating a better 4Q25F outlook, underpinning our positive stance. Downside risks: lower-than-expected volume delivery from AMMN and a potential crude oil market surplus that could pressure MEDC's ASP.

Financial Summary (US\$ mn)	2023A	2024A	2025F	2026F	2027F
Revenue	2,249	2,399	2,362	2,479	2,479
EBITDA	1,255	1,272	1,304	1,369	1,363
Net profit	331	367	126	340	362
EPS growth	-38%	11%	-66%	169%	6%
ROE	18%	17%	6%	14%	13%
PER (x)	6.3	5.7	16.6	6.1	5.8
EV/EBITDA (x)	4.0	3.7	4.0	3.5	3.3
Dividend yield	3%	3%	3%	4%	0%
IPS vs. consensus			74%	126%	120%

Source: Company, Indo Premier

Share price closing as of: 31 October 2025

Fig. 1: Old vs new forecast

MEDC 9M25 results	9M25	9M24	% yoy	3Q25	3Q24	% yoy	2Q25	% qoq	IPS FY25F	% of IPS	Cons FY25F	% of cons
Revenue	1,757	1,783	-1%	619	618	0%	578	7%	2,362	74%	2,283	77%
Cost of revenue	(1,099)	(1,103)	0%	(396)	(389)	2%	(371)	7%	(1,419)	77%	(1,395)	79%
Gross profit	658	680	-3%	222	228	-3%	207	8%	943	70%	888	74%
Gross profit margin (%)	37%	38%		36%	37%		36%		40%		39%	
Operating expenses	(155)	(142)	9%	(57)	(46)	24%	(50)	14%	(204)	76%	(222)	70%
EBIT	503	537	-6%	165	182	-9%	156	6%	739	68%	666	76%
EBIT margin (%)	29%	30%		27%	29%		27%		31%		29%	
Depreciation & amortization	437	436	0%	156	146	7%	132	18%	557	79%	520	84%
EBITDA	940	973	-3%	321	328	-2%	289	11%	1,296	73%	1,186	79%
EBITDA margin (%)	54%	55%		52%	53%		50%		55%		52%	
Finance income	29	54	-46%	6	20	-69%	12	-49%	36	81%		N/A
Finance costs	(243)	(217)	12%	(73)	(75)	-2%	(90)	-19%	(324)	75%		N/A
Profit from JV/Asso	(9)	113	-108%	3	24	-90%	8	-69%	13	-71%		N/A
Other inc. (exp.)	16	20	-20%	13	4	214%	4	190%	16	100%		N/A
Profit before tax	296	507	-42%	114	156	-27%	91	25%	480	62%	445	67%
Income tax	(202)	(220)	-8%	(63)	(83)	-24%	(68)	-8%	(351)	58%		N/A
Tax rate (%)	68%	43%		55%	53%		75%		73%			
Minorities	(8)	(10)	-16%	(3)	2	-249%	(2)	41%	(2)	328%		N/A
Discontinued operations	0	(4)		0	(3)		(1)		(1)	-17%		N/A
Net profit	86	273	-69%	48	72	-33%	20	145%	121	71%	170	50%
Net margin (%)	5%	15%		8%	12%		3%		5%			
Core profit	70	262	-73%	35	68	-48%	15	131%	117	60%	170	41%

Source: Company data, Indo Premier

Fig. 2: Old vs new forecast

MEDC	US\$ mn	New forecast			Forecast change			Consensus			Indo Premier vs Consensus		
		2024A	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F
Revenues	2,399	2,362	2,479	2,479	1%	0%	0%	2,283	2,336	2,341	103%	106%	106%
Gross profit	933	943	963	962	2%	0%	0%	888	993	990	106%	97%	97%
Operating profit	717	739	753	746	2%	0%	0%	666	733	728	111%	103%	103%
EBITDA	1,272	1,304	1,369	1,363	1%	0%	0%	1,186	1,285	1,296	110%	107%	105%
NPAT	367	126	340	362	4%	0%	0%	170	270	301	74%	126%	120%
%y-y													
Revenues		-2%	5%	0%				-5%	2%	0%			
Gross profit		1%	2%	0%				-5%	12%	0%			
Operating profit		3%	2%	-1%				-7%	10%	-1%			
EBITDA		3%	5%	0%				-7%	8%	1%			
NPAT		-66%	169%	6%				-54%	59%	11%			
Gross margin	38.9%	39.9%	38.8%	38.8%				38.9%	42.5%	42.3%	1.0%	-3.7%	-3.5%
Operating margin	29.9%	31.3%	30.4%	30.1%				29.2%	31.4%	31.1%	2.1%	-1.0%	-1.0%
EBITDA margin	53.0%	55.2%	55.2%	55.0%				51.9%	55.0%	55.4%	3.3%	0.2%	-0.4%
NPAT margin	15.3%	5.3%	13.7%	14.6%				7.4%	11.6%	12.8%	-2.1%	2.1%	1.8%

Source: Company data, Indo Premier

Fig. 3: MEDC's sum-of-the-parts (SOTP) valuation

Valuation	Basis	Multiples (x)	Base value (US\$ mn)	Value (US\$ mn)
Oil & Gas (E&P upstream)	FY 26F EV/EBITDA	3.0	1,374	4,121
Power	FY 26F PBV	1.0	504	504
Amman Mineral (AMMN), 21% stake	12-month forward P/E	12.0	267	671
Total				5,296
Enterprise value (US\$ mn)			4,121	
(-) Debt			(3,374)	
(+) Cash			603	
(+) Power + AMMN			1,175	
Equity value (US\$ mn)			2,525	
bn shares			25.1	
Equity value (Rp/share)			1,600	

Source: Company data, Indo Premier

Income Statement (US\$ mn)	2023A	2024A	2025F	2026F	2027F
Net revenue	2,249	2,399	2,362	2,479	2,479
Cost of sales	(1,216)	(1,466)	(1,419)	(1,516)	(1,517)
Gross profit	1,034	933	943	963	962
SG&A Expenses	(241)	(217)	(204)	(210)	(216)
Operating profit	792	717	739	753	746
Net interest	(227)	(221)	(288)	(266)	(249)
Income from associates	39	113	13	146	176
Others	123	63	16	0	0
Pre-tax income	728	671	480	632	673
Income tax	(340)	(289)	(351)	(285)	(303)
Minority interest	(42)	(2)	(1)	(1)	(1)
Discontinued operations	15	13	2	7	7
Net income	331	367	126	340	362

Balance Sheet (US\$ mn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent	354	637	266	603	896
Receivable	348	361	354	373	373
Inventory	127	156	151	161	162
Other current assets	718	663	663	663	663
Total current assets	1,547	1,817	1,433	1,800	2,093
Fixed assets	65	109	161	212	263
Other non-current assets	5,857	6,001	6,105	6,055	6,005
Total non-current assets	5,922	6,110	6,266	6,267	6,269
Total assets	7,468	7,927	7,699	8,067	8,362
ST loans	148	55	0	0	0
Payable	288	344	333	355	356
Other payables	202	238	240	240	240
Current portion of LT loans	0	0	0	0	0
Other current liabilities	784	869	228	228	228
Total current liab.	1,422	1,505	801	824	824
Long term loans	2,900	2,871	3,344	3,374	3,374
Other LT liab.	1,119	1,199	1,155	1,155	1,155
Total non-current liabilities	4,019	4,070	4,499	4,529	4,529
Total liabilities	5,441	5,576	5,300	5,353	5,353
Equity	121	121	121	121	121
Retained earnings	1,248	1,545	1,593	1,908	2,203
Minority interest	659	685	685	685	685
Total SHE + minority int.	2,028	2,351	2,399	2,715	3,009
Total liabilities & equity	7,468	7,927	7,699	8,067	8,362

Source: Company, Indo Premier

Cash Flow Statement (US\$ mn)	2023A	2024A	2025F	2026F	2027F
Net income	122	322	114	340	362
Depr. & amortization	562	453	548	565	616
Changes in working capital	80	80	(49)	(7)	0
Others	0	0	0	0	0
Cash flow from operating	763	855	612	898	979
Capital expenditure	(1,104)	(478)	(704)	(566)	(618)
Others	(15)	(128)	0	0	0
Cash flow from investing	(1,119)	(606)	(704)	(566)	(618)
Loans	169	111	(206)	30	0
Equity	5	(7)	0	0	0
Dividends	(64)	(70)	(73)	(24)	(68)
Others	0	0	0	0	0
Cash flow from financing	110	34	(280)	6	(68)
Changes in cash	(246)	283	(371)	337	293

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	46%	39%	40%	39%	39%
Operating margin	35%	30%	31%	30%	30%
Pre-tax margin	32%	28%	20%	26%	27%
Net margin	15%	15%	5%	14%	15%
ROA	4%	5%	2%	4%	4%
ROE	18%	17%	6%	14%	13%
Acct. receivables TO (days)	6.5	6.6	6.6	6.6	6.6
Inventory TO (days)	9.6	9.4	9.4	9.4	9.4
Payable TO (days)	4.2	4.3	4.3	4.3	4.3
Debt to equity	2.0	1.8	1.6	1.5	1.4
Interest coverage ratio (x)	2.9	2.3	2.2	2.3	2.4
Net gearing	1.6	1.6	1.3	1.4	1.1

Source: Company, Indo Premier