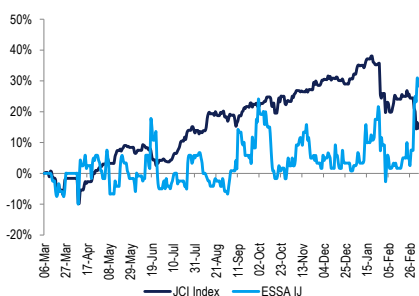


Stock Data

Target price	Rp1,200
Prior TP	Rp1,000
Current price	Rp770
Upside/downside	+56%
Shares outstanding (mn)	17,227
Market cap (Rp bn)	13,265
Free float	54%
Avg. 6m daily T/O (Rp bn)	70

Price Performance

	3M	6M	12M
Absolute	23.2%	27.3%	17.6%
Relative to JCI	35.4%	30.9%	2.9%
52w low/high (Rp)	540 – 785		



Major Shareholders

Chander Vinod Laroya	16.4%
Garibaldi Thohir	14.1%
Akraya International	7.5%

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4Q25 result: a beat from ammonia price and margin

- ESSA FY25 NP of US\$40mn (-11% yoy) came above our FY25F forecast at 110% IPS, driven by higher realized ammonia ASP.
- Stellar 4Q25 NP of US\$19mn (+194% qoq) supported by stronger ammonia ASP and sales volume (+31/+21% qoq).
- We lift our FY26-28F NP by 144-178% to reflect stronger ammonia prices; reiterate Buy at higher TP of Rp1,200/sh.

Solid 4Q25 NP on stronger ASP and volume; FY25 beat expectations

ESSA reported FY25 NP of US\$40mn (-11% yoy), exceeding our forecast (at 110% of estimate), primarily driven by higher realized ammonia ASP of US\$338/t (-3% yoy; 102% IPS) which lifted ammonia gross margin to 32% (vs. IPS 27%). On qoq basis, 4Q25 NP surged to US\$19mn (+194% qoq), supported by stronger ammonia ASP/volume (+31/+21% qoq).

Ammonia: strong ASP while inventory sales supported volume

Ammonia production remained stable at 198kt in 4Q25 (-1% qoq; 122% utilization rate) while sales volume surged to 211kt (+21% qoq) on the back of inventory sales carried over from 3Q25. At the same time, ASP rose to US\$405/t (+31% qoq), broadly in-line with Middle East ammonia price (+50% qoq). Consequently, gross margin expanded to 46% in 4Q25 (+2,053bps qoq), bringing FY25 gross margin to 32%, above our forecast (IPS: 27%). On the LPG front, gross margin remained flat qoq at 41% as lower ASP of US\$488/t (-7% qoq) due to lower CP Aramco price (-10% qoq) was offset by higher production of 17kt (+11% qoq).

Tension in Middle East reinforce our bullish stance; lift NP by 144-178%

Ongoing geopolitical tension in the Middle East reinforces our bullish stance on Ammonia as the Strait of Hormuz accounts for 20% of global LNG trade, a key input to manufacture ammonia. Unlike oil, where OPEC's spare capacity (3-3.5mbdp) can quickly increase supply, LNG export facilities typically operate near full capacity, making prices more sensitive to supply disruptions. To add, European gas storage is currently at 2022 low (Fig. 5). Even if tension eases, supply normalization could take at least 1 month, while the recent structural 5% global ammonia supply cut from Trinidad ([report](#)) should continue to support ammonia prices. Consequently, we lift our FY26/27F NP estimates to US\$103/120mn (+144/+178%) to reflect higher ammonia price assumption of US\$575/t from US\$450/t previously

Reiterate Buy at higher SOTP-based TP of Rp1,200/sh

We reiterate our Buy rating at higher SOTP-based TP of Rp1,200/sh (from Rp1,000/sh previously) following our earnings upgrade. We continue to view ESSA's attractive long-term expansion plan of doubling its ammonia capacity and venturing into SAF are key in unlocking value. Key downside risk is softer than expected ammonia prices.

Financial Summary (US\$ mn)	2024A	2025A	2026F	2027F	2028F
Revenue	301	295	431	466	466
EBITDA	128	117	218	250	255
Net profit	45	40	103	120	122
EPS growth	31%	-11%	156%	16%	2%
ROE	8%	7%	14%	14%	12%
PER (x)	18.3	20.6	8.0	6.9	6.8
EV/EBITDA (x)	5.9	6.0	3.7	3.3	3.2
Dividend yield	N/A	N/A	N/A	N/A	N/A
IPS vs. consensus			N/A	N/A	N/A

Source: Company, Indo Premier

Share price closing as of: 6 Mar 2026

Fig. 1: Forecast changes summary

Forecast changes (US\$ mn)	Previous			New			Changes		
	2026F	2027F	2028F	2026F	2027F	2028F	2026F	2027F	2028F
Net revenue	294	326	326	431	466	466	47%	43%	43%
Cost of sales	(209)	(222)	(222)	(228)	(233)	(228)	9%	5%	3%
Gross profit	84	104	104	203	234	238	141%	125%	129%
SG&A Expenses	(24)	(26)	(26)	(33)	(35)	(35)	36%	33%	33%
Operating profit	60	77	77	170	199	203	184%	158%	164%
Net interest	0	5	5	5	5	4	N/A	0%	-17%
Others	0	0	0	0	0	0	N/A	N/A	N/A
Pre-tax income	60	82	82	175	204	207	192%	149%	153%
Income tax	(13)	(18)	(18)	(39)	(45)	(46)	197%	149%	153%
Minority interest	(11)	(15)	(15)	(34)	(40)	(40)	206%	164%	168%
Net income	37	49	49	103	120	122	178%	144%	148%

Source: Company, Indo Premier

Fig. 2: 9M25 financial summary

ESSA FY25 results	FY25	FY24	yoy%	4Q25	4Q24	yoy%	3Q25	qoq%	IPS FY25F	% of IPS	Cons FY25F	% of cons
Revenue	295	301	-2%	95	71	33%	63	51%	294	100%	279	106%
COGS	(196)	(193)	1%	(51)	(45)	15%	(45)	13%	(209)	94%	(190)	103%
Gross profit	99	108	-8%	43	27	62%	17	148%	84	117%	89	111%
Gross margin	34%	36%		46%	37%		28%		36%		32%	
Opex	(28)	(26)	8%	(10)	(8)	29%	(6)	61%	(24)	117%	(24)	117%
EBIT	71	82	-14%	33	19	75%	11	193%	60	117%	65	109%
EBIT margin	24%	27%		35%	27%		18%		27%		23%	
Depreciation	47	46	0%	10	12	-16%	13	-25%	47	99%		
EBITDA	117	128	-9%	43	31	41%	25	77%	108	109%		
EBITDA margin	40%	43%		46%	43%		39%		41%			
Interest income	4	5	-25%	1	1	-18%	1	22%	5	70%		
Interest expense	(4)	(10)	-64%	(0)	(2)	-100%	(1)	-99%	(5)	73%		
Others	(0)	0	-162%	0	0	-68%	(0)	-235%				
Pre-tax profit	71	77	-8%	35	19	83%	11	215%	60	117%		
Income tax	(16)	(16)	-4%	(8)	(4)	125%	(2)	248%	(13)	117%		
Minority interest	(15)	(15)	-3%	(8)	(4)	104%	(2)	244%	(11)	140%		
Net profit	40	45	-11%	19	12	63%	6	194%	37	110%		
Net margin	14%	15%		20%	16%		10%		15%			

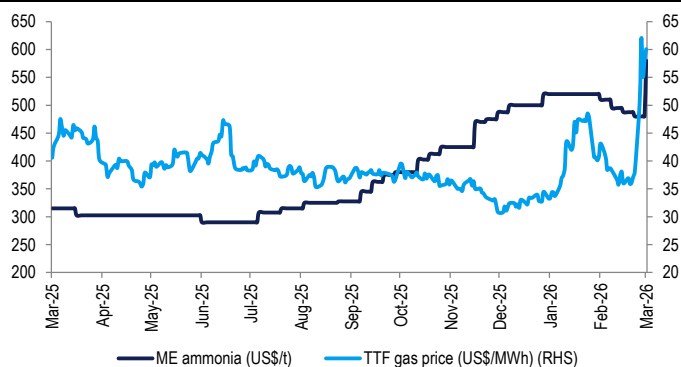
Source: Company, Indo Premier

Fig. 3: 9M25 operational summary

Operational summary	FY25	FY24	yoy%	4Q25	4Q24	yoy%	3Q25	qoq%	IPS FY25F	% of IPS	Cons FY25F	% of cons
Ammonia (k mt)	756	733	3%	211	162	30%	174	21%	765	99%	-	N/A
Utilization rate (%)	115%	114%		122%	109%		123%		115%			
LPG (k mt)	65	69	-6%	17	17	1%	15	11%	63	102%	-	N/A
Utilization rate (%)	112%	119%		118%	117%		107%		125%			
Ammonia ASP (US\$/mt)	338	350	-3%	405	368	10%	309	31%	333	102%	-	N/A
LPG ASP (US\$/mt)	559	604	-7%	488	629	-22%	527	-7%	570	98%	-	N/A

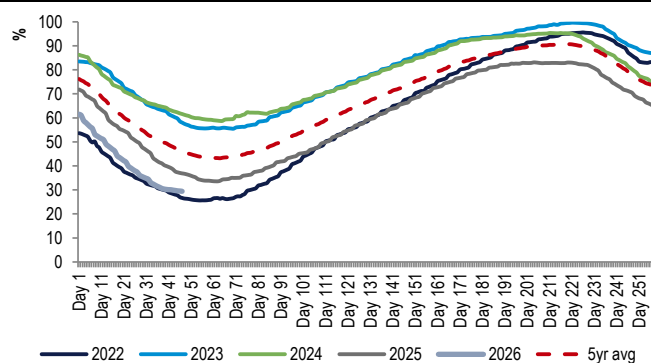
Source: Company, Indo Premier

Fig. 4: Middle East ammonia and TTF gas price



Source: Bloomberg, Indo Premier

Fig. 5: Europe gas storage



Source: Bloomberg, Indo Premier

Fig. 6: SOTP valuation summary

SOTP Valuation	US\$m n
Ammonia (70% ownership)	862
LPG	175
Asset value	1,037
Cash	215
Debt	-
Equity value	1,252
USD/IDR	16,700
Outstanding shares	17,227
Target price	1,200
Current share price	665
Upside/(downside)	80%

Source: Company, Indo Premier

Income Statement (US\$ mn)	2024A	2025A	2026F	2027F	2028F
Net revenue	301	295	431	466	466
Cost of sales	(193)	(196)	(228)	(233)	(228)
Gross profit	108	99	203	234	238
Opex	(26)	(28)	(33)	(35)	(35)
Operating profit	82	71	170	199	203
Net interest	(5)	(0)	5	5	4
Others	0	(0)	0	0	0
Pre-tax income	77	71	175	204	207
Income tax	(16)	(16)	(39)	(45)	(46)
Minority interest	(15)	(15)	(34)	(40)	(40)
Net Income	45	40	103	120	122

Balance Sheet (US\$ mn)	2024A	2025A	2026F	2027F	2028F
Cash & Equivalent	98	157	80	92	79
Receivable	38	22	20	20	21
Inventory	25	28	22	23	27
Other Current Assets	18	11	11	11	11
Total Current Assets	179	219	134	147	138
Fixed Assets - Net	493	451	485	713	849
Other non-Current Assets	24	24	24	24	24
Total non-current assets	517	475	509	737	872
Total Assets	695	694	642	884	1,011
Payable	12	10	10	11	13
ST Bank Loan	0	34	0	0	0
Current Portion of LT Loans	106	42	0	0	0
Other Current Liabilities	7	6	6	6	6
Total Current Liabilities	125	93	17	17	19
Long Term Loans	55	16	0	200	300
Other LT Liabilities	18	31	31	31	31
Total Liabilities	198	140	48	248	350
Equity	146	145	145	145	145
Retained Earnings	210	253	284	316	336
Others	23	19	19	19	19
Minority Interest	118	137	146	155	160
Total SHE + Minority Int.	498	554	594	635	661
Total Liabilities & Equity	695	694	642	884	1,011

Source: Company, Indo Premier

Cash Flow Statement (US\$ mn)	2024A	2025A	2026F	2027F	2028F
EBIT	77	82	52	48	32
Depr. & amortization	47	46	47	52	70
Net interest	(15)	(5)	0	5	1
Changes in working capital	17	11	8	(1)	(3)
Others	25	9	(11)	(12)	(7)
Cash flow from operating	151	143	96	92	93
Capital expenditure	(3)	(5)	(81)	(281)	(206)
Others	0	5	0	0	0
Cash flow from investing	(3)	(0)	(81)	(281)	(206)
Loans	(109)	(69)	(92)	200	100
Equity	41	(5)	0	0	0
Dividends	0	0	0	0	0
Others	(130)	(10)	0	0	0
Cash flow from financing	(198)	(84)	(92)	200	100
Changes in cash	(49)	59	(77)	12	(13)

Key Ratios	2024A	2025A	2026F	2027F	2028F
Gross margin	30%	36%	27%	25%	19%
Operating margin	22%	27%	19%	17%	11%
Pre-tax margin	18%	25%	19%	19%	11%
Net margin	10%	15%	11%	11%	7%
ROA	5%	7%	5%	4%	2%
ROE	7%	8%	5%	5%	3%
ROIC	14%	17%	10%	6%	4%
Acct. receivables TO (days)	9	14	14	14	14
Inventory TO (days)	6	9	10	10	11
Acct. payables TO (days)	20	19	19	19	19
Debt to equity	32%	17%	0%	31%	45%
Interest coverage ratio (x)	7.0	12.7	19.7	N/A	N/A
Net gearing	13%	-12%	-14%	17%	33%

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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