Company Update

February 11, 2026

ajaib RESEARCH
PT Ajaib Sekuritas Asia

PTBA

PT Bukit Asam Tbk

Domestic Demand Shield

- **PTBA maintained solid growth over FY21–FY25, with production reaching 47.2 Mt in FY25 and improving efficiency as stripping ratio declined, despite softer 4Q25 volumes.**
- **Value maximization continues via integrated coal logistics, mine-mouth power, downstream projects, and gradual diversification into solar and infrastructure.**
- **In our view, RKAB normalization and higher DMO policy pose limited downside risk to PTBA given its domestic-heavy sales mix, supporting a more defensive earnings profile**
- **BUY upgrade with a higher target price of Rp3,000 implying 9.68x FY27F PE, (~20% discount to regional peers).**

Operational Growth with Late-Cycle Normalization
Over FY2021–FY2025, PTBA delivered consistent coal production growth at a ~12% CAGR, culminating in FY25 production of 47.2 million tons. Quarterly volumes moderated in 4Q25 amid selective mining initiatives and elevated rainfall, with production declining to 11.3 million tons (-20% QoQ) and transportation and sales easing to 10.4 million tons and 11.7 million tons (both -3% QoQ); nevertheless, on a full-year basis, production still increased to 47.2 million tons (+9% YoY), while transportation and sales rose to 45.4 million tons (+6% YoY). Operational efficiency improved further as the stripping ratio declined to 6.06x in FY25, outperforming FY25 guidance of 6.49x and improving from 6.23x in FY24. Sales growth was driven mainly by domestic offtake, with domestic volumes rising from 22.64 million tons in FY24 to 24.74 million tons in FY25, anchored by PLN, while exports remained stable and diversified, contributing 46% of total sales and led by Bangladesh (27% of exports), with Spain emerging as a new export destination in 4Q25.

Coal-Centric Value Maximization with Energy Diversification
PTBA's strategy focuses on maximizing value from its coal base while gradually diversifying into energy and non-coal businesses. Of its 2.93 billion tons of coal reserves, allocation is spread across coal logistics (1.79 billion tons) supported by integrated rail and port infrastructure—strengthened by the Kuala Tanjung–Kertapati–Tarahan railway project that will lift hauling capacity to 20 Mtpa by 2Q26; coal-to-energy (303 million tons) anchored by mine-mouth power plants such as CFPP Banjarsari (2×110 MW) and Sumsel-8 (2×620 MW, COD 2026); and coal downstream (842 million tons) through higher value-added initiatives including coal-to-gas, coal-to-liquid, and coal-to-chemical. Alongside this, PTBA is advancing non-coal growth via post-mining solar PV (1.02 MWp installed, targeting >500 MW by 2030) and infrastructure development such as a coal-based industrial estate, supporting a more diversified and resilient long-term energy portfolio.

RKAB Policy Risk, with Limited Impact to PTBA in Our View
Amid uncertainty surrounding RKAB Batubara 2026 and the circulation of debunked production quota tables, the Ministry of ESDM has confirmed that RKAB 2026 has yet to be issued and remains under evaluation. Nevertheless, policy signals indicate a normalization of national coal production to around 600 million tons in 2026, down from 790 million tons realized in 2025. To mitigate the impact of lower production, the government plans to increase the DMO ratio to above 30% (from ~32% realized in 2025), reinforcing its focus on domestic supply. In this environment, PTBA appears relatively well insulated, as 54% of its sales are absorbed by the domestic market, primarily anchored by PLN. With a sales mix closely aligned to higher DMO requirements, PTBA is therefore less likely to face material RKAB production cuts in 2026 compared with more export-oriented peers, given that any adjustments are expected to be applied proportionally.

BUY Upgrade on Defensive Earnings and Policy Alignment
We upgrade PTBA to **BUY** with a higher target price of **Rp3,000**, implying 9.68x FY27F PE (a 20% discount to regional peers). The upgrade is driven by PTBA's resilient earnings outlook, supported by its domestic-heavy sales mix amid a higher DMO policy direction, lower risk of potential RKAB production cuts, a more constructive coal price outlook in 2026 due to tighter supply, and improving cost efficiency, underpinned by a strong balance sheet and dividend visibility. **Key risks:** coal price volatility, regulatory tightening, execution risks, and the potential reintroduction of coal export duties from 1 January 2026 (proposed at 1–5%, potentially higher and retroactive), which could weigh on export margins and competitiveness.

Key Financial Highlights

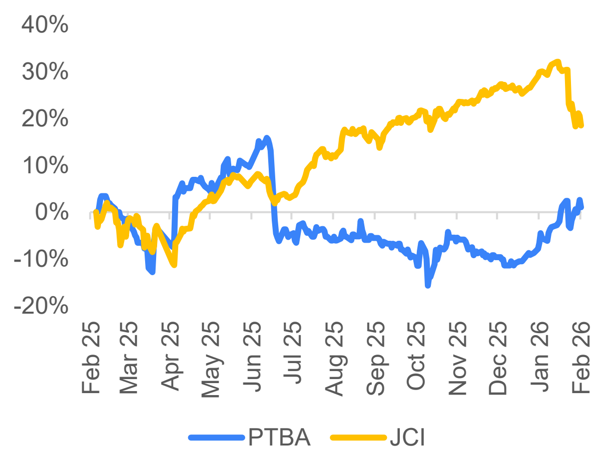
Key Metrics	2023	2024	2025F	2026F	2027F
Revenue (USD mn)	38,489	42,765	42,538	46,746	49,516
EBITDA (USD mn)	7,860	6,627	3,776	5,198	5,474
Net Profit (USD mn)	6,106	5,104	2,386	3,567	3,826
EPS Growth (%)	-51.4	-16.4	-53.2	49.5	7.3
P/E (x)	4.60	6.21	11.15	9.69	9.03
P/BV (x)	1.30	1.40	1.25	1.50	1.43
EV/EBITDA (x)	3.58	4.78	7.05	6.65	6.31

BUY

Stock Information (as of February 10, 2026)

Last Price (Rp)	2,580
Target Price (Rp)	3,000
Potential Upside	16.3%
Previous TP (Rp)	2,600
Market Cap (Rp tn)	29.7
52 Week Range (Rp)	3,070 – 2,170
Free Float	34.1%
Share Out. (bn)	11.5

1-Year Stock Performance Comparison vs JCI



Shareholders

PTBA's Shareholders	%
MIND ID	65.93
Public	34.07
Treasury Stock	0.05

Company Description

PTBA's Company Profile

PT Bukit Asam Tbk is an Indonesia-based company engaged in coal mining and related activities. It engages in general surveying, exploration, exploitation, processing, refining, transportation and trading, and management of special coal port facilities. Its segments include coal segment and other segments.

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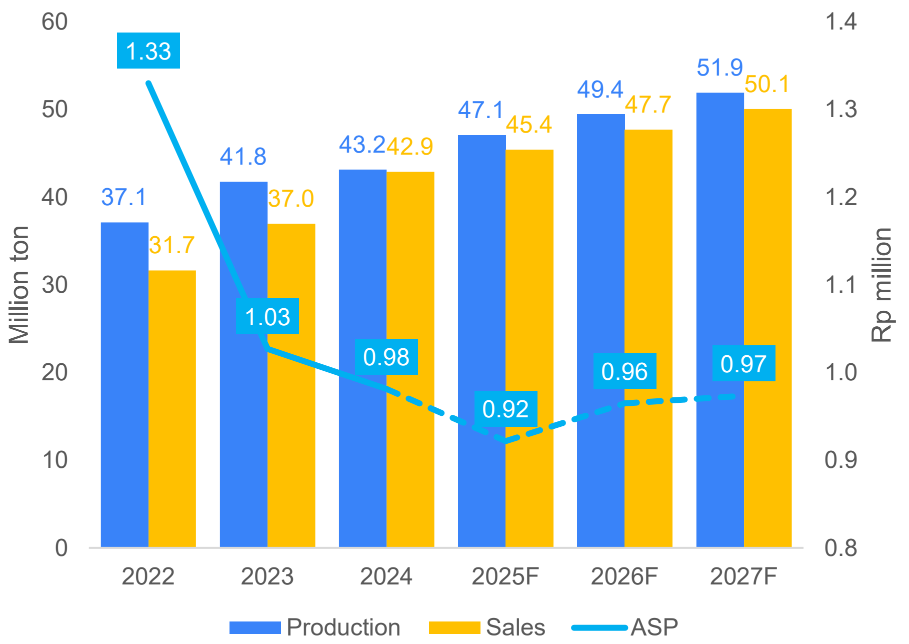
Figure 1. PTBA's 9M25 Financial Results

Key Metrics (Rp billion)	9M25	9M24	YoY	3Q25	2Q25	QoQ	3Q24	YoY
Revenue	31,330	30,656	*2%*	10,878	10,494	*4%*	11,013	*-1%*
Gross Profit	3,566	5,608	*-36%*	1,319	1,200	*10%*	2,205	*-40%*
Gross Margin	*11.4%*	*18.3%*		*12.1%*	*11.4%*			
Operating Profit	1,495	3,583	*-58%*	648	502	*29%*	1,473	*-56%*
Operating Margin	*4.8%*	*11.7%*		*6.0%*	*4.8%*			
Net Profit	1,394	3,230	*-57%*	561	442	*27%*	1,198	*-53%*
Net Margin	*4.4%*	*10.5%*		*5.2%*	*4.2%*			
Production (MT)	35.9	33.0	*9%*	14.2	13.3	*7%*	14.2	*0%*
Sales Volume (MT)	33.7	31.3	*8%*	12.1	11.3	*7%*	11.2	*8%*
Coal Transportation (MT)	30.0	26.4	*14%*	10.7	9.9	*8%*	9.1	*18%*
ASP (Rp k/ton)	913	967	*-6%*	882	911	*-3%*	967	*-9%*
Cash Cost (Rp k/ton)	841	824	*2%*	883	839	*5%*	887	*0%*
Cash Margin	72	143	*-50%*	-1	72	*N.A*	80	*N.A*

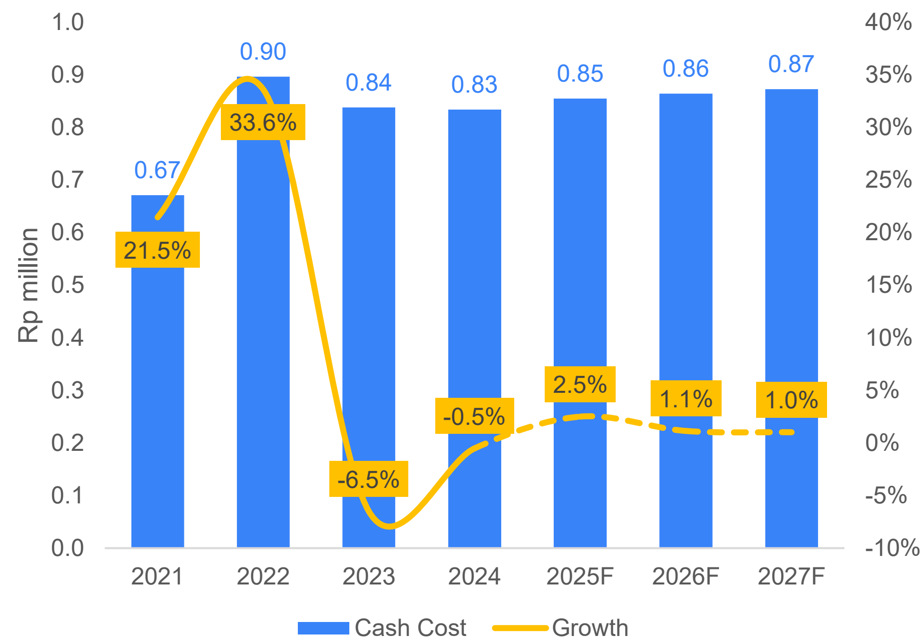
Source: Company, Ajaib Research

Figure 2. PTBA's Coal Sales and Production Volume



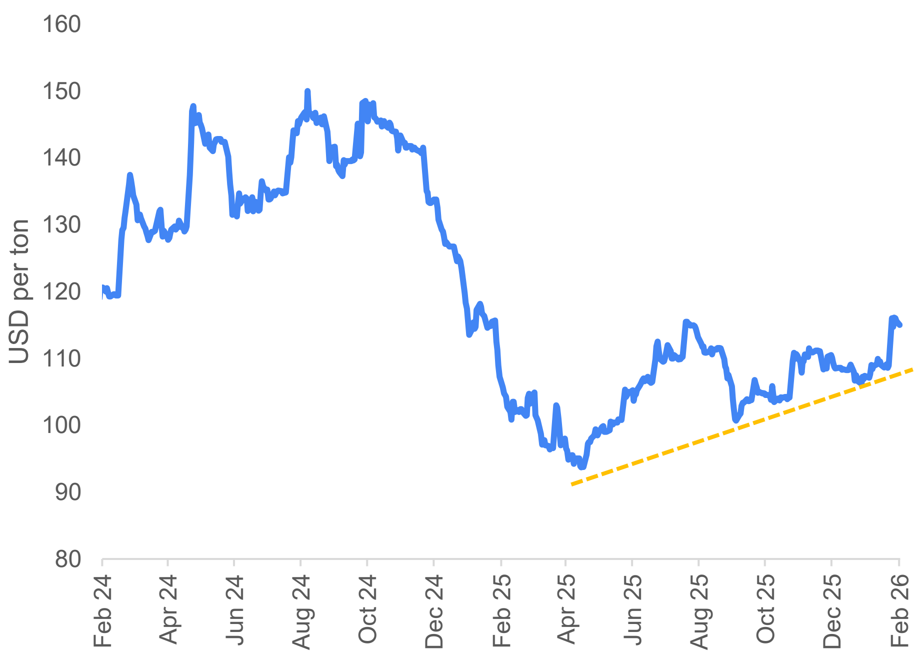
Source: Company, Ajaib Research

Figure 3. PTBA's Cash Cost Projections



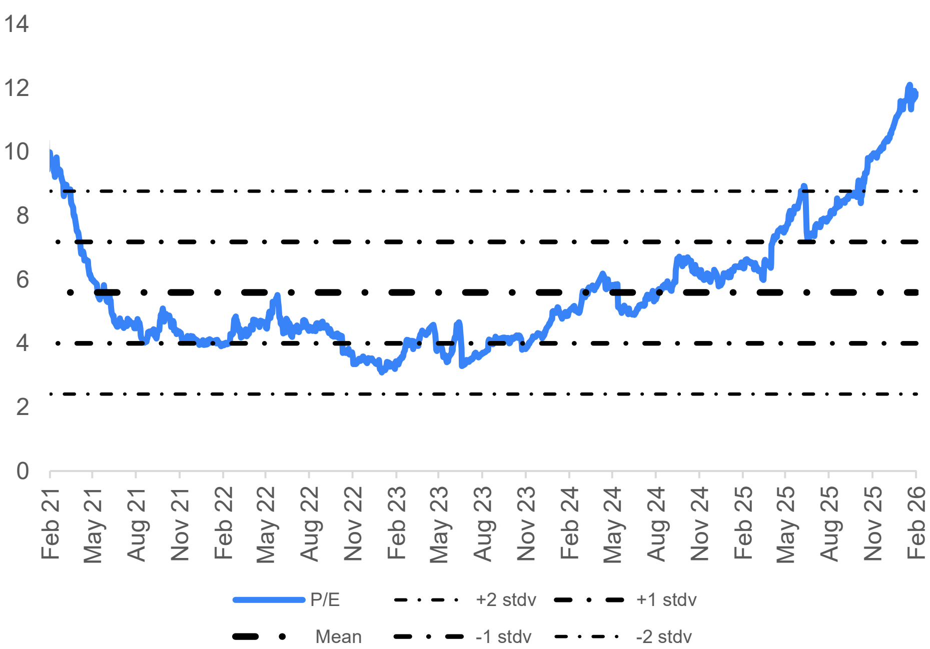
Source: Company, Ajaib Research

Figure 4. Newcastle Coal Price Trend



Source: Bloomberg, Ajaib Research

Figure 5. PTBA's 5-Years PE Band



Source: Bloomberg, Ajaib Research

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Figure 6. PTBA's Earnings Revission

Key Metrics (Rp billion)	2025F		2026F		2027F		Changes		
	Old	New	Old	New	Old	New	2025F	2026F	2027F
Revenue	43,534	42,538	45,299	46,746	47,123	49,516	*-2.3%*	*3.2%*	*5.1%*
EBITDA	3,815	3,776	3,724	5,198	3,867	5,474	*-1.0%*	*39.6%*	*41.6%*
Net Profit	2,419	2,386	2,403	3,567	2,504	3,826	*-1.4%*	*48.5%*	*52.8%*

Source: Ajaib Research

Figure 7. Regional Peers Comparison

Ticker	Mkt Cap (Rp trillion)	PE (x)		EV/EBITDA (x)		ROE (%)		PB (x)	Div Yield (%)	PE Gth (%)	EPS Gth (%)
		2026F	2027F	2026F	2027F	2026F	2027F	2026F	2026F	2027F	2027F
PTBA IJ	29.6	13.7	11.8	8.3	7.9	9.9	11.0	1.3	6.3	-13.6	-1.0
ITMG IJ	24.9	8.0	8.0	2.0	2.2	9.6	9.7	0.8	7.5	0.0	-0.5
AADI IJ	63.5	5.1	4.7	3.4	3.2	23.5	21.4	1.1	8.2	-7.7	1.2
BUMI IJ	94.3	N.A	N.A	62.6	33.7	1.9	4.0	1.9	N.A	N.A	N.A
HRUM IJ	14.3	12.6	7.9	10.5	6.6	7.4	10.5	0.9	0.9	-37.5	-6.2
INDY IJ	19.6	55.9	18.6	16.0	9.4	1.8	5.1	1.0	1.5	-66.7	-11.5
COAL IN	494.7	8.7	8.2	5.7	5.4	29.5	26.2	2.3	5.9	-5.5	0.7
BANPU TB	29.7	N.A	17.7	6.9	6.6	-0.5	2.2	0.5	5.7	N.A	-3.7
866 HK	21.9	59.1	12.2	12.1	5.8	7.4	25.5	3.1	N.A	-79.3	-7.0
601666 CH	51.0	39.3	20.3	10.5	8.2	1.6	3.8	0.7	N.A	-48.4	-2.5
Average		**25.3**	**12.1**	**13.8**	**8.9**	**9.2**	**11.9**	**1.4**	**5.2**	**-32.3**	**-3.4**
Median		**13.2**	**11.8**	**9.4**	**6.6**	**7.4**	**10.1**	**1.0**	**5.9**	**-25.6**	**-2.5**

Source: Bloomberg, Ajaib Research

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Financial Statement

Income Statement (Rp bn)	2023	2024	2025F	2026F	2027F
Revenue	**38,489**	**42,765**	**42,538**	**46,746**	**49,516**
Cost of revenue	-29,332	-34,563	-37,380	-39,937	-42,358
Gross Profit	**9,157**	**8,202**	**5,158**	**6,809**	**7,158**
OpEx	-2,593	-2,867	-2,935	-3,225	-3,417
Operating Profit	**6,564**	**5,335**	**2,223**	**3,584**	**3,742**
EBITDA	7,860	6,627	3,776	5,198	5,474
Other Income	1,210	958	853	874	888
Net Interest Income (Expenses)	380	-34	-16	109	202
Pre-tax profit	**8,154**	**6,259**	**3,060**	**4,567**	**4,831**
Income Tax	-1,862	-1,120	-631	-934	-949
NPAT	**6,293**	**5,139**	**2,429**	**3,633**	**3,882**
Minority Interest	-187	-36	-43	-66	-55
Net Profit	**6,106**	**5,104**	**2,386**	**3,567**	**3,826**

Cashflow Statement (Rp bn)	2023	2024	2025F	2026F	2027F
Net Profit	6,106	5,104	2,386	3,567	3,826
D&A	1,296	1,292	1,553	1,614	1,732
Changes in Working Capital	-1,803	235	-306	-695	-546
Others	7,598	-615	105	106	108
Operating Cash Flow	**13,197**	**6,017**	**3,738**	**4,593**	**5,120**
Capital Expenditure	-2,569	-2,949	1,753	-1,771	-1,892
Investing Cash Flow	**-2,569**	**-2,949**	**1,753**	**-1,771**	**-1,892**
Net - Borrowing	-61	949	-382	-410	-440
Dividend payment	-12,568	-4,579	-3,828	-1,790	-2,676
Other Financing	-891	556	19	19	19
Financing Cash Flow	**-13,519**	**-3,074**	**-4,191**	**-2,180**	**-3,096**
Net - Cash Flow	-2,891	-6	1,300	642	133
Cash at beginning	7,030	4,139	4,133	5,432	6,074
Cash at ending	**4,139**	**4,133**	**5,432**	**6,074**	**6,207**

Balance Sheet (Rp bn)	2023	2024	2025F	2026F	2027F
Cash & equivalents	4,139	4,133	5,432	6,074	6,207
Receivables	3,797	5,030	4,390	4,825	5,110
Inventories	5,500	4,869	5,607	5,991	6,354
Others	1,713	1,201	1,219	1,238	1,256
Total Current Assets	**15,148**	**15,234**	**16,649**	**18,127**	**18,927**
Fixed Assets	11,838	12,148	8,712	8,738	8,764
LT. Investment	7,263	8,610	8,739	8,870	9,003
Other Non-Current Assets	4,516	5,794	5,881	5,969	6,059
Total Non-Current Assets	**23,617**	**26,552**	**23,333**	**23,578**	**23,826**
Total Assets	**38,765**	**41,786**	**39,982**	**41,705**	**42,754**
ST. Bank loan	558	1,883	1,563	1,220	852
Payables	2,082	2,920	2,712	2,835	2,938
Other current Liability	7,328	7,172	7,280	7,389	7,500
Total Current Liability	**9,968**	**11,975**	**11,554**	**11,444**	**11,290**
LT.Debt	744	368	306	239	167
Other LT Liabilities	6,490	6,799	6,901	7,004	7,109
Total Non-Current Liability	**7,234**	**7,167**	**7,206**	**7,243**	**7,276**
Total Equity	**21,563**	**22,644**	**21,221**	**23,018**	**24,188**
Total LiabilitiesEquity	**38,765**	**41,786**	**39,982**	**41,705**	**42,754**

Key Ratios	2023	2024	2025F	2026F	2027F
Gross Profit Margin (%)	23.8	19.2	12.1	14.6	14.5
Operating Margin (%)	17.1	12.5	5.2	7.7	7.6
EBITDA Margin (%)	20.4	15.5	8.9	11.1	11.1
Net Profit Margin (%)	15.9	11.9	5.6	7.6	7.7
Dividend Per Share (Rp)	1,091	397	332	155	232
Payout Ratio (%)	100.0	75.0	75.0	75.0	75.0
Debt to Equity (x)	0.1	0.1	0.1	0.1	0.0
Net Gearing (x)	-0.1	-0.1	-0.2	-0.2	-0.2

Source: Company, Ajaib Research

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Rating for Sectors:
Overweight : We expect the industry to perform better than the primary market index (JCI) over the next 12 months.
Neutral : We expect the industry to perform in line with the primary market index (JCI) over the next 12 months.
Underweight : We expect the industry to underperform the primary market index (JCI) over the next 12 months.

Rating for Stocks:
Buy : The stock is expected to give total return (price appreciation + dividend yield) of > +10% over the next 12 months.
Hold : The stock is expected to give total return of > 0% to ≤ +10% over the next 12 months.
Sell : The stock is expected to give total return of < 0% over the next 12 months.
Outperform : The stock is expected to do slightly better than the market return. Equal to “moderate buy”
Underperform : The stock is expected to do slightly worse than the market return. Equal to “moderate sell”

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