Company Update
March 12, 2025

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PT Ajaib Sekuritas Asia

ADMR
PT Alamtri Minerals Indonesia Tbk
Aluminum Era Begins

- **FY25 operations remained strong, with production 7.41 Mt (+12% YoY) and sales 6.28 Mt (+12% YoY), supported by a 3.55x strip ratio.**
- **Earnings weakened on lower ASP, with revenue USD972.9 million (–16% YoY) and net profit USD271 million (–38% YoY).**
- **Expansion continues, with capex USD661.7 million (+63% YoY) to support Maruwai infrastructure and the aluminum smelter by PT Kalimantan Aluminium Industry.**
- **Maintain BUY on ADMR with TP Rp2,300, supported by coal volume growth and aluminum smelter operations.**

Strong FY25 Volumes Amid Stable Mining Metrics
ADMR delivered solid operational performance in FY25, with metallurgical coal production reaching 7.41 Mt (+12% YoY) and sales volume totaling 6.28 Mt (+12% YoY), both above our estimates. Overburden removal increased to 26.33 Mbcm (+12% YoY), maintaining a stable strip ratio of 3.55x. 4Q25 production rose to 1.99 Mt (+2% QoQ; +11% YoY), while sales volume jumped to 1.86 Mt (+20% QoQ; +2% YoY), reflecting stronger shipment realization toward year-end. Meanwhile, overburden removal reached 7.01 Mbcm in 4Q25 (–6% QoQ; +9% YoY). In terms of market distribution, the domestic market accounted for 31% of FY25 metallurgical coal sales, while exports were led by Japan (28%), followed by India (19%) and China (15%).

Earnings Pressured by ASP but Expansion Continues
The company reported FY25 revenue of USD972.9 million (–16% YoY), below our estimates, mainly due to a 25% decline in ASP (–25% YoY) in line with weaker global metallurgical coal prices. Royalties to the government declined to USD124.6 million (–15% YoY) following the softer price environment, while coal cash cost per tonne improved (–5% YoY). Meanwhile, operating expenses increased to USD43.6 million (+13% YoY), largely driven by a surge in employee costs to USD15.9 million (+58% YoY) as the company strengthened its workforce to support ongoing developments at Maruwai (MC) and PT Kalimantan Aluminium Industry (KAI). As a result, net profit declined to USD271 million (–38% YoY), also below our estimates. Fixed assets rose to USD1.81 billion (+101% YoY), supported by investments in the KAI aluminum smelter and infrastructure development at MC. Consequently, capital expenditure increased to USD661.7 million (+63% YoY) in FY25, primarily allocated to these projects, while FY26 capex is guided at USD220–240 million including the company's equity contribution in KAI.

Infrastructure Expansion and Smelter Ramp-Up Ahead
ADMR has completed the first phase of its hauling road upgrade and constructed a 500-bed dormitory at Lampunut to support operational expansion. The company is currently progressing with the next phase of the hauling road upgrade, alongside the Ombak and Kohong bridge projects, while development of the second barge loading conveyor and the Alamtri Metallurgical Coal Technology & Research Centre (AMC-TRC) remains on track. In 2026, ADMR plans to further enhance logistics capacity through the second Coal Handling and Preparation Plant (CHPP) in Lampunut, construction of four additional hauling road bridges, and supporting facilities in the Tuhup area to accommodate higher production volumes. Meanwhile, PT KAI has begun partial testing and commissioning of its aluminium smelter in 4Q25, with operations expected to gradually ramp up toward full capacity by end-2026. We estimate aluminum production could reach ~300k tonnes in 2026, increasing further to around 450–500k tonnes by 2027F as the smelter approaches steady-state operations.

Reiterate BUY with Higher TP of Rp2,300
We maintain our BUY call on ADMR with a higher target price of **Rp2,300**, implying 11.1x FY26F PE (in line with its 5-year historical average), compared to our previous target price of **Rp1,500**, supported by stable metallurgical coal volume growth, improving operational efficiency, continued infrastructure expansion at the Maruwai project, and the long-term value creation from downstream integration through the aluminum smelter development by PT KAI. **Key risks:** volatility in global metallurgical coal prices, delays in infrastructure and smelter project ramp-up, cost inflation in mining operations, and weaker-than-expected steel demand from key export markets such as Japan, India, and China.

Key Financial Highlights

Key Metrics	2023	2024	2025F	2026F	2027F
Revenue (USD mn)	1,086	1,154	973	1,985	2,511
EBITDA (USD mn)	599	577	379	704	909
Net Profit (USD mn)	441	437	271	532	693
EPS Growth (%)	33.9	3.5	-35.5	96.2	30.2
P/E (x)	8.29	7.07	14.25	6.52	5.01
P/BV (x)	3.52	2.06	2.25	1.59	1.27
EV/EBITDA (x)	1.62	2.30	6.13	3.83	3.39

BUY

Stock Information (as of March 11, 2026)

Last Price (Rp)	1,860
Target Price (Rp)	2,300
Potential Upside	23.7%
Previous TP (Rp)	1,500
Market Cap (Rp tn)	76.0
52 Week Range (Rp)	2,320 - 760
Free Float	12.5%
Share Out. (bn)	40.9

1-Year Stock Performance Comparison vs JCI

Shareholders

ADMR's Shareholders	%
PT Alamtri Resources Indonesia Tbk	84.45
Public	12.54
Controlling Affiliate	3.01

Company Description

ADMR's Company Profile

PT Alamtri Minerals Indonesia Tbk, formerly PT Adaro Minerals Indonesia Tbk, focuses on metallurgical coal mining, mineral processing, mining services, and renewable energy businesses. Through its subsidiaries, PT Adaro Minerals Indonesia Tbk holds five Coal Contract of Work (CCoW) concession areas in East Kalimantan and Central Kalimantan.

Analyst

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Figure 1. ADMR's FY25 Financial and Operational Results

Key Metrics (USD mn)	12M25	12M24	YoY	4Q25	3Q25	QoQ	4Q24	YoY	2025F	% to Est
Revenue	973	1,154	*-16%*	298	231	*29%*	313	*-5%*	1,027	*95%*
Gross Profit	395	578	*-32%*	127	88	*44%*	141	*-10%*	424	*93%*
Gross Margin	*41%*	*50%*								
Operating Profit	352	539	*-35%*	117	74	*58%*	129	*-9%*	398	*88%*
EBITDA Margin	*36%*	*47%*								
Net Profit	271	437	*-38%*	67	64	*5%*	106	*-37%*	326	*83%*
Net Margin	*28%*	*38%*								
Production (Mt)	7.4	6.6	*12%*	2.0	2.0	*2%*	1.8	*11%*	7.0	*106%*
Sales Volume (Mt)	6.3	5.6	*12%*	1.9	1.5	*21%*	1.8	*2%*	6.0	*105%*
OB Removal (Mbcm)	26.3	23.6	*12%*	7.0	7.4	*-6%*	6.5	*9%*	23.1	*114%*
ASP (USD/ton)	154.9	205.3		160.2	150.0		171.0		171.0	*91%*

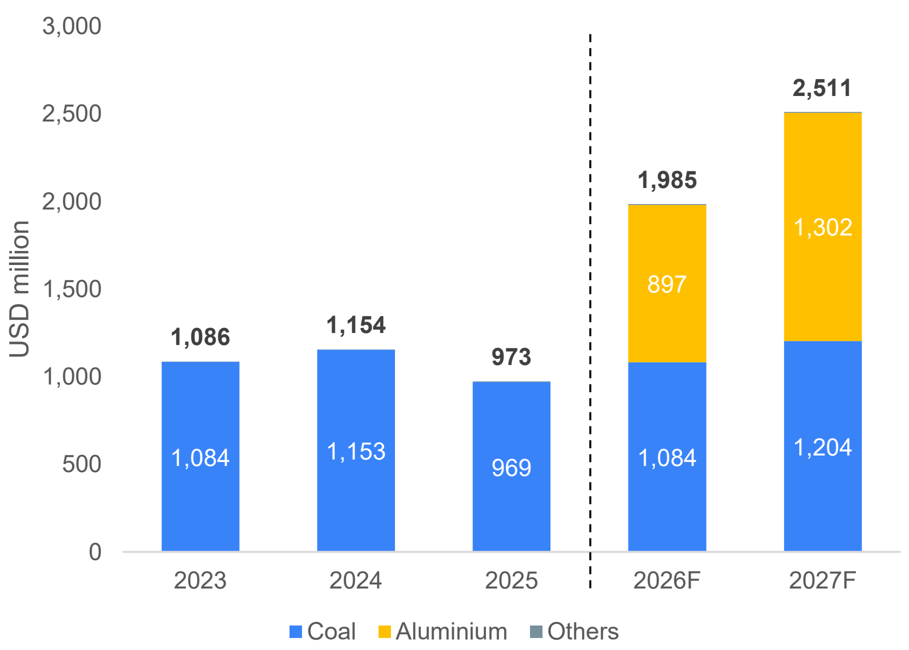
Source: Company, Ajaib Research

Figure 2. ADMR's Earnings Revision

Key Metrics (USD mn)	2026F		2027F		Changes	
	Old	New	Old	New	2026F	2027F
Revenue	1,833	1,985	2,363	2,511	*8.3%*	*6.3%*
EBIT	667	674	832	874	*1.0%*	*5.0%*
Net Profit	527	532	670	693	*0.9%*	*3.4%*

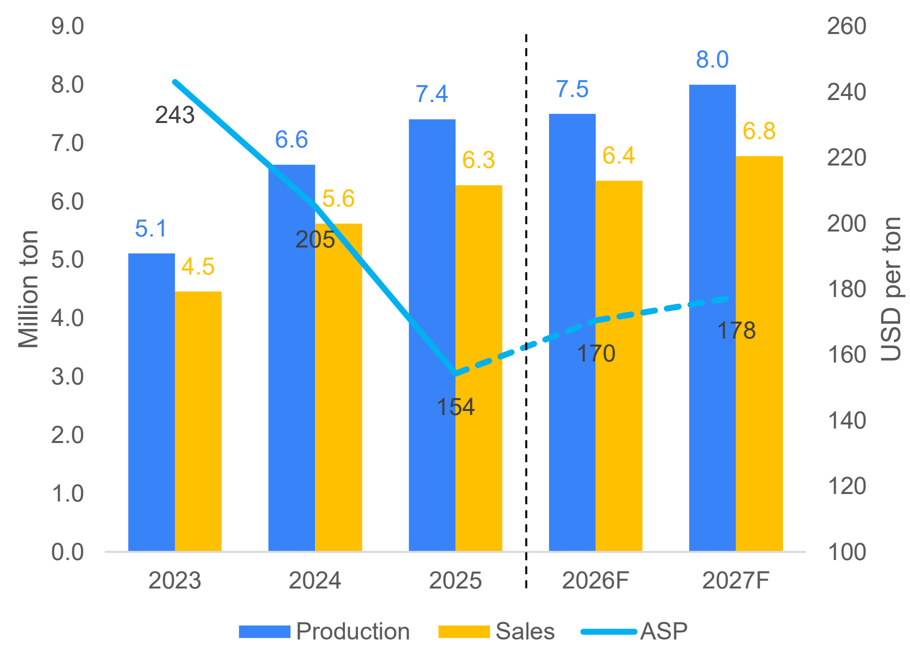
Source: Ajaib Research

Figure 3. ADMR's Revenue Breakdown Projections



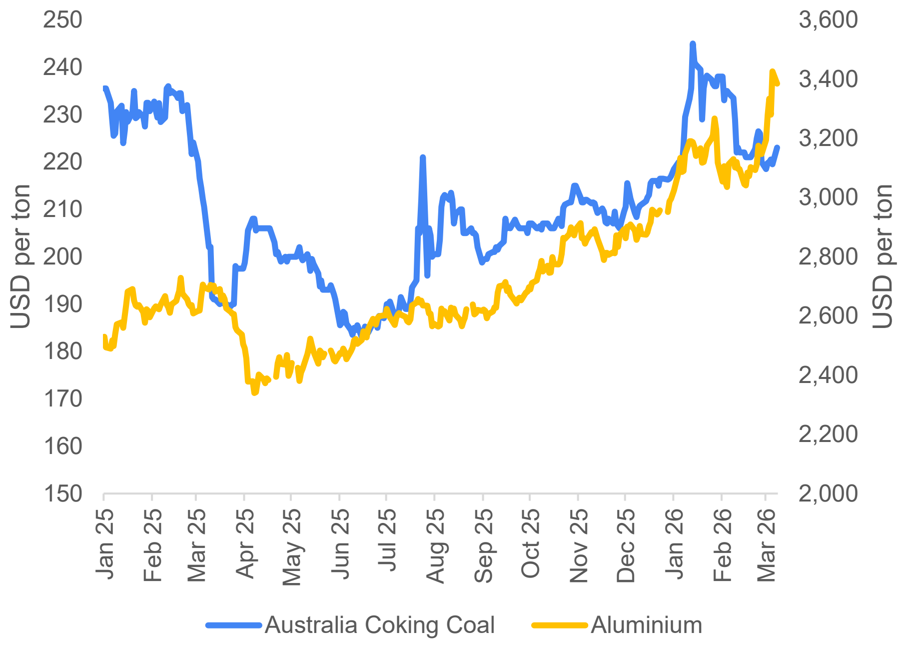
Source: Company, Ajaib Research

Figure 4. ADMR's Operation Performance Projections



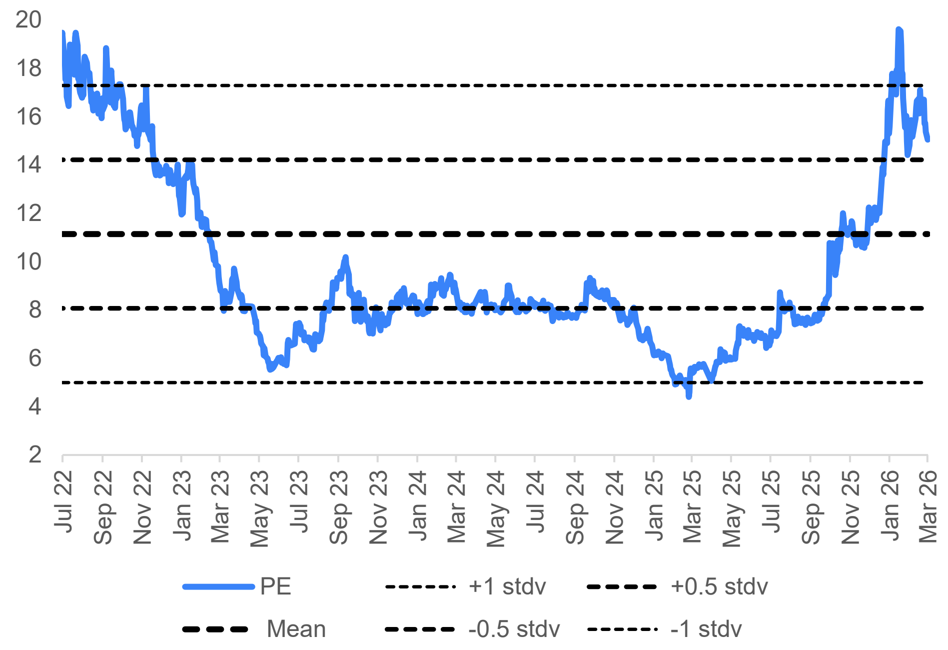
Source: Company, Ajaib Research

Figure 5. Coking Coal and Aluminum Price



Source: Bloomberg, Ajaib Research

Figure 6. ADMR's 5-Year PE Band



Source: Bloomberg, Ajaib Research

Figure 7. Regional Peers Comparison

Ticker	Mkt Cap (Rp tn)	PE (x)		EV/EBITDA (x)		ROE (%)		PB (x)	Div Yield (%)	EPS Gth (%)	PE Gth (%)
		2026F	2027F	2026F	2027F	2026F	2027F	2026F	2026F	2026F	2027F
ADMR IJ	78.3	10.3	8.1	7.8	5.7	23.2	24.9	2.4	1.9	23.6	0.3
BANPU TB	31.7	18.8	13.4	7.4	7.4	2.6	3.1	2.0	6.7	34.4	0.4
HCC US	70.0	12.2	10.0	6.4	5.5	13.2	12.7	2.7	1.7	16.9	0.6
AMR US	37.8	18.9	7.4	6.3	3.5	N.A	N.A	1.2	0.3	98.9	0.1
SXC US	8.3	16.0	28.5	4.7	5.1	N.A	N.A	5.3	6.8	-38.8	N.A
1378 HK	805.3	12.8	10.8	8.0	6.6	21.2	22.8	2.6	6.3	-0.7	N.A
2600 HK	553.8	13.7	10.9	7.6	6.3	19.1	20.8	2.0	3.7	-1.4	N.A
Average		**14.7**	**12.7**	**6.9**	**5.7**	**15.9**	**16.9**	**2.6**	**3.9**	**19.0**	**0.4**
Median		**13.7**	**10.8**	**7.4**	**5.7**	**19.1**	**20.8**	**2.4**	**3.7**	**16.9**	**0.4**

Source: Bloomberg, Ajaib Research

Financial Statement

Income Statement (USD mn)	2023	2024	2025	2026F	2027F
Revenue	**1,086**	**1,154**	**973**	**1,985**	**2,511**
Cost of revenue	-503	-576	-578	-1,194	-1,465
Gross Profit	**583**	**578**	**395**	**791**	**1,046**
OpEx	-9	-38	-44	-117	-172
Operating Profit	**574**	**539**	**352**	**674**	**874**
EBITDA	599	577	379	704	909
Other Income (Expenses)	0	1	-33	0	0
Net Interest Expense	-11	17	24	14	21
Pre-tax profit	**563**	**558**	**342**	**687**	**895**
Income Tax	-123	-123	-78	-156	-204
NPAT	**441**	**435**	**264**	**531**	**692**
Minority Interest	0	-2	-7	-1	-1
Net Profit	**441**	**437**	**271**	**532**	**693**
EPS (Rp)	**164**	**170**	**110**	**215**	**280**

Cashflow Statement (USD mn)	2023	2024	2025	2026F	2027F
Net Profit	441	437	271	532	693
D&A	24	37	27	31	35
Changes in Working Capital	-122	87	-54	-137	-83
Others	-30	-17	-2	-7	-7
Operating Cash Flow	**313**	**543**	**242**	**419**	**637**
Capital Expenditure	-165	-387	-933	-258	-326
Changes in other assets	-30	-70	-74	-6	-6
Investing Cash Flow	**-195**	**-457**	**-1,007**	**-264**	**-333**
Net - Borrowing	-45	-81	534	103	114
Dividend	0	0	120	75	146
Other Financing	2	21	-133	-142	-289
Financing Cash Flow	**-43**	**-60**	**521**	**36**	**-28**
Net - Cash Flow	75	26	-244	190	276
Cash at beginning	511	586	613	369	559
Cash at ending	**586**	**613**	**369**	**559**	**836**

Balance Sheet (USD mn)	2023	2024	2025	2026F	2027F
Cash & equivalents	586	613	369	559	836
Receivables	182	95	155	255	323
Inventories	68	70	89	165	202
Others	48	65	67	73	81
Total Current Assets	**885**	**843**	**680**	**1,053**	**1,442**
Fixed Assets	550	900	1,806	2,033	2,325
Other Non-Current Assets	261	331	405	411	417
Total Non-Current Assets	**811**	**1,231**	**2,211**	**2,444**	**2,742**
Total Assets	**1,695**	**2,074**	**2,891**	**3,497**	**4,184**
Accrued Expenses	103	142	287	323	357
Payables	33	35	60	98	121
Other current Liability	73	59	80	81	82
Total Current Liability	**210**	**235**	**427**	**502**	**560**
LT.Debt	416	296	686	753	833
Other LT Liabilities	32	40	61	61	61
Total Non-Current Liability	**448**	**336**	**747**	**814**	**894**
Total Liability	**657**	**571**	**1,174**	**1,317**	**1,454**
Retained Earnings	855	1,290	1,440	1,901	2,447
Others	183	213	277	280	282
Total Equity	**1,038**	**1,502**	**1,717**	**2,181**	**2,729**
Total LiabilitiesEquity	**1,695**	**2,074**	**2,891**	**3,497**	**4,184**

Key Ratios (%)	2023	2024	2025	2026F	2027F
Gross Profit Margin	53.7	50.1	40.6	39.9	41.7
EBITDA Margin	55.1	50.0	38.9	35.5	36.2
Net Profit Margin	40.6	37.8	27.9	26.8	27.6
Return on Equity	42.5	29.1	15.8	24.4	25.4
Return on Asset	26.0	21.1	9.4	15.2	16.6
Dividend Yield	0.0	0.0	3.9	1.9	4.2
Debt to Equity	50.0	29.2	56.6	49.3	43.6
Net Gearing	-6.5	-11.6	35.1	23.7	13.0

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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