

## INET PT Sinergi Inti Andalan Prima Tbk.

### Accelerating Digital Scale

- INET is building a fully integrated digital-infrastructure ecosystem, supported by enterprise-grade connectivity, nationwide fiber assets, and submarine-cable expansion.
- The Company is accelerating multi-segment growth through Rising-8 subsea investment, APJII's 58 IIX nodes, and 2 million planned FTTH homepasses.
- High-velocity growth is underway, with revenues projected to reach Rp1.6tn by 2027F, driven by FTTH contracting, FBB expansion, and subsea monetization.
- We initiate coverage with BUY (TP Rp580), supported by INET's scalable infrastructure model and rising recurring income.

#### Strengthening the Integrated Digital-Infrastructure Ecosystem

INET has evolved into a fully integrated digital-connectivity platform with a nationwide footprint, supported by MEF-certified enterprise solutions, a resilient Data Centre Interconnect backbone, and strategic fiber assets across Java and Bali. Its ecosystem is strengthened by subsidiaries DPS and PFI, enabling delivery of secure, high-performance networking to more than 100 ISPs through 13 POPs nationwide. The Company's push into submarine cables, next-generation FTTH, and interconnection hubs further cements its role in Indonesia's digital backbone. A diversified client base spanning ISPs, enterprises, data centers, government, and global partners enhances credibility, stabilizes revenues, and positions INET to capture rising demand for scalable, low-latency infrastructure.

#### Multi-Segment Expansion Backed by Strategic Subsea Investments

INET is accelerating a multi-segment expansion supported by subsea investment, scaled FTTH contracting, and a transformational rights issue backed by its controlling shareholder. Through PFI, the Company is entering the Jakarta-Batam-Singapore corridor via a Rp242.6bn Rising-8 investment, securing 25-year IRU capacity with immediate visibility from IJE's 10Tbps commitment. Concurrently, INET is strengthening last-mile capabilities by building APJII's 58 IIX nodes across Java and launching IAB to construct 2 million FTTH homepasses, creating a large recurring-maintenance base. These initiatives are funded through a Rp3.2tn rights issue and up to Rp921.6bn in potential warrant proceeds, allocated to the Wi-Fi 7 rollout in Bali-Lombok in collaboration with WIFI, subsea IRU obligations, and Java fiber expansion. Execution certainty is reinforced by the 60.62% shareholder's Rp1.78tn subscription and Rp1.41tn standby commitment, supporting stronger recurring revenue and a broader connectivity footprint.

#### Entering a High-Velocity Growth Cycle

INET is entering a high-velocity growth phase driven by expanding FTTH contracting, rapid FBB rollout, and early subsea-cable monetization, lifting revenues to Rp930bn in 2026F (+355% YoY) and Rp1.6tn in 2027F (+75% YoY). Growth is supported by rising contractor volumes, expanding broadband subscribers, and capacity sales from Rising-8, while recurring maintenance income increases to 61% of FTTH-related revenue by 2027F. Structural margin gains raise gross margin from 36% in 2024 to 62% in 2027F as procurement, utilization, and deployment sequencing improve, pushing operating margin toward ~38%. EBITDA is projected to reach Rp634bn in 2027F (+103% YoY), backed by scale efficiencies and disciplined cost control, generating ~Rp501bn in operating cash flow with 81% conversion. The Rp3.2tn rights issue strengthens the balance sheet (net gearing ~-0.9x) and supports fiber rollout, FBB expansion, and subsea development, while capex of Rp871bn-951bn through 2026-27F positions INET to secure long-lived assets and capture sustained growth in Indonesia's expanding connectivity market.

#### High-Growth Digital Connectivity Pure-Play

We initiate coverage on INET with a **BUY** rating and a target price of **Rp580/share**, based on a DCF valuation implying 27.3x EV/EBITDA 2026F, reflecting its transition into a high-growth, infrastructure-backed digital-connectivity operator. INET's hybrid contracting + strategic infrastructure model positions it well to benefit from rising bandwidth demand and accelerating ISP consolidation. **Key risks:** slower home-pass absorption, subsea deployment delays, higher capex, and enterprise procurement volatility.

#### Key Financial Highlights

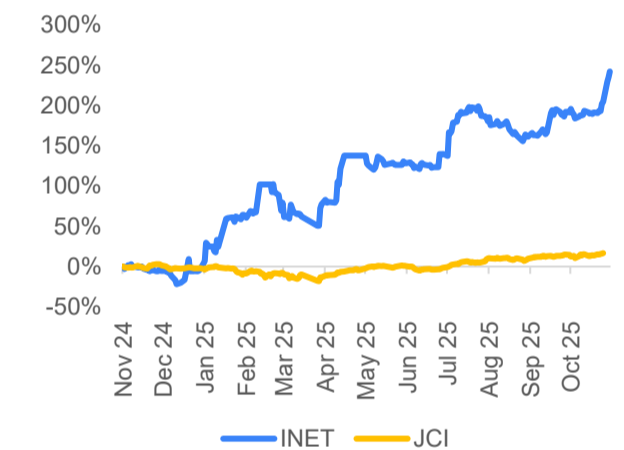
| Key Metrics        | 2023    | 2024    | 2025F   | 2026F | 2027F   |
|--------------------|---------|---------|---------|-------|---------|
| Revenue (Rp bn)    | 28.9    | 30.4    | 204.0   | 929.7 | 1,626.3 |
| EBITDA (Rp bn)     | 2.2     | 3.5     | 43.3    | 311.5 | 633.9   |
| Net Profit (Rp bn) | 0.9     | 1.3     | 32.3    | 261.6 | 497.0   |
| EPS Growth (%)     | -36.3   | 51.7    | 3,204.2 | 276.0 | 90.0    |
| P/E (x)            | 5,305.6 | 3,497.6 | 160.6   | 42.7  | 22.5    |
| P/BV (x)           | 21.7    | 21.5    | 1.5     | 3.0   | 2.7     |

## BUY

#### Stock Information (as of November 18, 2025)

|                    |          |
|--------------------|----------|
| Last Price (Rp)    | 510      |
| Target Price (Rp)  | 580      |
| Potential Upside   | 13.7%    |
| Market Cap (Rp tn) | 4.7      |
| 52 Week Range (Rp) | 535 - 54 |
| Free Float         | 41.4%    |
| Share Out. (bn)    | 9.2      |
| Beta               | N.A      |

#### 1-Year Stock Performance Comparison vs JCI



#### Shareholders

| INET's Shareholders              | %    |
|----------------------------------|------|
| PT Abadi Kreasi Unggul Nusantara | 58.6 |
| Public                           | 41.4 |

#### Company Description

##### INET's Company Profile

PT Sinergi Inti Andalan Prima Tbk is an Indonesia-based company, which is an internet service provider. The Company is also engaged in cable telecommunications, data communication systems, internet interconnection, and resale of telecommunication services. The Company has two operating segments, namely Java and Bali. The Company offers solutions, such as data center interconnect, software-defined wide area network (SD-WAN), colocation, multiservice port, and network service providers.

#### Analyst

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**BUSINESS DESCRIPTION**







**Integrated Digital Connectivity Platform**

PT Sinergi Inti Andalan Prima Tbk (INET), established in 2016, is an Indonesia-based integrated telecommunications infrastructure and internet service provider offering end-to-end connectivity and network solutions for enterprise and institutional clients. Operating primarily across Java and Bali, the Company’s core services include Data Centre Interconnect, Software-Defined Wide Area Network (SD-WAN), Colocation, Multiservice Port, and Managed Network Services. Leveraging MEF-certified Ethernet and Dedicated Internet Access (DIA) platforms, INET delivers secure, scalable, and high-performance enterprise networking, with its Data Centre Interconnect providing seamless backbone connectivity between key data centers nationwide. The Company is supported by two subsidiaries: PT Data Prima Solusindo, a trusted internet provider serving government, retail, logistics, and commercial building sectors; and PT Pusat Fiber Indonesia, which focuses on B2B fiber optic-based connectivity infrastructure. INET currently serves over 100 Internet Service Providers (ISPs) across Indonesia through 13 Points of Presence (POPs) in eight major cities and is a registered member of the Indonesian Internet Service Providers Association (APJII).

**Expanding Infrastructure Footprint & Strategic Ecosystem Positioning**

INET’s business is underpinned by a strong nationwide footprint, integrated network infrastructure, and deep partnerships across the digital ecosystem, positioning the Company as a critical enabler of Indonesia’s connectivity backbone. The Company has established a strategic network of Points of Presence (POPs) that links major commercial and tourism hubs from Jakarta and Bali to Surabaya and Yogyakarta, ensuring broad and reliable coverage. Its integrated capabilities span submarine cable systems—including the upcoming Jakarta–Batam–Singapore route for cross-island and international data flow—FTTH networks targeting 2 million homes with next-generation Wi-Fi 7 technology, and data center interconnect and colocation services that enhance operational security and reliability for enterprise clients. INET is also a trusted partner for a diverse customer base, serving leading private ISPs such as Biznet and MyRepublic, government and state-owned enterprises (BUMN) involved in national digital infrastructure initiatives, as well as international partners through anchor-tenant arrangements in submarine cable IRU agreements.

Figure 1. INET’s Milestones

| 2016  | 2017   | 2018-2021  | 2022   | 2023  | 2025  |
|---|--|--|--|---|---|
|  <p>Company was established in 2016 with a vision to enhance and provide high quality telecommunications infrastructure in Indonesia</p> |  <p>The first Points of Presence POPs were built in Jakarta and Bali, and by 2017 the Company had served more than 30 Internet Service Providers ISPs</p> |  <p>Expansion of Points of Presence POPs beyond Jakarta and Bali to Surabaya and Yogyakarta. The Company has served more than 158 ISP</p> |  <p>Company planned to conduct an Initial Public Offering IPO on the Indonesia Stock Exchange</p> |  <p>IPO success, expanded through collaboration with BDDC, began the development of the Sinergy Datacenter, and continued to grow, acquiring various strategic clients</p> |  <p>Plans several business developments, including the Jakarta Batam Singapore submarine cable project, a Data Center project, and a plan to become a contractor for FTTH Fiber to the Home network development projects</p> |

Source: Company, Ajaib Research

Figure 2. INET’s Operational Area



Source: Company

**Strengthening Market Position Through Diversified Clients**

INET’s expanding customer portfolio underscores its strong competitive positioning and rising relevance within Indonesia’s digital-connectivity ecosystem. The Company now serves a wide base of private-sector clients—including leading ISPs, enterprise networks, data-center operators, and digital-service providers—demonstrating broad adoption of its fiber, interconnect, and managed-service capabilities. INET also maintains long-standing relationships with key government and state-owned institutions such as Kominfo and Angkasa Pura Sarana Digital, reinforcing its role in supporting national-scale digital-infrastructure programs. International connectivity players, including NTT and PCCW Global, further extend the Company’s credibility, relying on INET as an integration partner for regional network routes. This diversified client mix not only enhances revenue visibility and reduces concentration risk but also validates INET’s trustworthiness, service quality, and operational scale as it continues to secure larger, higher-value infrastructure contracts.

Figure 3. INET’s Client Portfolio



Source: Company, Ajaib Research

Figure 4. INET’s Management Profile

| Name  | Position                 | Experience Summary  | Years of Experience |
|---|--------------------------|---|---------------------|
| <b>Board of Director</b>  |                          |   |                     |
| <br><b>Muhammad Arif</b>         | President Director       | Commercial operations, digital infrastructure, corporate strategy; former VP at PT Technology Data Indonesia; former Commissioner at PT Pusat Fiber Indonesia | <b>15+ years</b>    |
| <br><b>Willy Unsulangi</b>      | Director                 | Network operations, fiber technology, regional business management; Director at PT Olteco Nusantara Sinergi & PT Olteco Nusantara Teknologi                   | <b>10+ years</b>    |
| <b>Board of Commissioner</b>  |                          |   |                     |
| <br><b>Saripudin</b>           | President Commissioner   | Informatics Engineering background; long career in telecommunications sector  | <b>20+ years</b>    |
| <br><b>Cahyana Jayadi</b>      | Independent Commissioner | Extensive background in telecommunications & finance; former Independent Commissioner at Telkom Indonesia and Bank Mandiri                                    | <b>40+ years</b>    |
| <br><b>Tongam Luban Tobing</b> | Commissioner             | Legal & regulatory expertise; former Director at Bank Indonesia; former Head of Investigation at OJK  | <b>25+ years</b>    |

Source: Company, Ajaib Research

## COMPANY POSITIONING

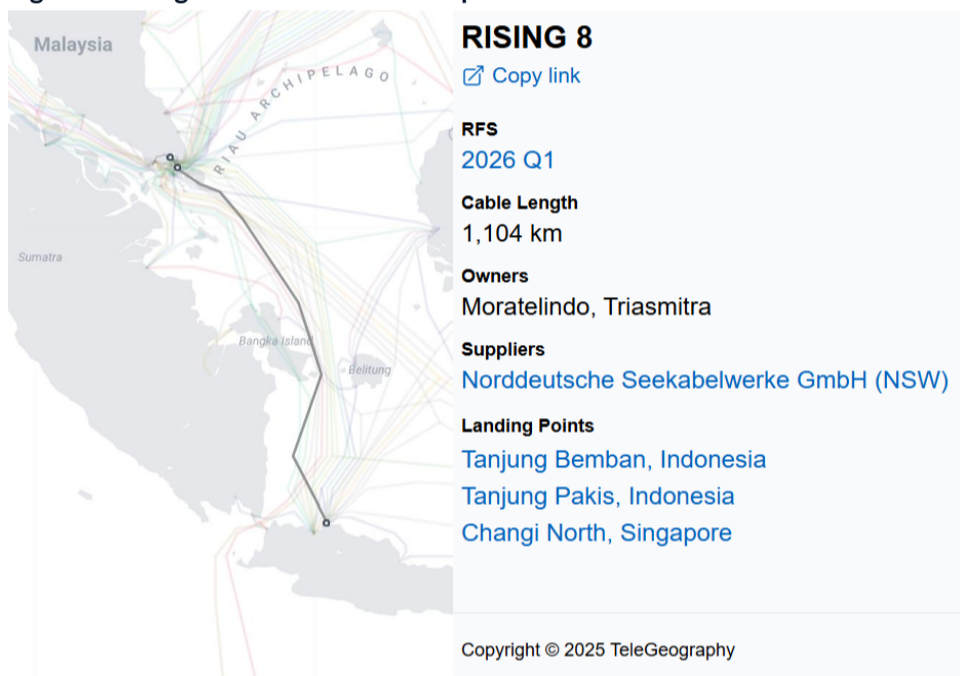
### Subsea Cable Expansion into the Rising-8 Corridor

Through its 99.99%-owned subsidiary PT Pusat Fiber Indonesia (PFI), INET is making a strategic entry into the Jakarta–Batam–Singapore subsea corridor by investing Rp242.6bn in the Rising-8 submarine cable system under a 25-year IRU agreement with PT Jejaring Mitra Persada (Triasmitra/KETR). Scheduled for service in 1Q26 and spanning 1,104 km with landing points in Tanjung Bemban, Tanjung Pakis, and Changi North, the system provides INET long-duration capacity exposure to one of Indonesia’s most critical and bandwidth-constrained routes. Commercial visibility is strong, supported by PT Integrasi Jaringan Ekosistem (IJE/WIFI) committing to 10Tbps—half of the total 20Tbps system capacity—ensuring immediate recurring revenue once live. Rising-8 enhances IP transit efficiency and reduces latency for ISPs and enterprise clients, directly addressing persistent congestion along the Java–Batam–Singapore gateway where demand is expanding 30–35% annually. By securing early capacity on this route, INET strengthens the performance of its FTTH and Data Centre Interconnect backbone while establishing a long-term, yield-generating infrastructure foothold within Southeast Asia’s rapidly growing data-connectivity ecosystem.

### Scaling FTTH Contracting to Capture Indonesia’s Fiber Boom

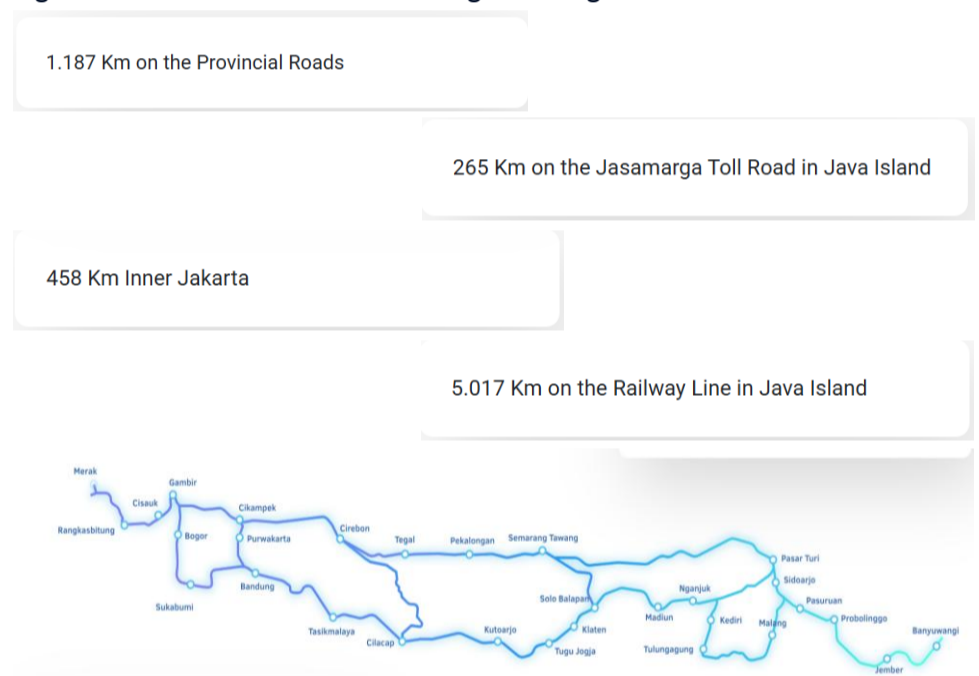
INET’s expansion into the FTTH contracting segment represents a major strategic push to capture growth from Indonesia’s accelerating last-mile fiber rollout, strengthening both its infrastructure presence and recurring revenue base. Following the March 2025 partnership with APJII to build 58 Indonesia Internet Exchange (IIX) nodes across Java, where 859 of the country’s 1,300 ISPs operate, INET is already progressing on the first three sites with full completion targeted by end-2025—positioning the Company at the center of Java’s high-density interconnection ecosystem. Complementing this initiative, INET is also establishing a new subsidiary (PT IAB) dedicated to FTTH contracting for ISPs, targeting the construction of 2 million homepasses. This business line is designed to be highly competitive, offering cost-efficient deployment for ISP clients while generating stable recurring income from long-term maintenance of the networks built. Together, these projects deepen INET’s integration with Indonesia’s ISP landscape, enhance infrastructure monetization across both backbone and last-mile segments, and create a scalable engine for sustained growth in the country’s rapidly expanding broadband market.

Figure 5. Rising 8 Submarine Cable Map



Source: TeleGeography, Ajaib Research

Figure 6. Internet Backbone of PT Integrasi Jaringan Ekosistem



Source: Weave, Ajaib Research

### Unlocking Bali–Lombok Fiber Demand

Bali–Lombok represents one of INET’s most compelling regional growth opportunities, underpinned by exceptionally high digital demand from tourism-driven economies, creative industries, and a rapidly expanding remote-work population that depends on fast, reliable connectivity. Despite strong purchasing power, fiber penetration in the region remains low—less than 25% of households have FTTH access—creating a substantial underserved market with attractive monetization potential. INET’s strategy centers on deploying next-generation Wi-Fi 7 networks to deliver superior speed and low-latency performance for both smart-home applications and business-grade connectivity, addressing a clear technology and service gap. This expansion is further supported by pro-investment local policies in Bali and Nusa Tenggara Barat (NTB), where regional governments actively encourage private-sector participation in digital infrastructure development.

Figure 7. INET’s FTTH Target Market



Source: Company

Figure 8. Wi-Fi 6 vs Wi-Fi 7 Comparison

| Feature                               | Wi-Fi 6/6E                         | Wi-Fi 7   |
|---------------------------------------|------------------------------------|---|
| Maximum Speed                         | 9.6 Gbps                           | Up to 46 Gbps   |
| Maximum Channel Bandwidth             | 160 MHz                            | 320 MHz   |
| Spatial Streams                       | Up to 8                            | Up to 16  |
| QAM (Quadrature Amplitude Modulation) | 1024-QAM                           | 4096-QAM  |
| Multi-Link Operation (MLO)            | No                                 | Yes (connects to multiple bands at once)              |
| Latency                               | Improved over previous generations | Significantly lower, ideal for real-time applications |
| Supported Bands                       | 2.4, 5, and 6 GHz (6E)             | 2.4, 5, and 6 GHz                                     |

Source: Opensignal, Ajaib Research

**Transformational Rights Issue to Fund Multi-Segment Expansion...**

INET's PMHMETD I combines 12.8 billion new shares priced at Rp250 with a 3:4 exercise ratio and potential dilution of 57.14%, complemented by Series II Warrants that distribute 6 warrants for every 25 new shares at an exercise price of Rp300 with a June 2026–June 2028 exercise window, creating a dual-layer capital structure that provides both immediate and optional follow-on funding. The rights issue is expected to raise Rp3.2 trillion, while full warrant conversion could contribute an additional Rp921.6 billion, reinforcing the Company's balance sheet and long term flexibility. Allocation of proceeds is concentrated on growth-critical assets, with Rp2.8 trillion directed to GPI to deploy 2 million FTTH WIFI 7 connections across Bali and Lombok, Rp213 billion to PFI for submarine-cable IRU commitments, and Rp135 billion to IAB for FTTH rollout in Java, with the remainder earmarked for working capital and operational support aimed at accelerating scale across INET's digital-infrastructure ecosystem.

**...Supported by Strong Sponsor Backing**

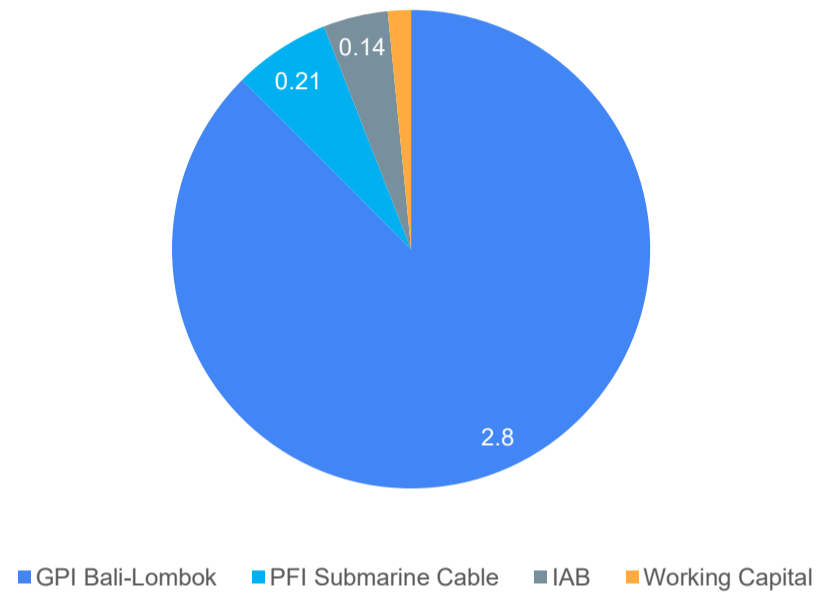
Execution certainty is anchored by the participation of INET's major shareholder, PT Abadi Kreasi Unggul Nusantara, which holds 60.62% ownership and has committed to fully subscribe Rp1.78 trillion of rights while acting as standby buyer for up to Rp1.41 trillion, ensuring full absorption of any unsubscribed shares and mitigating transaction risk. The timeline includes rights trading on 1–5 December 2025, listing of new shares on 3–9 December 2025, and warrant exercises extending through 2026–2028, enabling investors to capture medium term value creation as network expansion, submarine-cable enhancements, and FTTH penetration translate into stronger recurring revenues, improved infrastructure monetization, and a more resilient competitive position within Indonesia's digital-connectivity landscape.

**Figure 9. Right Issue Transaction Summary**

| Metrics            | Details                 |
|--------------------|-------------------------|
| New Shares         | 12.8 billion shares     |
| Enlarged Capital   | 57.14% of total         |
| Exercise Ratio     | 3 old shares → 4 rights |
| Price per Share    | Rp 250                  |
| Potential Dilution | Up to 57.14%            |
| Trading Period     | December 1–5, 2025      |

Source: Company, Ajaib Research

**Figure 10. Allocation of Rights Issue Proceeds (Rp trillion)**



Source: Company, Ajaib Research

**FINANCIAL ANALYSIS**

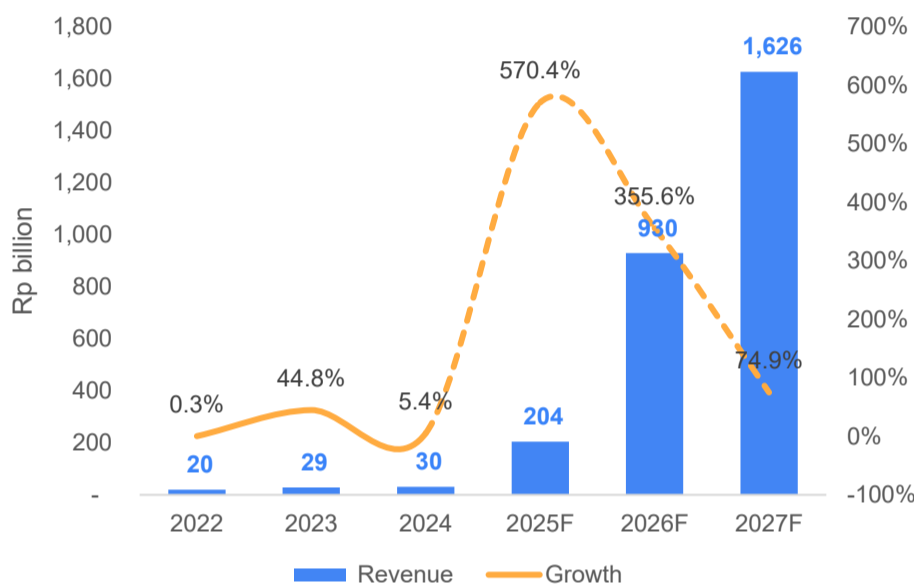
**Explosive Multi-Segment Growth Momentum**

INET is entering an exponential revenue growth phase, supported by three reinforcing pillars: (1) accelerating FTTH contracting activity, (2) rapid scaling of its B2C fiber broadband (FBB) footprint in Bali and Lombok, and (3) the company’s strategic expansion into submarine-cable connectivity. Revenue is projected to reach Rp930 billion in 2026F (+355% YoY) and further increase to Rp1.6 trillion in 2027F (+75% YoY), driven by faster rollout momentum from WIFI-backed FTTH projects, rising monetization of high-capacity subsea-cable routes, and continued expansion of the FBB subscriber base. The FTTH contractor segment remains the backbone of growth, contributing an estimated Rp173 billion in FY2025, before accelerating to Rp442 billion in 2026F (+155% YoY) and Rp634 billion in 2027F (+43% YoY) as INET deepens its engagement with national and regional ISPs.

**Recurring Revenue Acceleration and High-Margin Ramp-Up**

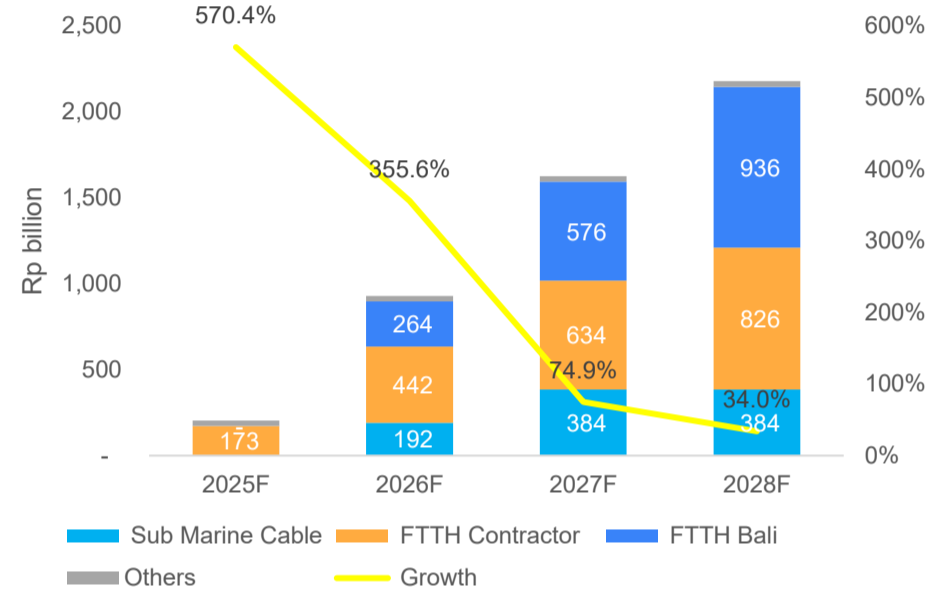
The FBB business is also scaling rapidly, with revenues expected to reach Rp264 billion in 2026F and surge to Rp576 billion in 2027F (+118% YoY) on the back of increasing demand for multi-site fiber connectivity, private networks, cloud-on-ramp deployments, and long-term managed-service contracts. Submarine-cable initiatives—though still in the early stage of monetization—are projected to deliver Rp192 billion in 2026F, doubling to Rp384 billion in 2027F, marking the emergence of a structurally important, high-margin revenue stream. INET’s hybrid project-and-recurring model further strengthens cash-flow visibility, with recurring maintenance income from network monitoring, SLA commitments, and fiber restoration services expected to rise from 28% of FTTH-related revenue in 2025 to 61% by 2027F, underscoring the Company’s transition toward a more resilient and scalable digital-infrastructure platform.

**Figure 11. INET’s Revenue Projections Trend**



Source: Company, Ajaib Research

**Figure 12. INET’s Revenue Breakdown Projections**



Source: Company, Ajaib Research

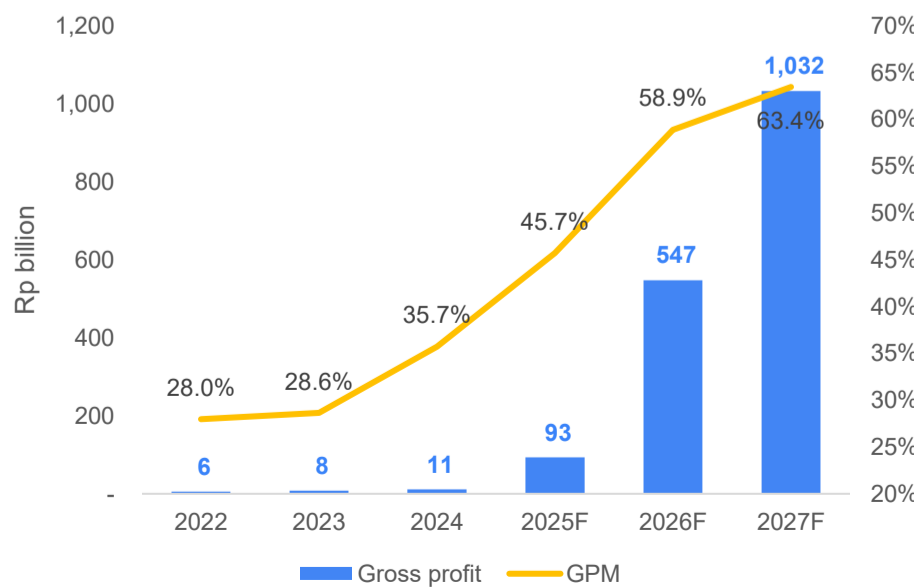
**Scaling Efficiency Driving Structural Margin Expansion**

INET’s 2025F cost structure reflects disciplined cost management amid accelerating project execution, with cost of revenue increasing in line with the larger FTTH rollout and expanding enterprise network deployments. Improved procurement terms with fiber and equipment vendors, tighter contractor utilization planning, and consolidated logistics processes have all contributed to stronger margin resilience. Gross profit for 2025F is projected to reach Rp93 billion (+758% YoY), lifting the gross margin to 46% (from 36% in 2024). By 2027F, gross profit is expected to climb to around Rp1.0 trillion (+89% YoY), with gross margin expanding to 62% before stabilizing thereafter—reflecting INET’s ability to capture scale efficiencies from larger FTTH clusters and increasingly streamlined project-management overhead. Operational efficiency also improves through better deployment sequencing, enabling labor and equipment resources to be allocated more effectively across regions, reducing idle capacity and lowering unit installation costs.

**Lean Operations Unlocking Strong Operating Leverage**

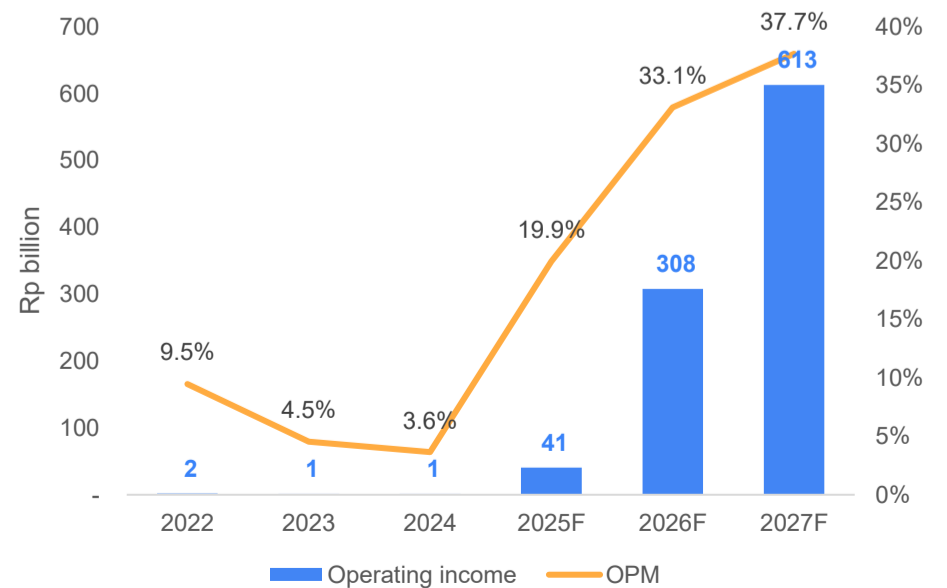
Operating expenses remained tightly controlled despite rapid business expansion, declining to 26% of revenue in 2025 (from 32% in 2024) as INET maintained a lean administrative structure and avoided unnecessary fixed-cost accumulation. SG&A efficiency improved further with the adoption of digital tools that automate network monitoring, billing, and customer-support workflows, reducing manual processes and lifting overall staff productivity. Marketing and general administrative spending were also contained, enabling the Company to capture stronger operating leverage as revenues scaled. Supported by this disciplined cost approach, operating profit for FY2025 is projected to reach Rp41 billion, equivalent to a 20% operating margin (vs. 4% in 2024), and is expected to rise to approximately 38% by 2027F before stabilizing—underscoring INET’s ability to convert expanding project volumes and growing recurring revenue streams into sustained earnings improvement.

**Figure 13. INET’s Gross Profit and Margin Projections**



Source: Company, Ajaib Research

**Figure 14. INET’s Operating Profit and Margin Projections**



Source: Company, Ajaib Research

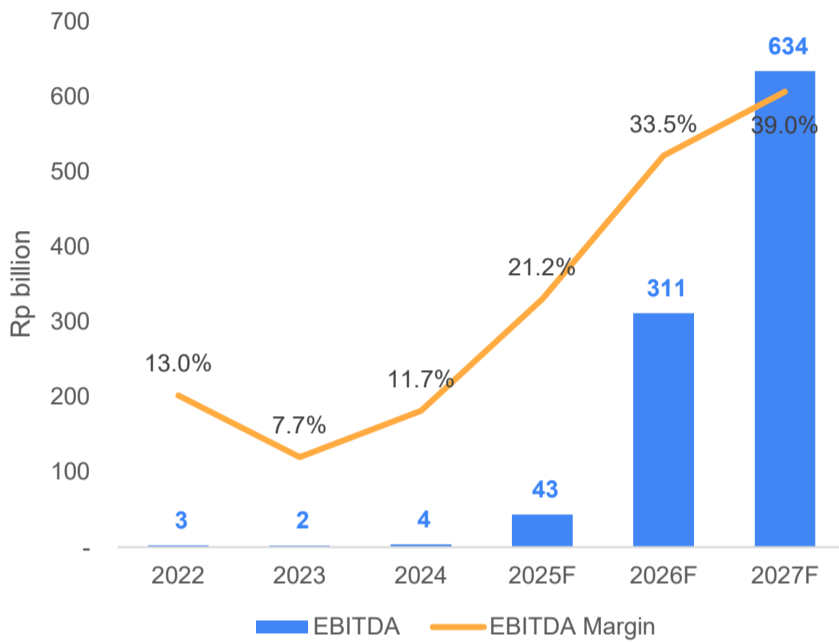
**Explosive EBITDA Expansion and Stronger Cash Engine**

INET's EBITDA is projected to accelerate meaningfully, reaching an estimated Rp311 billion in 2026F (+619% YoY) and further increasing to Rp634 billion in 2027F (+103% YoY), with EBITDA margin expanding to 39% by 2027F (vs. 12% in 2024). This uplift is driven by higher recurring-maintenance income, improved profitability from enterprise contracts, and stronger gross-margin execution across larger FTTH deployment clusters. Scale benefits also enhanced cost absorption, resulting in higher EBITDA per site delivered as project density and operational efficiency continued to improve. Operating cash flow is expected to reach around Rp501 billion in 2027F (+81% YoY), reflecting stable internal cash generation supported by disciplined working-capital management. An operating cash conversion ratio of 81% highlights healthier receivable cycles, particularly as major ISP clients adopt more structured billing frameworks and milestone-based payment terms.

**Stronger Balance Sheet to Power Next-Phase Growth**

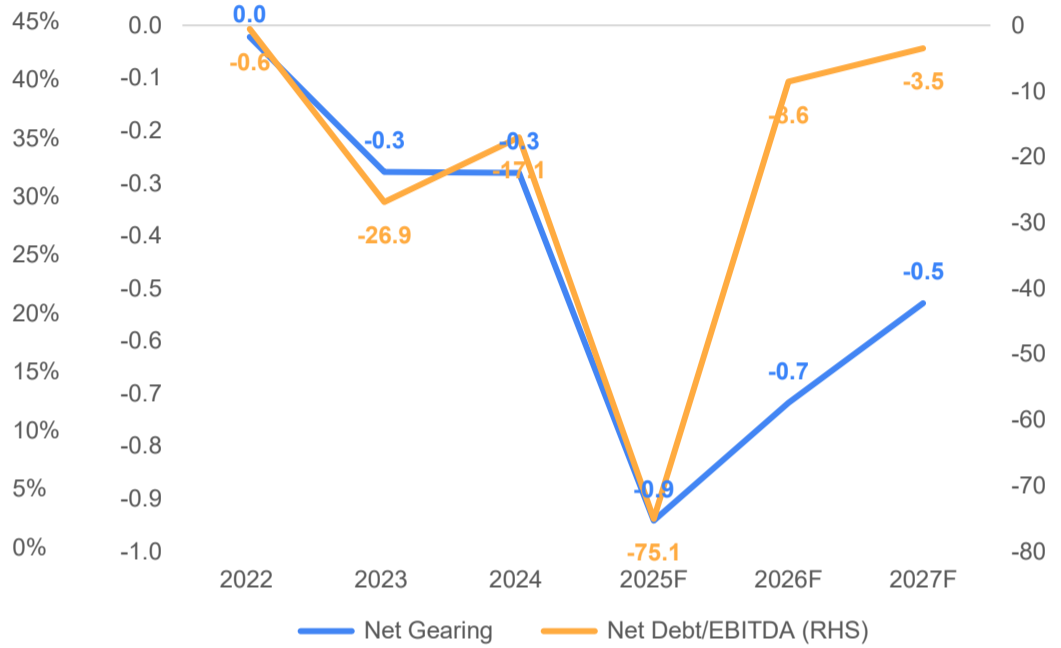
INET's planned Rp3.2 trillion Rights Issue (PMHMETD I) will materially strengthen its capital structure, providing substantial headroom for expansion while reducing reliance on short-term borrowing. Proceeds will be allocated toward FTTH capacity enhancement, expanded home-pass rollout, and early development works for the Company's submarine-cable initiative, thereby smoothing project financing and supporting long-term infrastructure commitments. Following the issuance, net gearing is projected to improve from -0.3x to approximately -0.9x, reinforcing balance-sheet resilience and enhancing debt-service coverage as recurring revenues scale. Beyond strengthening liquidity, the capital raise offers strategic flexibility—enabling INET to accelerate multi-city FBB expansion, secure long-lived digital-infrastructure assets, and solidify its competitive positioning in Indonesia's rapidly evolving connectivity ecosystem.

**Figure 15. INET's EBITDA and Margin Projections**



Source: Company, Ajaib Research

**Figure 16. INET's Solvability Projections**

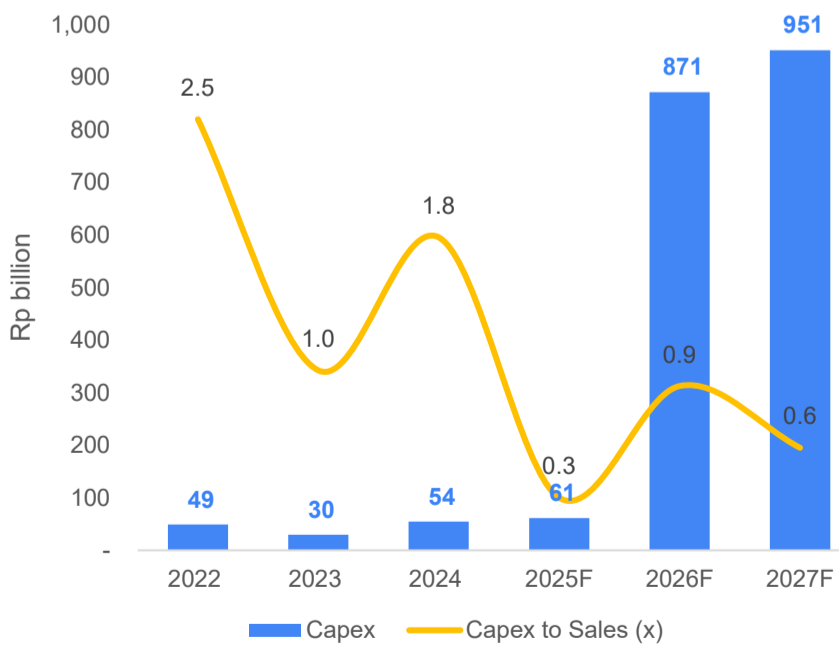


Source: Company, Ajaib Research

**Capex Surge to Secure Strategic Infrastructure Advantage**

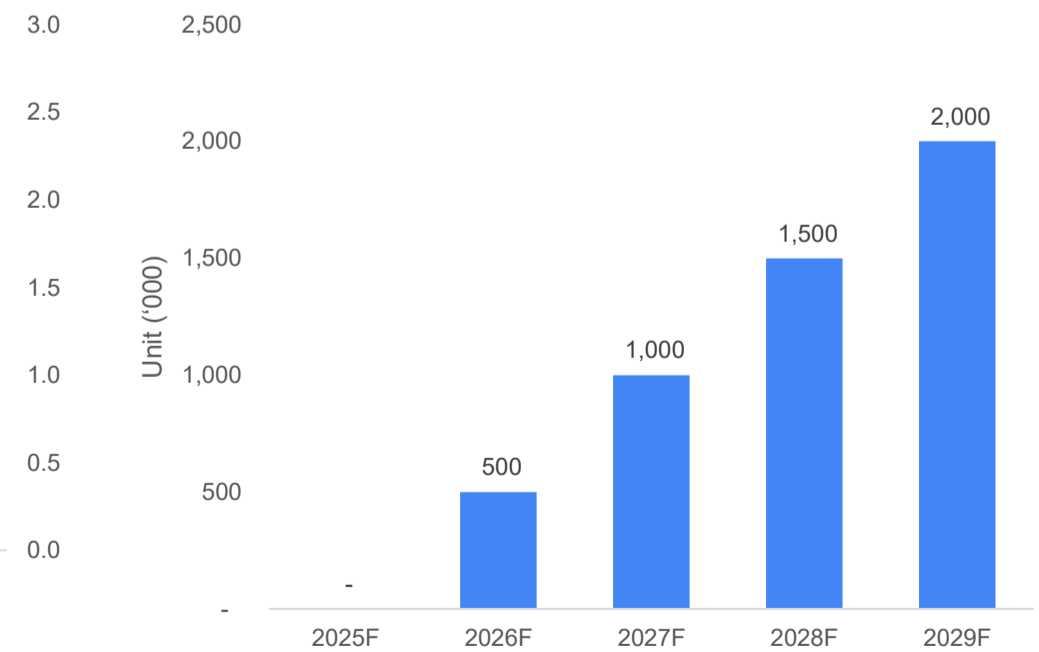
INET's 2026 capex is projected at approximately Rp871 billion (+1,323% YoY) and is expected to rise modestly to Rp951 billion in 2027F (+9% YoY), pushing the capex-to-sales ratio to a temporary peak of 94% in 2026 (from 30% in 2025) before normalizing to 58% in 2027F. The majority of this investment will be directed toward accelerated fiber rollout and the early development phase of INET's submarine-cable project, a strategic asset that underpins the Company's long-term digital-infrastructure roadmap. These initiatives will support the addition of roughly 2.0 million new home-passes and expand INET's addressable market across ISPs, enterprise clients, and wholesale connectivity customers. Early submarine-cable deployment positions the Company advantageously on high-capacity data corridors, enabling long-duration revenue streams and deepening INET's role within domestic and regional traffic ecosystems. Backed by rising bandwidth consumption, expanding digital adoption, and growing demand for low-latency, high-reliability connectivity, these investments provide strong multi-year growth visibility and are expected to drive expanding recurring revenue, increasing margin stability, and a more resilient long-term cash-flow profile.

**Figure 17. INET's Capex Projections**



Source: Company, Ajaib Research

**Figure 18. INET's FTTH Homepassed Projections**



Source: Company, Ajaib Research

## VALUATION

### High-Growth Digital Connectivity Pure-Play

We initiate coverage on INET with BUY rating and a target price of Rp580/share, implying 27.3x EV/EBITDA 2026F, using a DCF methodology, reflecting the Company's transition into a high-growth, infrastructure-backed digital-connectivity operator. Our bullish stance is underpinned by INET's accelerating revenue trajectory across FTTH contracting, B2C fiber broadband expansion, and the Rising-8 submarine-cable IRU asset—segments that collectively provide stronger multi-year cash-flow visibility and a rising mix of recurring income. EBITDA is projected to scale from RpXX billion in 2024 to Rp634 billion by 2027F (103% YoY), driven by expanding home-pass deployment, margin uplift from project-scale efficiencies, and the monetization of long-tenor subsea capacity. Capital infusion from the December 2025 Rights Issue materially strengthens the balance sheet and supports the Company's aggressive infrastructure rollout, reducing financing risk and enhancing long-term equity value creation. INET's asset-light contracting structure, complemented by owned strategic infrastructure (subsea cable, interconnect nodes, and backbone links), positions the Company as a key beneficiary of Indonesia's rising bandwidth demand and ISP consolidation trends. **Key risks:** slower home-pass absorption, execution delays in subsea capacity deployment, higher-than-expected project capex, and potential volatility in enterprise procurement cycles.

Figure 19. INET's DCF Valuation

| Key Metrics (Rp bn)                  | 2024        | 2025F       | 2026F        | 2027F        | 2028F        | 2029F     | 2030F        |
|--------------------------------------|-------------|-------------|--------------|--------------|--------------|-----------|--------------|
| EBIT                                 | 2           | 41          | 335          | 637          | 828          | 1,033     | 1,163        |
| Income tax expense                   | (0)         | (9)         | (74)         | (140)        | (182)        | (227)     | (256)        |
| Capex                                | (54)        | (61)        | (871)        | (951)        | (889)        | (860)     | (109)        |
| Depreciation & amortization          | 2           | 3           | 4            | 21           | 40           | 57        | 73           |
| Change in WC                         | 4           | 13          | 11           | (17)         | 10           | 13        | (8)          |
| <b>FCFF</b>                          | <b>(47)</b> | <b>(13)</b> | <b>(595)</b> | <b>(450)</b> | <b>(193)</b> | <b>16</b> | <b>862</b>   |
| <b>Total enterprise value</b>        |             |             |              |              |              |           | <b>9,892</b> |
| Cash (+)                             |             |             |              |              |              |           | 2,678        |
| Debt (-)                             |             |             |              |              |              |           | 11           |
| Equity value                         |             |             |              |              |              |           | 12,558       |
| <b>Number of shares Post-RI (bn)</b> |             |             |              |              |              |           | <b>22</b>    |
| <b>Target price (Rp)</b>             |             |             |              |              |              |           | <b>580</b>   |

Source: Bloomberg, Ajaib Research

Figure 20. Peers Comparison 2026F

| Ticker                | Market Cap (Rp tn) | PE (x)      | EV/EBITDA (x) | ROE (%)    | EPS Growth (%) | EBITDA Growth (%) |
|-----------------------|--------------------|-------------|---------------|------------|----------------|-------------------|
| INET                  | 4.71               | 42.7        | 27.3          | 7.0        | 276.0          | 619.1             |
| WIFI                  | 17.84              | 12.5        | 4.5           | 12.6       | 109.7          | 141.8             |
| MORA                  | 143.65             | 149.7       | 27.2          | 3.4        | 15.1           | -27.8             |
| TOWR                  | 31.91              | 7.6         | 6.7           | 13.2       | 5.5            | 4.0               |
| TBIG                  | 45.31              | 28.7        | 13.1          | 13.5       | 9.1            | 1.9               |
| MTEL                  | 46.79              | 18.8        | 7.8           | 6.2        | 3.3            | 3.5               |
| <b>Sector Average</b> |                    | <b>43.3</b> | <b>14.4</b>   | <b>9.3</b> | <b>69.8</b>    | <b>123.8</b>      |

Source: Bloomberg, Ajaib Research



**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”

**Analyst Certification:**

The lead analyst(s) who prepared this equity research report confirm that the opinions stated herein genuinely represent their personal perspectives regarding all the securities or issuers discussed. Additionally, the analyst(s) assert that their remuneration was not, is not, and will not be tied, either directly or indirectly, to any specific recommendations or viewpoints presented in this report.

PREPARED BY AJAIB RESEARCH TEAM



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