Company Update

22 January 2026

Member of MSCI Small Cap Index, IDX80, MBX

PT PETROSEA TBK (PTRO)

Growth Visibility Improves as Contracts and Scale Expand

	BUY
Target Price	**: IDR 16,000**
Potential Upside	**: *25.7%***
Relative Upside	**: *23.0%* (Vs IHSG 2026F)**
Sector	: Energy
Ticker	: PTRO
Current Price	: IDR 12,375
52-wk Range	: IDR 1,850 – IDR 13,000
Free Float Rate	: 26%

CUAN-SINI ACQUISITION FUELS PTRO'S NEXT GROWTH PHASE.
CUAN, PTRO's parent, has disclosed negotiations to acquire PT Singaraja Putra Tbk (SINI), having secured a 19.99% stake and targeting up to 51% ownership. This builds on a USD 1.08bn life-of-mine Mining Services Agreement signed in Aug-24 between PTRO and SINI's subsidiary, PT Pasir Bara Prima (PBP). Backed by SINI's four coal assets, the transaction would lift Petrindo's coal reserves from ~216mn tons to ~378mn tons (+75.1%), positioning it among Indonesia's largest coal miners. We view the acquisition as highly accretive for PTRO, prompting us to raise our FY26F overburden removal forecast by ~11.5% to 201.0 Mbcm and mining revenue by ~10.1% to USD 617.7mn.

PTRO AS CORE INFRASTRUCTURE PARTNER TO SINI.
PT Lintas Kelola Bersama (LKB), a joint subsidiary owned 51% by PTRO and 49% by PBP, manages dedicated mining road infrastructure and is completing a 29.6km hauling road built by PTRO. This further strengthens PTRO's integrated business model across EPC, mining services, offshore EPCI, and logistics in the Asia Pacific and Oceania region.

GROUP ALIGNMENT SUPPORTS OFFSHORE EPC EXPANSION.
Scan-Bilt Pte. Ltd. (SBPL) has secured EPC civil works and Integrated Facilities Management contracts from Aster Chemicals and Energy at its Bukom and Jurong Island complexes in Singapore, with a total value of ~USD 29.1mn over 24 months, strengthening SBPL's order book and recurring services exposure.

RAISING TARGET PRICE TO IDR 16,000.
We maintain our *BUY* rating on PTRO with an upgraded target price of IDR 16,000 (**from IDR 13,100**), implying a 29.3% upside. The valuation is based on a DCF approach using a 7.4% WACC and 5.0% terminal growth. Our target also embeds a 26.6% alpha relative to the benchmark, aligned with our **HPS 2026 Market Outlook**. The upgrade reflects our projection on CUAN-SINI acquisition, new contract for SBPL from Aster and continued diversification plan ahead.

Investment Thesis

CUAN-SINI ACQUISITION FUELS PTRO'S NEXT GROWTH PHASE
On 29 Dec-25, CUAN, the parent of PTRO, formally disclosed the commencement of negotiations for the proposed acquisition of PT Singaraja Putra Tbk (SINI), having already acquired a 19.99% stake and with plans to increase its ownership to up to 51% over time. This follows the signing of a Mining Services Agreement on Aug-24 between PTRO and PT Pasir Bara Prima (PBP), a SINI subsidiary, with a total contract value of USD 1.08bn over the life of mine. PBP is targeted to produce ~52mn tons over the next nine years, while PT Persada Kapuas Prima (PKP) is expected to deliver ~60.6mn tons over the same period. These volumes are supported by SINI's four coal assets with a total reserve of ~162mn tons. On a consolidated basis, the transaction would lift CUAN's coal reserves from ~216mn tons to ~378mn tons (+75.1%) across thermal and metallurgical coal, positioning it among the largest coal mining companies in Indonesia. ***(Exhibit 9 & 10)*** We estimate the acquisition to be highly accretive for PTRO given its strategic role as the mining contractor, prompting us to revise our FY26F overburden removal projection upward by ~11.5% from 180.2 Mbcm to 201.0 Mbcm, which increases our mining revenue estimate by ~10.1% from USD 561.1mn to USD 617.7mn in FY26F. Meanwhile, over the medium-term period (FY24–FY29F), we project overburden removal volumes to grow at a ~33% CAGR, reflecting an expanded contract base and rising production intensity across the acquired assets.

PTRO AS CORE INFRASTRUCTURE PARTNER TO SINI
PT Lintas Kelola Bersama (LKB) is a joint subsidiary owned 51% by PTRO and 49% by PT Pasir Bara Prima (PBP), established to own and manage dedicated mining road infrastructure and supporting facilities, and is currently in the final stages of completing a 29.6 km hauling road comprising six segments, with all construction works executed by PTRO, highlighting the Company's in-house engineering capabilities. The development of this infrastructure is strategically significant as it gives PTRO direct control over a critical logistics asset, enhances operational efficiency, and supports long-term production sustainability. This initiative further strengthens PTRO's integrated business model by extending control across the full value chain from upstream to downstream, encompassing EPC, mining services, offshore EPCI, and logistics solutions for the mining and oil and gas industries across the Asia Pacific and Oceania regions.

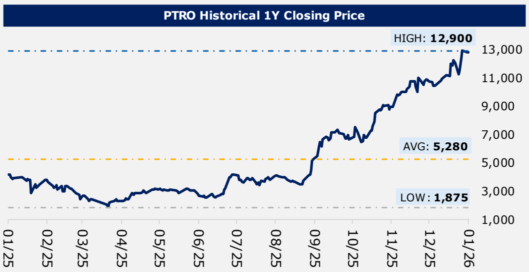
GROUP ALIGNMENT SUPPORTS OFFSHORE EPC EXPANSION
Scan-Bilt Pte. Ltd. (SBPL) has secured Engineering, Procurement & Construction (EPC) contracts from Aster Chemicals and Energy Pte. Ltd. (Aster), a subsidiary of the Chandra Asri Group, covering civil works at the Aster Bukom Chemicals & Energy Complex and the Aster Jurong Island Chemical Complex in Singapore. In parallel, SBPL has also been awarded the Integrated Facilities Management (IFM) scope for both facilities. The combined EPC and IFM contracts carry a total value of approximately USD 29.1mn (IDR 485.4bn), with a project duration of 24 months, strengthening SBPL's order book and increasing exposure to stable, recurring service revenues. The Aster facilities on Bukom Island and Jurong Island function as integrated production hubs for refining and petrochemical activities in Singapore and are interconnected via subsea pipelines. Aster Bukom houses refinery and ethylene cracker facilities, while Aster Jurong focuses on producing key petrochemicals.

RAISING TARGET PRICE TO IDR 16,000
We maintain our *BUY* rating on PTRO with an upgraded target price of IDR 16,000 (from IDR 13,100), implying a 29.3% upside. The valuation is based on a DCF approach using an 7.4% WACC and 5.0% terminal growth. Our target also embeds a 26.6% alpha relative to the benchmark, aligned with our **HPS 2026 Market Outlook**. The upgrade reflects our projection on CUAN-SINI acquisition, new contract for SBPL from Aster and continued diversification plan ahead, while noting downside risks from lower-than-expected overburden removal volumes and the possibility that new business initiatives could strain capital expenditure allocation, as we estimate PTRO's DER at 2.9x in FY25F and 2.6x in FY26F, approaching the 3.0x threshold.

Key Financials

(USD Mn)	2023A	2024A	2025F	2026F
Revenue	577.6	690.8	976.4	1,483.3
Gross Profit	82.1	90.3	155.8	438.4
EBIT	35.3	38.7	101.2	171.1
EBITDA	107.4	106.2	198.0	301.8
Net Income	12.2	9.7	33.1	74.2
Total Assets	727.9	867.3	1,385.6	1,618.1
Total Liabilities	492.3	617.5	1,107.0	1,273.6
Total Equity	235.6	249.8	278.6	344.5
ROA	1.7%	1.1%	2.4%	4.6%
ROE	5.2%	3.9%	11.9%	21.6%
ROIC	2.5%	1.6%	3.1%	6.0%
Net Debt (Cash)	177.8	254.2	496.6	480.0
to Assets	24.4%	29.3%	35.8%	29.7%
to Equity	75.4%	101.8%	178.3%	139.4%
Debt-to-Assets	0.3x	0.4x	0.6x	0.6x
Debt-to-Liabilites	0.5x	0.6x	0.7x	0.7x
Debt-to-Equity	1.1x	1.5x	2.9x	2.6x
EPS (IDR)	20.0	15.9	54.1	121.5
BVPS (IDR)	801.7	1,008.4	295.8	131.7
Interest Coverage	1.8x	1.5x	2.8x	4.4x
Current Price (IDR)		**12,375**		
P/E	620.0x	779.9x	228.7x	101.9x
EV/EBITDA	69.6x	70.4x	37.8x	24.8x
P/BV	31.7x	29.9x	26.8x	21.7x

PTRO Historical 1Y Closing Price



Shareholders

PT Kreasi Jasa Persada	45.33%
PT Caraka Reksa Optima	24.44%
Erwin Ciputra (Commissioner)	0.11%
Michael (President Director)	0.02%
Kartika Hendrawan (Director)	0.02%
Public (each below 5%)	30.09%
Total Shares (Bn)	10.1
Market Cap (IDR Bn)	124,814.9

*below 5%ownership

Daily Trading Information

	Last 1M	Last 3M	Last 6M
ADT Value (IDR B)	404.6	553.6	406.4
ADT Volume (M Shares)	36.2	65.0	68.6
ADT Price (IDR)	11,162.1	8,518.2	5,928.4

Brief Company Profile

PT Petrosea Tbk (PTRO) is a multidisciplinary company with over 52 years of experience in mining contracting, engineering, procurement & construction, and services in Indonesia. PTRO specializes in integrated pit-to-port mining, engineering & construction, services, and currently expanding on EPCI segment supported by strong focus on safety, health, environmental practices, quality management, and business integrity. In 1990, Petrosea became the first Indonesian engineering and construction company listed on the Indonesia Stock Exchange. Petrosea is controlled by PT Kreasi Jasa Persada, fully owned by PT Petrindo Jaya Kreasi Tbk (CUAN).

Sensitivity Analysis

Equity Value per Share

WACC:	Terminal Growth Rate: 4.0%	4.5%	**5.0%**	5.5%	6.0%
6.5%	IDR 15,220	IDR 19,190	IDR 25,820	IDR 39,170	IDR 80,010
7.0%	IDR 12,640	IDR 15,280	IDR 19,260	IDR 25,920	IDR 39,340
7.4%	IDR 11,110	IDR 13,130	**IDR 16,000**	IDR 20,380	IDR 27,930
8.0%	IDR 9,400	IDR 10,830	IDR 12,730	IDR 15,400	IDR 19,420
8.5%	IDR 8,320	IDR 9,430	IDR 10,870	IDR 12,780	IDR 15,460

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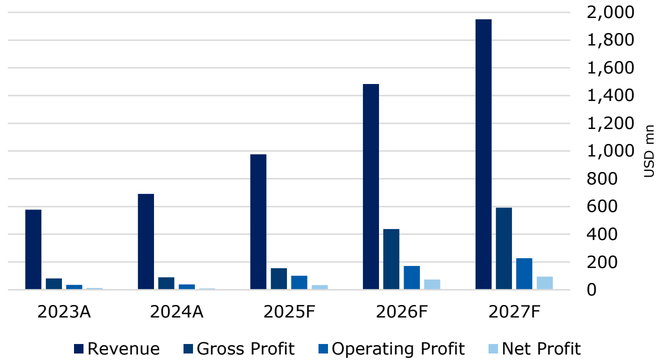
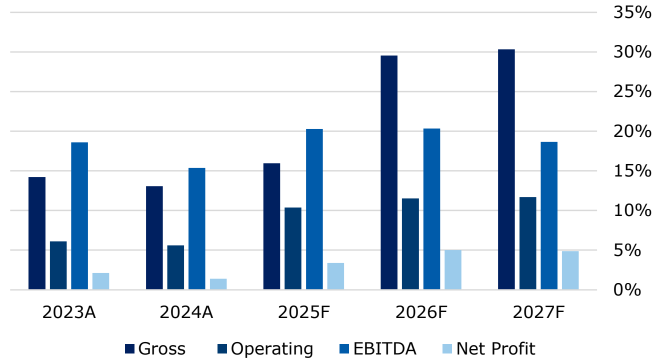
Exhibits

Exhibit 1. Financial Performance



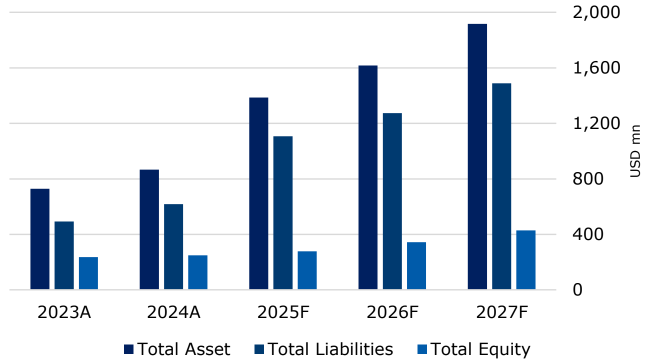
Sources: PTRO, HP Analytics

Exhibit 2. Profitability Margin



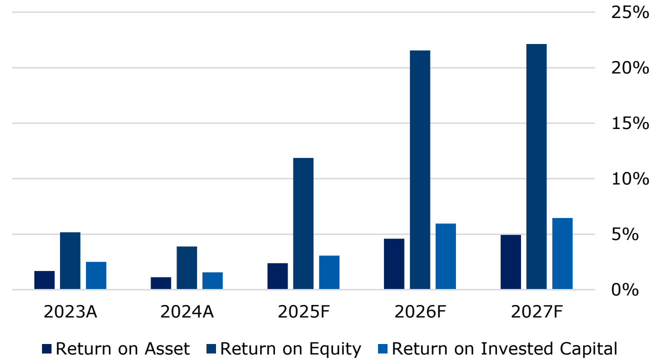
Sources: PTRO, HP Analytics

Exhibit 3. Total Asset



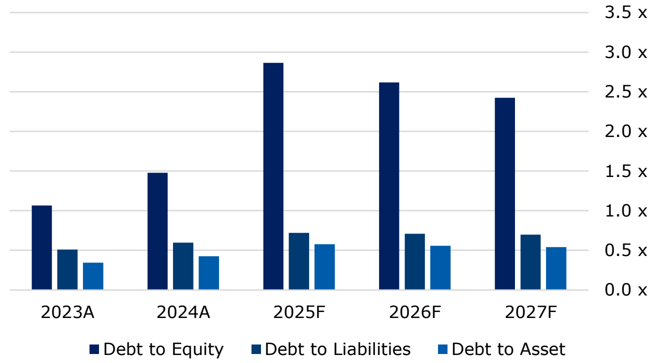
Sources: PTRO, HP Analytics

Exhibit 4. Profitability Ratio



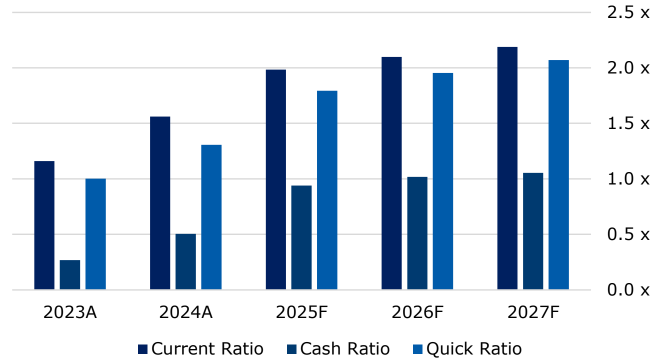
Sources: PTRO, HP Analytics

Exhibit 5. Solvability Ratio



Sources: PTRO, HP Analytics

Exhibit 6. Liquidity Ratio



Sources: PTRO, HP Analytics

Exhibit 7. DCF Method

(USD Mn)

DCF Method	2025F	2026F	2027F	2028F	2029F	2030F
Earnings Before Interest - After Tax	61.5	96.8	125.3	181.4	245.3	333.6
Depreciation & Amortization	96.8	130.7	135.7	163.9	209.8	223.9
Earnings Before Interest D&A - After Tax	158.3	227.5	261.0	345.4	455.1	557.5
Capital Expenditure	(316.0)	(112.0)	(129.9)	(151.6)	(221.5)	(241.3)
Change in Net Working Capital	(54.7)	(75.0)	(99.5)	(85.2)	(101.6)	(94.4)
Free Cash Flow	(212.4)	40.6	31.6	108.5	132.0	221.8
Discounted Cash Flow	(197.8)	35.2	25.5	81.6	92.4	144.7
Terminal Growth Rate	5.0%					
WACC	7.4%					
Sum of FCF	**10,143.2**					
Net Debt (Cash) 2026F	480.0					
Minority interest	1.9					
Equity Value	**9,661.3**					
Shares Outstanding (M)	10,086.1					
Equity Value per Share (USD)	**0.96**					
USD/IDR	16,700					
Equity Value per Share, Rounded (IDR)	**16,000**					

Sources: HP Analytics

Exhibit 8. Peers Comparables

PT Petrosea Tbk (PTRO)
Comparable Companies, as of 22 January 2025

Ticker	Country	Sector	Company's Name	Last Price	Market Cap (IDR T)	Enterprise Value (IDR T)	EV / EBIT	EV / EBITDA	P/E	P/S	P/BV	ROA	ROE	Cur.
PTRO-ID	**INDONESIA**	Energy Minerals	**PT PETROSEA TBK**	**12,375**	**128.3**	**139.7**	**242.0x**	**70.0x**	**349.7x**	**5.4x**	**30.6x**	**1.2%**	**4.0%**	**IDR**
Mining, Engineering & Construction Company														
HILL-ID	INDONESIA	Energy Minerals	PT HILLCON TBK	157	2.3	5.4	-87.7x	9.3x	-	0.7x	1.7x	0.1%	0.4%	IDR
MAHA-ID	INDONESIA	Energy Minerals	PT MANDIRI HERINDO ADIPERKASA TBK	196	3.2	3.2	8.9x	4.6x	20.6x	0.9x	1.9x	11.3%	16.2%	IDR
MYOH-ID	INDONESIA	Energy Minerals	PT SAMINDO RESOURCES TBK	1,430	3.1	2.0	8.4x	3.7x	21.1x	1.4x	1.1x	7.0%	9.6%	IDR
DOID-ID	INDONESIA	Energy Minerals	PT BUMA INTERNASIONAL GRUP TBK	344	2.7	17.7	-14.9x	6.3x	-	0.1x	1.6x	-3.6%	-27.2%	IDR
UNTR-ID	INDONESIA	Energy Minerals	PT UNITED TRACTORS TBK	27,200	119.3	112.8	4.2x	2.7x	6.4x	0.7x	1.0x	12.1%	22.7%	IDR
ABMM-ID	INDONESIA	Energy Minerals	PT ABM INVESTAMA TBK	2,960	8.3	21.9	204.0x	6.7x	7.2x	0.5x	0.6x	6.6%	17.5%	IDR
DEWA-ID	INDONESIA	Energy Minerals	PT DARMA HENWA TBK	735	16.8	33.9	76.5x	25.5x	129.3x	1.2x	6.1x	0.2%	0.5%	IDR
				Total Peers Median:	3.2	17.7	8.4x	6.3x	20.6x	0.7x	1.6x	6.6%	9.6%	
				Total Peers Average:	22.3	28.2	20.5x	5.5x	13.8x	0.7x	1.3x	4.8%	5.7%	

Sources: Factset, HP Analytics

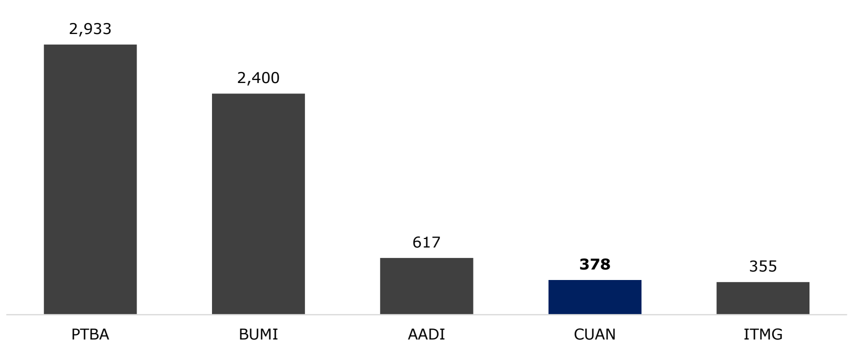
Exhibit 9. CUAN-SINI Coal Reserves

Reserve SINI	
Persada Kapuas Prima (PKP)	58 mn tons
Pasir Bara Cakrawala (PBC)	42 mn tons
Pasir Bara Prima (PBP)	18 mn tons
Cakrawala Bara Persada (CBP)	44 mn tons
Total Reserve	**162 mn tons**

Reserve CUAN	
Tamtama Perkasa	6 mn tons
Multi Tambangjaya Utama (MUTU)	17 mn tons
Borneo Bangun Banua	4 mn tons
Christian Eka Pratama (CEP)	73 mn tons
Bara International	17 mn tons
Daya Bumindo Karunia (DBK)	100 mn tons
Total Reserve	**216 mn tons**
Total Reserve CUAN-SINI	**378 mn tons**

Sources: Annual Report FY2024 CUAN & SINI

Exhibit 10. Top 5 Coal Reserve (mn tons)



Sources: Annual Report FY2024 PTBA, BUMI, AADI, CUAN & ITMG

Financials

(USD Mn)

Income Statement	2023A	2024A	2025F	2026F	2027F
Revenue	577.6	690.8	976.4	1,483.3	1,949.7
Cost of Revenue	(495.5)	(600.5)	(820.6)	(1,044.9)	(1,358.5)
Gross Profit	82.1	90.3	155.8	438.4	591.2
Selling & Administrative Expenses	(46.8)	(51.6)	(54.7)	(57.4)	(60.2)
Operating Profit	**35.3**	**38.7**	**101.2**	**171.1**	**227.8**
Interest Expenses	(19.8)	(25.9)	(36.1)	(39.1)	(60.6)
Interest Income	1.1	1.0	1.4	1.5	2.4
Other Income Net / (Loss)	3.9	3.8	(3.2)	(3.3)	(3.3)
Profit Before Tax	**20.5**	**17.6**	**63.3**	**130.3**	**166.3**
Tax Expenses	(8.0)	(7.6)	(28.5)	(52.1)	(66.5)
Net Profit for the Year	**12.4**	**10.0**	**34.8**	**78.2**	**99.8**
Non-controlling Interest	0.2	0.3	1.7	3.9	5.0
PATMI	**12.2**	**9.7**	**33.1**	**74.2**	**94.8**
Depreciation & Amortization	72.0	67.6	96.8	130.7	135.7
EBITDA	**107.4**	**106.2**	**198.0**	**301.8**	**363.5**

Sources: PTRO, HP Analytics

(USD Mn)

Cash Flow Statement	2023A	2024A	2025F	2026F	2027F
Net Profit	12.2	9.7	33.1	74.2	94.8
Depreciation and Amortization	72.0	67.6	96.8	130.7	135.7
Change in Working Capital	(23.8)	(3.7)	(54.7)	(75.0)	(99.5)
Others	43.3	(25.3)	8.6	9.7	7.2
Operating Cash Flow	**103.7**	**48.3**	**83.8**	**139.6**	**138.2**
Capital Expenditures	(159.2)	(140.8)	(316.0)	(112.0)	(129.9)
Others	(18.1)	(12.9)	(12.7)	(9.9)	(4.6)
Investment Cash Flow	**(177.4)**	**(153.8)**	**(328.7)**	**(121.9)**	**(134.6)**
Change in Share Capital	1.4	7.5	(0.9)	(1.0)	(1.4)
Net Change in Debt	135.0	146.9	431.8	106.5	140.1
Dividend	(76.0)	(3.1)	(3.3)	(7.4)	(9.5)
Others	24.4	(3.9)	3.8	4.2	4.5
Financing Cash Flow	**84.9**	**147.4**	**431.4**	**102.3**	**133.7**
Beginning Balance	61.8	73.0	114.9	301.4	421.4
Net Cash Flow	11.2	41.9	186.5	120.0	137.3
Ending Balance	**73.0**	**114.9**	**301.4**	**421.4**	**558.8**

Sources: PTRO, HP Analytics

(USD Mn)

Balance Sheet	2023A	2024A	2025F	2026F	2027F
Cash and Cash Equivalents	73.0	114.9	301.4	421.4	558.8
Restricted Cash in Banks and Others	3.2	10.8	11.0	11.1	11.2
Trade Receivables	169.9	255.9	358.7	501.7	652.5
Inventories	19.2	19.3	26.4	33.6	43.7
Contract Assets	5.8	3.9	4.1	4.3	4.5
Prepaid Taxes	1.5	17.4	17.5	17.7	17.9
Other Current Assets	13.9	20.0	21.0	21.9	22.9
Total Current Assets	**315.7**	**356.2**	**637.3**	**868.7**	**1,160.7**
Long-term Receivable	0.6	13.3	18.7	28.4	37.4
Property, Plant and Equipment	230.7	330.2	557.1	549.3	555.6
Right-of-Use Assets	37.6	18.6	18.8	17.1	13.9
Intangible Assets	111.0	98.1	86.9	75.2	63.1
Investment in Associate	2.9	2.0	10.8	10.8	10.8
Other Non-Current Assets	29.4	48.9	56.0	68.5	76.4
Total Non-Current Assets	**412.2**	**511.1**	**748.4**	**749.3**	**757.2**
Total Assets	**727.9**	**867.3**	**1,385.6**	**1,618.1**	**1,917.9**
Bank Loans	37.1	34.1	37.5	41.3	45.4
Trade Accounts Payable	140.6	120.6	164.8	209.8	272.8
Other Payable	4.2	3.2	9.7	17.1	21.6
CMLTD-Long Term Loans	38.5	7.7	45.1	87.7	117.9
CMLTD-Lease Liabilities	11.3	13.8	13.4	7.9	3.2
CMLTD-Bonds & Sukuk Ijarah Payable	0.0	5.3	4.0	0.0	15.6
Other Current Liabilities	40.3	43.4	46.7	50.1	53.9
Total Current Liabilities	**272.0**	**228.2**	**321.2**	**414.0**	**530.4**
Long-term Loans	148.7	236.8	556.6	643.3	742.8
Lease Liabilities	15.1	13.0	7.9	3.2	1.1
Bond Payables	0.0	58.4	133.6	118.0	112.1
Finance Lease Liabilities	0.0	28.6	31.4	34.6	38.0
Other Non-Current Liabilities	56.5	52.6	56.4	60.6	65.1
Total Non-Current Liabilities	**220.3**	**389.3**	**785.9**	**859.7**	**959.1**
Total liabilities	**492.3**	**617.5**	**1,107.0**	**1,273.6**	**1,489.5**
Capital Stock	33.4	33.4	33.4	33.4	33.4
Additional Paid-in Capital	(4.6)	1.8	1.8	1.8	1.8
Retained Earnings	212.1	218.7	248.5	315.3	400.6
Non-Controlling Interest	0.8	0.9	1.2	1.9	2.5
Others	(4.1)	(5.1)	(6.4)	(8.0)	(10.0)
Total Equity	**235.6**	**249.8**	**278.6**	**344.5**	**428.4**
Total Liabilities and Equity	**727.9**	**867.3**	**1,385.6**	**1,618.1**	**1,917.9**

Sources: PTRO, HP Analytics

Key Ratios

Growth Rate	2023A	2024A	2025F	2026F	2027F
Revenue	21.3%	19.6%	41.3%	51.9%	31.4%
Gross Profit	-14.0%	10.0%	72.6%	181.3%	34.9%
Operating Profit (EBIT)	-42.0%	9.4%	161.7%	69.1%	33.2%
EBITDA	-14.4%	-1.1%	86.4%	52.4%	20.5%
Net Profit	-70.2%	-20.5%	241.0%	124.5%	27.7%

Margins	2023A	2024A	2025F	2026F	2027F
Gross Profit	14.2%	13.1%	16.0%	29.6%	30.3%
Operating Profit (EBIT)	6.1%	5.6%	10.4%	11.5%	11.7%
EBITDA	18.6%	15.4%	20.3%	20.3%	18.6%
Net Profit	2.1%	1.4%	3.4%	5.0%	4.9%

Profitability	2023A	2024A	2025F	2026F	2027F
Return on Asset (ROA)	1.7%	1.1%	2.4%	4.6%	4.9%
Return on Equity (ROE)	5.2%	3.9%	11.9%	21.6%	22.1%
Return on Invested Capital (ROIC)	2.5%	1.6%	3.1%	6.0%	6.5%

Solvency	2023A	2024A	2025F	2026F	2027F
Debt-to-Equity	1.1x	1.5x	2.9x	2.6x	2.4x
Debt-to-Liabilities	0.5x	0.6x	0.7x	0.7x	0.7x
Debt-to-Asset	0.3x	0.4x	0.6x	0.6x	0.5x

Interest	2023A	2024A	2025F	2026F	2027F
Interest Coverage Ratio	1.8x	1.5x	2.8x	4.4x	3.8x

Source: PTRO, HP Analytics

Rating Scale

BUY	: We expect the stock's 12-month total return to exceed +10%.
OVERWEIGHT	: We expect the stock's 12-month total return to exceed the benchmark by +10%.
HOLD	: We expect the stock's 12-month total return to be within -10% to +10%.
NEUTRAL	: We expect the stock's 12-month total return to be within -10% to +10% of the benchmark.
SELL	: We expect the stock's 12-month total return to fall below -10%.
UNDERWEIGHT	: We expect the stock's 12-month total return to fall below the benchmark by -10%.
NOT RATED	: We are not assigning any rating or price target to the stock.

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