

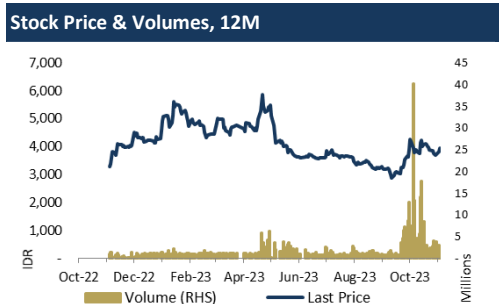
BUY (Maintain)

Target Price (IDR) 4,500
Potential Upside (%) 14.2

Price Comparison	
Cons. Target Price (IDR)	N/A
SSI vs. Cons. (%)	N/A

Stock Information	
Last Price (IDR)	3,940
Shares Issued (Mn)	1,009
Market Cap. (IDR Bn)	3,974
52-Weeks High/Low (IDR)	6,000/2,810
3M Avg. Daily Value (IDR Bn)	14.8
Free Float (%)	18.1
Shareholder Structure:	
PT Caraka Reksa Optima (%)	89.8
Public (%)	8.5
Treasury Stock (%)	1.7

Stock Performance				
(%)	YTD	1M	3M	12M
Absolute	(9.0)	(0.3)	15.5	19.4
JCI Return	3.0	4.4	1.9	0.5
Relative	(12.0)	(4.6)	13.6	18.9



Company Background
Dengan pengalaman lebih dari 50 tahun, PT Petrosea Tbk menawarkan jasa pertambangan, konstruksi dan logistik minyak dan gas. Selain itu, PTRO berencana melakukan diversifikasi ke pertambangan logam (nikel, emas, tembaga dan aluminium [bauksit]).

Daniel Widjaja
+62 21 2854 8322
Daniel.aditya@samuel.co.id

Yosua Zisokhi
+62 21 2854 8387
Yosua.Zisokhi@samuel.co.id

New Owner, New Prosperity

Update terkait proyek EPC. PTRO tengah mengerjakan 8 proyek EPC, sebagian besar berasal dari PT Freeport Indonesia, dengan total nilai kontrak sebesar USD 518 juta. Hingga akhir Okt-23, PTRO telah mengantongi omzet sebesar USD 219 juta (42.3% dari total nilai kontrak) dari proyek-proyek tersebut, dan masih tersisa sekitar USD 299 juta dolar yang akan dibukukan hingga akhir tahun 2026F. Kami yakin proyek-proyek ini akan memberikan landasan yang kuat bagi PTRO di masa depan, dan kami memproyeksikan pendapatan EPC perseroan akan mencapai USD 130 juta (+50.0% YoY) pada 2023F dan USD 137 juta (+5.0% YoY) pada 2024F.

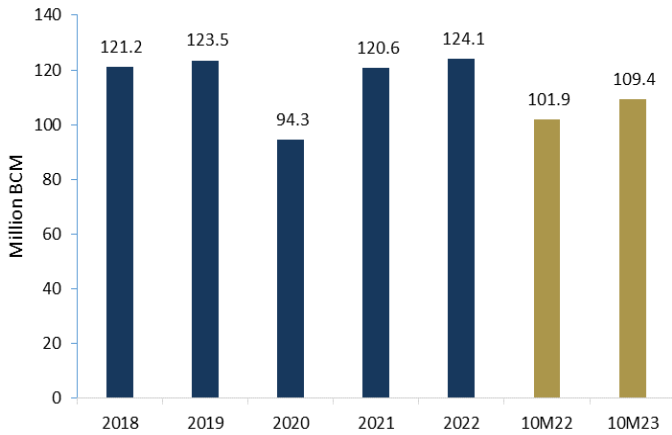
Owner baru, proyek baru. PT Petrindo Jaya Kreasi Tbk (CUAN) berencana mengakuisisi 34% saham PTRO melalui anak usahanya PT Kreasi Jaya Persada (KJP). KJP menandatangani perjanjian jual beli saham pada 7 November 2023 dengan pemegang saham pengendali PTRO, PT Caraka Reksa Optima (CRO). KJP berencana mengambil alih 342.9 juta saham PTRO (34% modal ditempatkan dan disetor). Sementara itu, manajemen CUAN menyatakan setelah transaksi selesai, KJP akan menjadi pemegang saham pengendali baru PTRO. Berdasarkan harga penutupan PTRO pada 7 November 2023 di IDR 4,240 (5,7x P/E FY23F), nilai transaksi tersebut mencapai IDR 1.5 triliun. Kami yakin akuisisi ini akan menguntungkan PTRO, terutama karena adanya potensi proyek baru dari CUAN dan ekosistem Grup Barito. Selain itu, ada kemungkinan tender offer dari pemilik baru kepada investor minoritas.

Outlook 2023F dan 2024F. Meskipun ada penurunan ASP seiring dengan kembali normalnya harga batu bara pasca lonjakan 2022, PTRO berhasil membukukan angka overburden removal yang lebih baik dibandingkan tahun lalu, mencapai 109.4 juta BCM pada akhir 10M23 (+7.4% YoY) dengan stripping ratio yang lebih tinggi (7.8x) yang dapat membantu mengimbangi penurunan ASP. Penurunan harga batu bara menyebabkan para penambang mengurangi produksinya, tercermin dari volume produksi batu bara 10M23 yang hanya mencapai 14.1 juta ton (-11,5% YoY). Secara keseluruhan, kami masih percaya bahwa PTRO dapat membukukan kinerja yang solid pada tahun 2023F dan 2024F, didukung oleh 1) Volume overburden removal yang lebih tinggi, 2) kontrak baru, dan 3) berkembangnya PTRO dari sekedar kontraktor menjadi pemilik tambang. Kami memproyeksikan PTRO akan membukukan pendapatan sebesar USD 537 juta (+12.8% YoY) pada 2023F dan USD 566 juta (+5.4% YoY) pada 2024F.

BUY, TP IDR 4,500 (5.3x P/E FY24F). Sejak rilis initiation report kami (30/3), harga saham PTRO sudah anjlok -25.6%. Meski begitu, kami tetap optimis terhadap PTRO, didukung oleh potensi kontrak baru dari pemilik baru dan pertumbuhan volume overburden removal. Kami mempertahankan rating BELI untuk PTRO dengan TP sebesar IDR 4,500, yang menyiratkan P/E FY24F sebesar 5.3x (+0,5 SD di atas rata-rata P/E 5 tahun). Risiko: 1) Volume lebih rendah dari perkiraan, 2) Harga batu bara yang lebih rendah dari perkiraan.

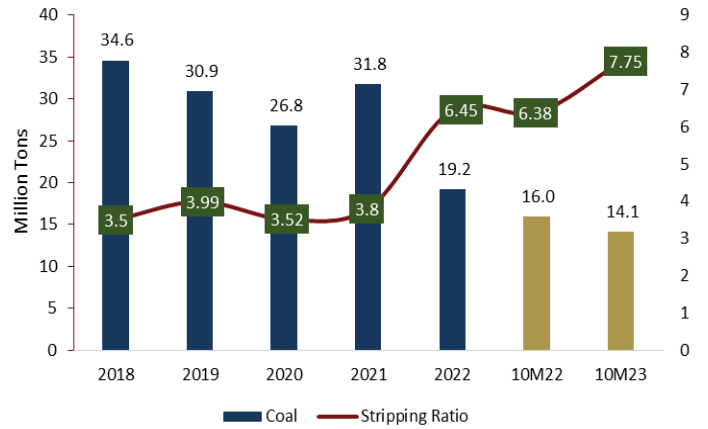
Valuations (at closing price IDR 3,940 per share)					
Y/E Dec	21A	22A	23F	24F	25F
Revenue (IDR Bn)	416	476	537	566	586
EBITDA (IDR Bn)	101	119	134	147	152
EV/EBITDA (x)	3.2	2.2	2.9	2.2	1.7
Net Profit (IDR Bn)	34	41	51	58	63
EPS (IDR)	476	632	741	844	916
EPS Growth (%)	2.2	32.6	17.4	13.8	8.5
P/E Ratio (x)	8.3	6.2	5.3	4.7	4.3
BVPS (IDR)	3,677	4,600	4,007	4,617	5,325
P/BV Ratio (x)	1.1	0.9	1.0	0.9	0.7
DPS (IDR)	113	-	1,111	183	211
Dividend Yield (%)	2.9	-	28.2	4.6	5.4
ROAE (%)	13.0	13.8	18.6	18.4	17.3
ROAA (%)	14.5	15.9	21.6	22.8	20.5
Interest Coverage (x)	8.0	8.2	8.0	13.1	19.3
Net Gearing (x)	17.9	3.0	43.3	17.0	N.C

Figure 1. Overburden Removal Volume



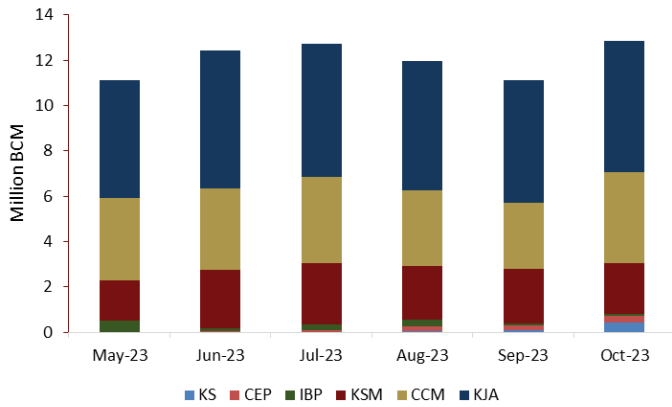
Source: Company, SSI Research

Figure 2. Coal Production Volume



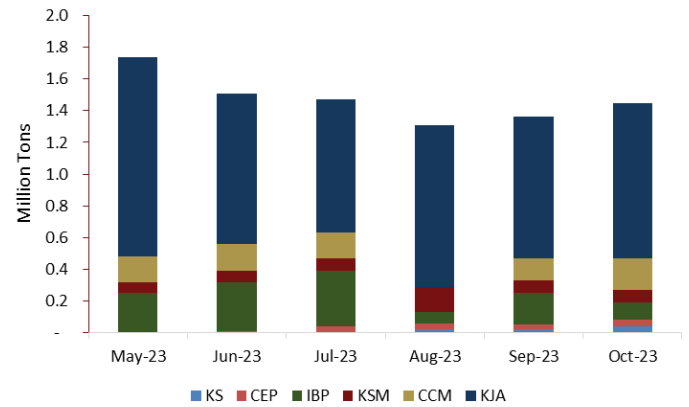
Source: Company, SSI Research

Figure 3. Overburden Removal Volume by Project



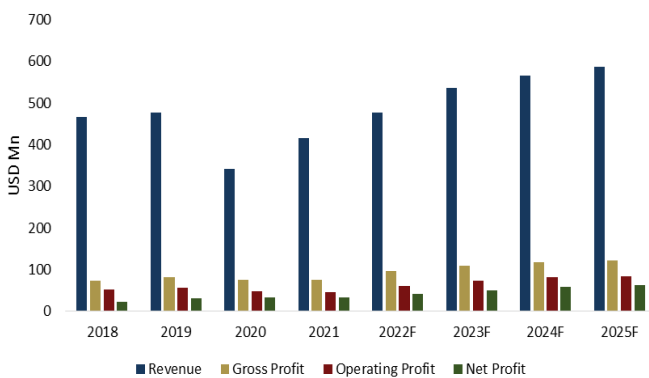
Source: Company, SSI Research

Figure 4. Coal Production Volume by Project



Source: Company, SSI Research

Figure 5. Financial Performance Trajectory



Source: Company, SSI Research

Figure 6. P/E Band



Source: Bloomberg, Company, SSI Research

Project Updates – EPC

Figure 7. Levee Construction & Stockpile Project



- **Location:** Timika, Central Papua
- **Contract Value:** USD 126 million
- **Duration:** 2022 – 2026
- **Progress:** 36% Revenue Recognized

Figure 8. GBC Pre-Crusher Construction Services Project



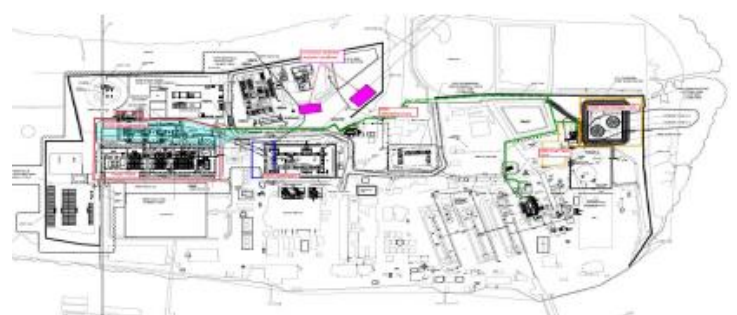
- **Location:** Tembagapura, Central Papua
- **Contract Value:** USD 77 million
- **Duration:** 2021 - 2023
- **Progress:** 93% Revenue Recognized

Figure 9. Copper Cleaner Circuit Construction Project



- **Location:** Tembaga Pura, Central Papua
- **Contract Value:** USD 20 million
- **Duration:** 2022 – 2024
- **Progress:** 78% Revenue Recognized

Figure 10. Warp Around Construction Project



- **Location:** Timika, Central Papua
- **Contract Value:** USD 8 million
- **Duration:** 2021 - 2023
- **Progress:** 100% Revenue Recognized

Figure 11. Portsite Corrosion Project



- **Location:** Timika, Central Papua
- **Contract Value:** USD 9 million
- **Duration:** 2020 - 2023
- **Progress:** 71% Revenue Recognized

Figure 12. Wanagon Project



- **Location:** Tembaga Pura, Central Papua
- **Contract Value:** USD 45 million
- **Duration:** 2027 - 2023
- **Progress:** 83% Revenue Recognized

Figure 13. Manyar Smelter Construction Management



- **Location:** Gresik, East Java
- **Contract Value:** USD 46 million
- **Duration:** 2022 - 2024
- **Progress:** 23% Revenue Recognized

Source: Company, SSI Research

Figure 14. EPC Construction & Project Management Project



- **Location:** Luwu, South Sulawesi
- **Contract Value:** USD 187 million
- **Duration:** 2022 - 2025
- **Progress:** 13% Revenue Recognized

Key Financial Figures

Profit and Loss					
Y/E Dec (USD Mn)	21A	22F	23F	24F	25F
Revenue	416	476	537	566	586
Cost of Revenue	(341)	(381)	(428)	(449)	(464)
Gross Profit	75	95	109	117	122
Operating Expense	(30)	(35)	(35)	(36)	(37)
G&A Expense	(30)	(35)	(35)	(36)	(37)
Selling & Marketing Expense	-	-	-	-	-
Other Income (Expense)	-	-	-	-	-
Operating Profit	45	61	74	81	85
EBITDA	101	119	134	147	152
Interest Income	2	1	2	1	1
Interest Expense	(6)	(7)	(9)	(6)	(4)
Gain (Loss) on Disposal	-	-	-	-	-
Other Income (Expense)	(0)	(4)	(4)	(4)	(4)
Pre-tax Profit	41	50	62	71	77
Taxes	(7)	(9)	(11)	(13)	(14)
Minority Interest	(0)	(0)	(0)	(0)	(0)
Net Profit	34	41	51	58	63

Balance Sheet					
Y/E Dec (USD Mn)	21A	22F	23F	24F	25F
Cash	89	62	35	49	97
Receivables	92	123	125	132	137
Inventory	9	19	19	20	20
Others	41	55	55	55	55
Total Current Asset	232	258	234	255	308
Net Fixed Asset	229	233	255	229	199
Other Assets	72	106	111	116	122
Total Asset	533	596	599	601	630
Payables	69	120	114	119	123
ST. Debt and CMLTD	64	26	57	49	38
Other Current Liabilities	34	76	27	27	27
Current Liability	167	222	197	195	188
LT. Debt	72	44	96	55	42
Other LT. Liabilities	33	32	32	32	32
Total Liability	273	298	326	282	262
Minority Interest	1	1	1	1	2
Total Equity	260	298	273	319	368

Cash Flow					
Y/E Dec (USD Mn)	21A	22F	23F	24F	25F
Net Profit	34	41	51	58	63
D&A	50	18	60	66	67
Changes in Working Capital	(21)	(17)	(3)	-	-
Operating CF	76	53	99	122	129
Capital Expenditure	(56)	(21)	(87)	(46)	(44)
Others	12	(35)	-	-	-
Investing CF	(44)	(56)	(87)	(46)	(44)
Dividend Paid	(8)	-	(76)	(13)	(15)
Net Borrowing	(66)	(20)	37	(50)	(23)
Others	(3)	(4)	0	0	0
Financing CF	(77)	(24)	(38)	(62)	(38)
Net - Cash flow	(45)	(28)	(27)	14	48
Adjustment	-	-	-	-	-
Cash at Beginning	134	89	62	35	49
Cash at Ending	89	62	35	49	97

Key Ratios					
Y/E Dec	21A	22F	23F	24F	25F
Gross Profit Margin (%)	17.9	20.0	20.3	20.7	20.8
Operating Margin (%)	10.8	12.8	13.7	14.3	14.4
Pretax Margin (%)	9.9	10.5	11.5	12.6	13.2
Net Profit Margin (%)	8.1	8.6	9.4	10.3	10.8
Revenue Growth (%)	22.0	14.6	12.7	5.4	3.6
EBITDA Margin (%)	24.4	24.9	24.9	26.0	25.9
EBITDA Growth (%)	6.1	17.1	13.0	9.8	3.2
Debt to Equity (x)	0.5	0.2	0.6	0.3	0.2

Key Assumption					
Y/E Dec	21A	22F	23F	24F	25F
ASP OB Growth (%)	11.3	10.6	(1.0)	1.0	1.0
Stripping Ratio	3.8	6.5	7.7	7.2	6.8

Table 2. Peers Comparison

Company Ticker	Country	Company Ticker	Market Cap (USD Mn)	PER (x)		EV/EBITDA (x)		PBV (x)		ROE (%)	
				2023F	2024F	2023F	2024F	2023F	2024F	2023F	2024F
PATTERSON-UTI	US	PTEN US	4,995	9.3	6.5	3.7	3.4	1.0	0.8	15.4	18.8
HELMERICH & PAYN	US	HP US	3,739	10.9	10.0	4.6	4.3	1.3	1.2	11.3	12.3
NABORS INDS LTD	US	NBR US	882	N/A	24.1	4.5	4.2	2.5	1.7	-11.5	14.2
PRECISION DRILL	CA	PD CN	862	6.3	5.3	3.5	3.2	0.8	0.7	13.1	13.6
ENSGN ENERGY SE	CA	ESI CN	287	13.9	5.6	3.5	3.4	0.3	0.3	2.3	5.1
NORAM DRILLING	US	NORAM NO	169	8.1	7.8	3.8	3.5	2.2	2.8	24.7	31.5
CHINA OILFIELD-H	CN	2883 HK	8,082	11.6	9.0	6.9	5.8	0.9	0.8	7.9	9.3
UNITED TRACTORS	ID	UNTR	5,447	5.0	5.2	2.5	2.5	0.9	0.8	19.1	16.4
ABM INVESTAMA TB	ID	ABMM IJ	601	0.0	0.0	3.6	3.8	0.0	0.0	27.2	18.5
Global Weighted Average			25,063	8.7	8.0	4.6	4.1	1.0	0.9	12.3	13.8

Source: Bloomberg, SSI Research (closing price at 27/11/2023)

Research Team			
Prasetya Gunadi	Head of Equity Research, Strategy, Banking, Digital Banks	prasetya.gunadi@samuel.co.id	+6221 2854 8320
Lionel Priyadi	Macro Equity Strategist	lionel.priyadi@samuel.co.id	+6221 2854 8854
Muhamad Alfatih, CSA, CTA, CFTe	Senior Technical Analyst	m.alfatih@samuel.co.id	+6221 2854 8129
Yosua Zisokhi	Cement , Cigarette, Paper, Plantation,Telco Infra, Chemicals	yosua.zisokhi@samuel.co.id	+6221 2854 8387
M. Farras Farhan	Media, Poultry, Oil & Gas, Technology	farras.farhan@samuel.co.id	+6221 2854 8346
Pebe Peresia	Automotive, Consumer Staples, Retail	pebe.peresia@samuel.co.id	+6221 2854 8339
Juan Oktavianus Harahap	Coal, Metal Mining	juan.oktavianus@samuel.co.id	+6221 2854 8846
Jonathan Guyadi	Banking, Healthcare, Telco	jonathan.guyadi@samuel.co.id	+6221 2854 8321
Adolf Richardo	Editor	adolfo.richardo@samuel.co.id	+6221 2864 8397
Ashalia Fitri Yuliana	Research Associate	ashalia.fitri@samuel.co.id	+6221 2854 8389
Daniel Aditya Widjaja	Research Associate	daniel.aditya@samuel.co.id	+6221 2854 8322
Laurencia Hiemas	Research Associate	laurencia.hiemas@samuel.co.id	+6221 2854 8392
Brandon Boedhiman	Research Associate	brandon.boedhiman@samuel.co.id	+6221 2854 8392
Haikal Putra Samsul	Research Associate	haikal.putra@samuel.co.id	+6221 2854 8353

Equity Institutional Team			
Widya Meidrianto	Head of Institutional Equity Sales	widya.meidrianto@samuel.co.id	+6221 2854 8317
Ronny Ardianto	Institutional Equity Sales	ronny.ardianto@samuel.co.id	+6221 2854 8399
Fachruly Fiater	Institutional Sales Trader	fachruly.fiater@samuel.co.id	+6221 2854 8325
Lucia Irawati	Institutional Sales Trader	lucia.irawati@samuel.co.id	+6221 2854 8173
Alexander Tayus	Institutional Equity Dealer	alexander.tayus@samuel.co.id	+6221 2854 8319
Leonardo Christian	Institutional Equity Dealer	leonardo.christian@samuel.co.id	+6221 2854 8147

Equity Retail Team			
Joseph Soegandhi	Director of Equity	joseph.soegandhi@samuel.co.id	+6221 2854 8872
Damargumilang	Head of Equity Retail	damargumilang@samuel.co.id	+6221 2854 8309
Anthony Yunus	Head of Equity Sales	anthony.yunus@samuel.co.id	+6221 2854 8314
Clarice Wijana	Head of Equity Sales Support	clarice.wijana@samuel.co.id	+6221 2854 8395
Gitta Wahyu Retnani	Equity Sales & Trainer	gitta.wahyu@samuel.co.id	+6221 2854 8365
Vincentius Darren	Equity Sales	darren@samuel.co.id	+6221 2854 8348
Michael Alexander	Equity Sales	michael.alexander@samuel.co.id	+6221 2854 8369
Sylviawati	Equity Sales	sylviawati@samuel.co.id	+6221 2854 8112
Handa Sandiawan	Equity Sales	handa.sandiawan@samuel.co.id	+6221 2854 8302
Denzel Obaja	Equity Sales	denzel.obaja@samuel.co.id	+6221 2854 8342
Wahyudi Budiyo	Dealer	wahyudi.budiyo@samuel.co.id	+6221 2854 8152

Fixed Income Sales Team			
R. Virine Tresna Sundari	Head of Fixed Income	virine.sundari@samuel.co.id	+6221 2854 8170
Rudianto Nugroho	Fixed Income Sales	rudianto.nugroho@samuel.co.id	+6221 2854 8306
Sany Rizal Keliobas	Fixed Income Sales	sany.rizal@samuel.co.id	+6221 2854 8337
Safitri	Fixed Income Sales	safitri@samuel.co.id	+6221 2854 8376
Khairanni	Fixed Income Sales	khairanni@samuel.co.id	+6221 28548104
Saldy Achmad Yanuar	Fixed Income Sales	saldy.achmad@samuel.co.id	+6221 28548384
Nadya Attahira	Fixed Income Sales	nadya.attahira@samuel.co.id	+6221 2854 8305

DISCLAIMER: Analyst Certification: The views expressed in this research accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s) principally responsible for the preparation of this research has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. This document is for information only and for the use of the recipient. It is not to be reproduced or copied or made available to others. Under no circumstances is it to be considered as an offer to sell or solicitation to buy any security. Any recommendation contained in this report may not be suitable for all investors. Moreover, although the information contained herein has been obtained from sources believed to be reliable, its accuracy, completeness and reliability cannot be guaranteed. All rights reserved by PT Samuel Sekuritas Indonesia.