BRMS IJ

PT Bumi Resources Minerals Tbk

Worst is over

SSI SUMMARY – In our view, the worst is over for BRMS, with pushback and domestic oversupply issues resolved starting 3Q26. Additionally, we expect strong earnings growth in 4Q26 supported by the upgraded 2,000 tpd plant, and in 2H27, underground mining commencement would improve gold grades to 3.5–4.9 g/t. Hence, we reiterate our BUY rating with IDR 900/share SOTP-based TP, reflecting 61% upside.

SSI RATING

BUY

TARGET PRICE: **IDR 900** (Based on SOTP)

UPSIDE: ▲ 60.7%

Cons. TP (IDR)	1,075
Last Price (IDR)	560
52-Week High/Low (IDR)	1,385/420
Shares out (bn)	141.8
Market cap (IDRtn)	79.4
Emirates Tarian Global SPC (%)	25.1
Public & others (%)	74.9

2Q26 Top-line

2Q26 revenue fell to USD 26.3 mn (-62.1% QoQ, -54.3% YoY), bringing 1H26 revenue to USD 95.8 mn (-20.7% YoY), below our and consensus estimates (SSI: 35.3%; cons: 26.3%), as gold sales volume dropped 57.4% QoQ to 196 kg amid domestic oversupply.

2Q26 Bottom-line

On the back of margin compression due to low ore grades, net loss of US$4.8mn in 2Q26 (1Q26: +USD18.1mn) left 1H26 net profit at USD13.3mn (-40.3% YoY), below ours and cons (SSI:23.8%;cons:12.7%).

Operational Data

Gold grade halved to 0.90 g/t (1Q26: 1.42; 1H25: 1.52) as the company used stockpiling inventory on River Reef pushback through 2Q. As a result, gold production volumes fell to just ~26% of the ~80koz FY26 target; realised gold USD4,138/oz (-8.3% QoQ).

3Q26/26F Preview

The worst is over, as open-pit mining has resumed in 3Q26 and plant capacity is set to increase from 500 tpd to 2,000 tpd by 4Q26. Hence, we expect 3Q26 net profit to rebound to USD 25 mn.

Positive Catalysts

Pushback completion and open-pit mining resumption are growth drivers ahead, while CPM's offtake deal with ANTM through Jun-28 addresses local sales bottlenecks. Starting in 2H27, underground mining should improve gold grades to 3.5–4.9 g/t.

Negative Sentiments

Potential downside from lower gold prices amid higher interest rate environment and sales volumes uncertainties, as the ANTM offtake agreement covers only 60% of total sales volumes.

Share-Price Relative

Stock Performance

(%)	YTD	1M	3M	12M
Absolute	(49.1)	12.4	(30.4)	27.3
JCI Return	(27.9)	6.1	(10.4)	(17.3)
Relative	(21.2)	6.3	(20.1)	44.6

Company Background

Established in 2003 and listed in 2010, BRMS holds Indonesia's second-largest listed gold reserves at 168 mn tons. Gold is c.98% of revenues with operations concentrated in Sulawesi and additional copper, zinc, and lead assets across Sumatra, Java, and Sulawesi.

SOURCES BRMS 2Q26 results & company filings; SSI Research. Analysts: Juan Harahap.

Figure 1. BRMS's 2Q26 Results

(IDRbn)	2Q26	QoQ %	YoY %	1H25	1H26	y-y %	vs FY26F	vs cons
Revenue	**26**	**(62.1)**	**(54.3)**	**121**	**96**	**(20.7)**	**35.3**	**26.3**
Gross Profit	12	(72.7)	(67.1)	72	55	(23.3)	34.7	26.2
Operating Profit	**3**	**(88.2)**	**(85.1)**	**50**	**32**	**(36.3)**	**29.5**	**20.9**
Net Profit	(5)	N.A.	N.A.	23	13	(43.7)	23.8	12.7
Key ratios (%)								
GPM (%)	*45.0*	–	–	*48.1*	*46.6*	–	–	–
OPM(%)	*11.1*	–	–	*15.9*	*15.0*	–	–	–
NPM(%)	*9.8*	–	–	*11.8*	*17.6*	–	–	–

Sources: Company, SSI Research

Figure 2. Peer Comparables

Company	Mkt. Cap	EV	EPS Gwt (%)		P/E (X)		EV/EBITDA (x)		ROE (%)		Div Yield (%)		Net Gearing
Ticker	**USD mn**	**USD mn**	**2026F**	**2027F**	**2026F**	**2027F**	**2026F**	**2027F**	**2026F**	**2027F**	**2026F**	**2027F**	**Current**
AMMN IJ	17,208	23,007	249	50.0	19.8	13.2	10.8	8.5	14.6	22.6	N.A.	N.A.	106.8
BRMS IJ	4,481	4,429	11	102.0	84.6	41.2	39.8	21.6	5.1	9.7	N.A.	N.A.	14.3
ANTM IJ	3,850	3,786	30	5.7	6.8	7.0	4.7	4.3	26.0	25.9	7.6	10	N.C.
ARCI IJ	1,546	1,961	46	66.7	10.2	6.1	6.8	6.0	33.2	34.3	N.A.	N.A.	121.2
Sector	**27,085**	**33,182**	**166.7**	**53.2**	**28.1**	**16.5**	**14.5**	**10.0**	**15.7**	**21.6**	**1.1**	**1.5**	**74.6**

Sources: Company, SSI Research