BUMI IJ

PT Bumi Resources Tbk

BUMI RESOURCES

Coal Glows, Gold Shines

SSI SUMMARY – BUMI benefits from 2 operational transformation: 1) Gold acquisitions of Wolfram (production in late-May) and Loyal Metal Mining (targeted for Aug-26 completion); 2) Stronger coal performance ahead on higher prices due to El Niño while volumes are protected by the use of conveyor belts. On the gold front, we expect higher Wolfram output on improving feed grades, earnings recovery at BRMS and lower cash costs as fuel prices ease.

SSI RATING

BUY

TARGET PRICE	UPSIDE
IDR 300	▲ 64.8%
(Based on SOTP)	

Cons. TP (IDR)	300
Last Price (IDR)	182
52-Week High/Low (IDR)	484/103
Shares Out (bn)	371.3
Market Cap (IDRtn)	67.6
Mach Energy (%)	45.8
Public & Others (%)	54.2

2Q26 Top-line

2Q26 revenues rose to USD 449mn (+7.5% QoQ, +36.4% YoY), bringing 1H26 sales to USD 867mn (+27.9% YoY), below SSI's target but in line with consensus estimate (46.3%/54.8%). The stronger topline was supported by higher Arutmin's coal volumes (+29.6% YoY) alongside improved ASP (+17.5% YoY) during the second quarter.

2Q26 Bottom-line

On the back of margin compression from higher fuel prices, which lifted mining costs to USD 8.3/mbcm (+18.3% QoQ, +64.6% YoY), BUMI booked 2Q26 net profit of USD 35mn (+43.7% QoQ, +1,266.2% YoY), bringing 1H26 net profit to USD 59mn, in line with SSI/consensus estimates (47.3%/47.8%).

Operational Data

BUMI's 2Q26 coal sales rose to 19.8mn tons (+3.1% QoQ) on stronger Arutmin and KPC volumes, while ASP jumped to USD 67.1/ton (+14.5% QoQ). Wolfram also commenced operations in late-May, with initial gold grade at 0.78 g/t from stockpile processing. Note that 2Q26 gold price averaged USD 4,507/MT.

3Q26/26F Preview

We expect stronger quarters ahead, driven by 1) higher Wolfram output and improved gold feed grade as processing shifts from stockpiles to mined ore, 2) earnings recovery at BRMS despite lower 3Q MTD gold prices (USD 4,076/oz), and 3) lower cash costs on easing fuel prices in the coming quarters.

Positive Catalysts

Wolfram's ramp-up remains on track, targeting 15kt of copper-equivalent production in 2026F, while the Loyal Metal Mining acquisition is progressing toward completion in Aug-26, subject to shareholder approval. On coal, we see positive price impact from El Niño while volumes remain resilient by the use of conveyor belts.

Negative Sentiments

Downside risks include potentially lower short-term coal prices (prior to El Niño) following the Jul-26 RKAB adjustment, potential execution delays across BUMI's ongoing acquisition pipeline, slower-than-expected Wolfram ramp-up as well as lower gold prices.

Share-Price Relative

Stock Performance

(%)	YTD	1M	3M	12M
Absolute	(50.3)	28.2	(14.2)	68.5
JCI Return	(26.9)	6.8	(8.4)	(16.8)
Relative	(23.4)	21.4	(5.7)	85.4

Company Background

Established in 1973 and listed in 1990, BUMI, Indonesia's largest thermal coal producer, with 74.8mn tons output in 2025 (~10% of national output) and 2,354mn tons of reserves, has become a diversified miner through its acquisition of Wolfram Limited, an Australian gold, silver, and copper mining company.

SOURCES BUMI 2Q26 results & company filings; SSI Research. Analyst: Juan Harahap.

Figure 1. BUMI's 2Q26 Results

(USDmn)	2Q26	QoQ %	YoY %	1H25	1H26	y-y %	vs FY26F	vs cons
Revenue	**449**	**7.5**	**36.4**	**678**	**867**	**27.9**	**46.0**	**54.8**
Gross Profit	63	(23.9)	13.1	107	146	36.3	44.1	44.3
Operating Profit	34	(30.6)	24.4	55	83	50.3	46.1	35.6
Net Profit	**35**	**43.7**	**1,266.2**	**20**	**59**	**188.4**	**47.3**	**47.8**
Key ratios (%)								
GPM (%)	*14.0*	–	–	*15.8*	*16.8*	–	–	–
OPM(%)	*7.6*	–	–	*8.2*	*9.6*	–	–	–
NPM(%)	*7.7*	–	–	*3.0*	*6.8*	–	–	–

Sources: Company, SSI Research

Figure 2. Peer Comparables

Company	Market Cap	PER (x)		EV/EBITDA (x)		PBV (x)		ROE (%)		Net Gearing
Ticker	(USD mn)	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	Current
AADI IJ	4,074.6	4.6	5.0	3.3	3.5	1.1	1.0	23.9	21.8	N.C.
BUMI IJ	3,792.3	16.9	12.2	17.5	5.9	1.0	0.9	6.0	7.5	11.0
ITMG IJ	1,562.9	7.1	7.0	2.6	2.6	0.8	0.7	12.6	10.6	N.C.
PTBA IJ	1,532.1	6.7	6.8	4.1	3.9	1.1	1.1	17.1	15.9	N.C.
INDY IJ	757.1	18.2	5.2	8.2	4.9	0.6	0.6	3.1	11.1	43.4
Sector	**11,719.1**	**10.1**	**7.9**	**8.2**	**4.3**	**1.0**	**0.9**	**14.4**	**14.2**	**N.C.**

Sources: Company, SSI Research