

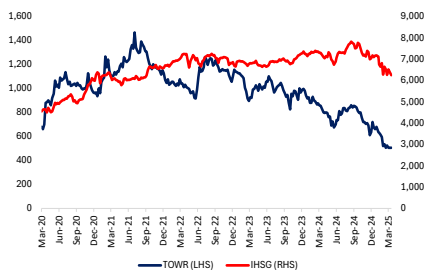


BUY

Price (May 28 th , 25)	585
Target Price	650
Potential Upside	11.11%
Market Cap	29.84 T
Number of Share	51.01 B
52w Lo/Hi	442 / 885

Source : IDX | Phintraco Sekuritas Research
| as of May 28th, 2025

IHSG vs TOWR



Source : IDX

Shareholder	%
PT Saptad Adhikari Investama	54%
PT Dwimuria Investama Andalan	5%
Public	38%

Source : Company | as of fin. statement FY2024

EPS Consensus vs Forecast

	AT	Consensus*	%Diff
2025F	65.67	71.49	-8.14
2026F	67.87	76.12	-10.84

Source : Bloomberg | as of May 28th, 2025

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PT Sarana Menara Nusantara Tbk

(TOWR.JK / TOWR.IJ)

Earnings Soft, FTTH Emerges as Growth Engine

TOWR recorded revenue of Rp3.21 trillion in 1Q25 (-2.38% QoQ; +5.31% YoY), relatively in line with our estimate, consensus, and the 5-year historical average (Phintas: 24.57%; Cons: 24.24%; Avg 5-Years: 23.8%). The sequential decline in revenue was mainly driven by a sharp drop in the connectivity segment, which fell -14.43% QoQ to Rp350 billion, as well as a slight contraction in the tower segment the main contributor which declined -1.56% QoQ. On the other hand, the FTTH segment posted solid growth of +37.11% QoQ and +84.75% YoY, reaching Rp218 billion, reflecting strong momentum in the fiber-to-the-home (FTTH) rollout.

On the profitability side, EBITDA came in at Rp2.68 trillion in 1Q25 (-2.76% QoQ; +5.25% YoY), in line with our estimate, consensus, and the 5-year average (Phintas: 24.55%; Cons: 24.19%; Avg 5-Years: 23.8%). The QoQ EBITDA contraction slightly pressured the EBITDA margin to 83.48% in 1Q25 (vs 83.54% in 1Q24). This margin pressure extended down to the bottom line, with net profit declining to Rp803 billion (-9.56% QoQ; +0.66% YoY), and net profit margin narrowing to 25.02% from 26.17% in 1Q24.

On the Operationally side, TOWR showed signs of a quarterly slowdown. Total towers increased marginally to 35.51k units (+0.30% QoQ), while total tenants remained flat at 58.04k (+0.02% QoQ), resulting in a slight decline in tenancy ratio to 1.63x (vs 1.64x in 4Q24). On the fiber side, total FTTT fiber length rose slightly by +0.61% QoQ to 218.84k km, while FTTH subscribers grew a solid +7.96% QoQ. Meanwhile, average monthly revenue per tenant dropped -1.46% QoQ to Rp12.3 million, and revenue per fiber ticked up only slightly by +0.19% QoQ to Rp839k, signaling ongoing monetization pressure in early-stage fiber expansion.

We maintain our BUY recommendation on TOWR with a target price of Rp650, in line with our previous report. While margin pressure remains a near-term concern, we see TOWR's competitive edge in the fiber segment as a key long-term growth engine amid softening tower performance during the ongoing industry consolidation. Furthermore, asset monetization both in fiber and towers will be essential to support profitability and sustain future growth. **Downside Risks:** 1) Elevated interest rates that could pressure profitability; 2) Intensifying competition in the fiber segment which may squeeze margins; and 3) High site deactivations following the EXCL-FREN consolidation.

Table 1. Financial Performance TOWR 3M25

PT Sarana Menara Nusantara Tbk												
(in Billion IDR)	3M24	3M25	YoY	1Q24	4Q24	1Q25	QoQ	YoY	Phintas Estimates	%Phintas	Consensus Estimate	%Consensus
Income Statement												
Revenue	3,047	3,208	5.31%	3,047	3,287	3,208	-2.38%	5.31%	13,060	24.57%	13,235	24.24%
Tower	2,081	2,141	2.88%	2,081	2,175	2,141	-1.56%	2.88%				
Fiber	476	549	15.34%	476	544	549	0.92%	15.34%				
Connectivity	371	350	-5.66%	371	409	350	-14.43%	-5.66%				
FTTH	118	218	84.75%	118	159	218	37.11%	84.75%				
Operating Profit	1,710	1,783	4.29%	1,710	1,972	1,783	-9.60%	4.29%	7,703	23.15%	7,846	22.73%
EBITDA	2,545	2,679	5.25%	2,545	2,754	2,679	-2.76%	5.25%	10,908	24.55%	11,073	24.19%
Net Profit	797	803	0.66%	797	888	803	-9.56%	0.66%	3,350	23.96%	3,653	21.97%
EPS	15.63	15.73	0.66%	15.63	17.40	15.73	-9.56%	0.66%	65.67	23.96%	71.61	21.97%
Profitability Ratios												
Gross Profit Margin (%)	56.12%	55.58%		56.12%	60.01%	55.58%			58.98%		59.28%	
EBITDA Margin (%)	83.54%	83.48%		83.54%	83.80%	83.48%			83.52%		83.66%	
Net Profit Margin (%)	26.17%	25.02%		26.17%	27.00%	25.02%			25.65%		27.60%	
Operational Data												
Towers	31,049	33,506	14.35%	31,049	35,400	33,506	0.30%	14.35%				
Tenant	54,170	58,045	7.15%	54,170	58,035	58,045	0.02%	7.15%				
Tenancy Ratio	1.74x	1.63x	-6.30%	1.74	1.64	1.63	-0.28%	-6.30%				
Average Revenue / Tenant per Month (IDR Million)	12,79	12,30	-3.88%	12,79	12,48	12,30	-1.46%	-3.88%				
Average Revenue / Fiber per Month (IDR Thousand)	860	839	-2.51%	860	837	839	0.19%	-2.51%				
FTT Fiber (Km)	186,571	218,836	17.29%	186,571	217,507	218,836	0.61%	17.29%				
FTTH (Home Connect)	124,704	182,707	46.51%	124,704	169,242	182,707	7.96%	46.51%				

Source : Company | Phintraco Sekuritas Research



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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 $\leq +10\%$ 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"

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Kantor Cabang & Mitra GI BEI



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