



## Buy

Price (June 12 <sup>th</sup> , 25)	2190
Target Price	2510
Potential Upside	14.61%
Market Cap	53.46 T
Number of Share	24.41 B
52w Lo/Hi	1040 / 2780

Source : IDX | Phintraco Sekuritas Research  
as of June 12<sup>th</sup>, 2025

## IHSG vs MDKA



Source : IDX

Shareholder	%
Public	55.73
PT Saratoga Investama Sedaya Tbk	19.40
PT Mitra Daya Mustika	11.89
Garibaldi Thohir	7.46
PT Suwarna Arta Mandiri	5.51
Treasury Stock	0.25

Source : Company | as of fin. statement FY2024

## EPS Consensus vs Forecast

	AT	Consensus*	%Diff
2025F	0.00046	0.00048	+3.6%
2026F	0.0043	0.0041	-5.3%

Source : Bloomberg | as of Jun 12<sup>th</sup>, 2025

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## PT Merdeka Copper Gold Tbk (MDKA.JK / MDKA.IJ)

## Shariah-compliant stocks

## Built to Scale, Engineered for Profit

**MDKA booked FY24 revenue of US\$2.24 billion, representing a 31.2% YoY increase compared to US\$1.71 billion in FY23.** This growth was primarily driven by the nickel segment, which contributed 82.4% of total revenue through PT Merdeka Battery Materials Tbk (MBMA), with revenue rising 38.9% YoY to US\$1.84 billion (vs. FY23: US\$1.33 billion). Operational efficiency at the three RKEF smelters (CSID, BSID, and ZHN) successfully reduced the cash cost of Nickel Pig Iron (NPI) by 6.86% QoQ to US\$10,037/ton in 4Q24 (vs. 3Q24: US\$10,776/ton). Although Nickel Pig Iron's (NPI) average selling price (ASP) declined 1.28% QoQ to US\$11,887/ton (vs. 3Q24: US\$12,041/ton), the cash margin still rose sharply by 46.3% QoQ to US\$1,850/ton (vs. US\$1,265/ton).

**The upward trend in gold selling prices was supported by increased production volume from TB Gold.** Gold production in 4Q24 reached 35.82 koz, (+17.37% QoQ; +21.41% YoY), in line with an increase in the average selling price (ASP) of 11.06% QoQ to US\$2,672/oz (vs. 3Q24: US\$2,406/oz). This momentum was driven by global factors, particularly geopolitical tensions and macroeconomic uncertainty, which was effectively leveraged by MDKA. Consequently, gold cash margin increase to US\$1,697/oz (up 16.71% QoQ from US\$1,454/oz in 3Q24). Looking ahead, gold production is projected to continue increasing through the Pani Gold Project, which is targeted to reach peak annual production of 500,000 ounces. The development is one-third complete and scheduled to begin testing in 2025, prior to the first gold production in 2026.

**Management Guidance for FY25.** Through TB Gold, the gold segment is projected to produce 100,000–110,000 oz per year with a competitive cash cost of US\$1,100–1,200/oz. From the Wetar mine, copper production is targeted at 11,000–13,000 tons, with a significant expected reduction in cash cost to US\$1.60/lb. Meanwhile, the nickel segment will maximise margins by producing Nickel Pig Iron (NPI), targeting 80,000–87,000 tons per year with a controlled cash cost below US\$11,000/ton. This strategy provides resilience against commodity price fluctuations, creates a more balanced revenue structure, and strengthens MDKA's strategic position in supporting the global energy transition.

**Using a Sum-of-the-Parts (SOTP) valuation method, with a required rate of return of 9.20% and a terminal growth rate of 1.46%,** we estimate MDKA's fair value to be at Rp2,510 (implying 10.03x/2.66x expected EV/EBITDA and P/BV). This positive outlook is supported by ongoing efforts to optimize operations at the Acid Iron Metal (AIM) and High-Pressure Acid Leach (HPAL) facilities, along with future contributions from key projects (Pani Gold Project & Tujuh Bukit Copper Project). To meet working capital needs, MDKA plans to issue 2.45 billion shares through a private placement (PMTHMETD III). Downside risks : 1) Volatility in nickel prices, 2) Potential delays in project expansion, and 3) Rising financing costs.

Table 1. MDKA 4Q24 operational highlights

PT Merdeka Copper Gold Tbk						
Operational Highlights						
	4Q24	3Q24	QoQ	FY24	FY23	YoY
<b>Gold</b>						
Gold Production (oz)	35,824	30,522	17.37%	115,867	138,666	-16.44%
Gold Sales (oz)	29,056	27,778	4.60%	108,471	129,867	-16.48%
Gold ASP (US\$/oz)	2,672	2,406	11.06%	2,371	1,939	22.28%
Gold Cash cost (US\$/oz)	975	952	2.42%	1,017	842	20.78%
Gold AISC (US\$/oz)	1,260	1,183	6.51%	1,337	1,212	10.31%
Gold Cash margin (US\$/oz)	1,697	1,454	16.71%	1,354	1,097	23.43%
<b>Copper</b>						
Copper Production (t)	3,419	3,811	-10.29%	13,902	12,706	9.41%
Copper Sales (t)	3,101	4,970	-37.61%	14,411	13,217	9.03%
Copper ASP (US\$/lb)	4.18	4.26	-1.88%	4.09	3.89	5.14%
Copper Cash cost (US\$/lb)	1.63	3.51	-53.56%	2.63	3.74	-29.68%
Copper AISC (US\$/lb)	2.83	4.36	-35.09%	3.58	5.38	-33.46%
Copper Cash margin (US\$/lb)	2.55	0.75	240.00%	1.46	0.15	873.33%
<b>Saprolite</b>						
Saprolite Production (m wmt)	3.0	1.0	200.00%	4.9	2.3	113.04%
Saprolite Sales (m wmt)	1.4	1.2	16.67%	4.9	0.8	512.50%
Saprolite ASP (US\$/wmt)	27.4	28.8	-4.86%	29.10	34.6	-15.90%
Saprolite Cash cost (US\$/wmt)	21.6	23.8	-9.24%	23.40	28.7	-18.47%
Saprolite Cash margin (US\$/wmt)	5.8	5.0	16.00%	5.70	5.9	-3.39%
<b>Limonite</b>						
Limonite Production (m wmt)	3.4	3.7	-8.11%	10.10	4.00	152.50%
Limonite Sales (m wmt)	4.1	3.5	17.14%	11.00	0.9	1122.22%
Limonite ASP (US\$/wmt)	17.9	15.3	16.99%	16.50	17.2	-4.07%
Limonite Cash cost (US\$/wmt)	9.0	9.9	-9.09%	10.40	12.1	-14.05%
Limonite Cash margin (US\$/wmt)	8.9	5.4	64.81%	6.10	5.2	17.31%
<b>NPI</b>						
NPI Production (t)	18,823	20,557	-8.44%	82,161	65,117	26.17%
NPI Sales (t)	18,831	18,900	-0.37%	80,199	64,526	24.29%
NPI ASP (US\$/t)	11,887	12,041	-1.28%	11,608	13,536	-14.24%
NPI Cash cost (US\$/t)	10,037	10,776	-6.86%	10,307	12,095	-14.78%
NPI AISC (US\$/t)	10,376	10,961	-5.34%	10,483	12,252	-14.44%
NPI Cash margin (US\$/t)	1,850	1,265	46.25%	1,301	1,442	-9.78%
<b>HGNM</b>						
HGNM Production (t)	11,893	12,979	-8.37%	50,315	30,333	65.88%
HGNM Sales (t)	12,005	13,192	-9.00%	52,406	28,129	86.31%
HGNM ASP (US\$/t)	13,229	13,350	-0.91%	13,770	15,592	-11.69%
HGNM Cash cost (US\$/t)	14,312	13,820	3.56%	13,547	14,755	-8.19%
HGNM AISC (US\$/t)	14,348	13,830	3.75%	13,576	14,807	-8.31%
HGNM Cash margin (US\$/t)	(1,083)	(470)	-130.43%	223	837	-73.36%

Source : Company | Phintraco Sekuritas Research

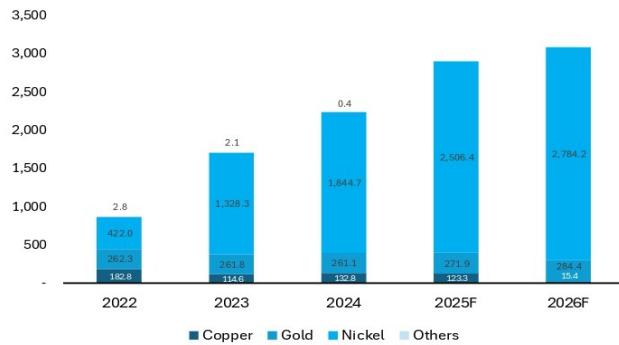
Table 2. SOTP Valuation

MDKA SOTP Valuation	Valuation Method	EV	MDKA's stake	Adjusted EV
<b>Gold</b>				
Pani Gold Project	DCF	1432	63%	902
Tujuh Bukit Gold Mine	DCF	1225	100%	1225
<b>Copper</b>				
Wetar Copper Pyrite Mine	DCF	354	100%	354
Tujuh Bukit Copper Project	NPV	314	100%	314
<b>Nickel</b>				
MBMA	SOTP	4367	50.4%	2201
<b>Total Enterprise Value</b>				4,995
Net Debt (Cash) - FY24				(1,273)
<b>Equity Value</b>				3,722
Outstanding Shares				24,111
<b>Target Price (in USD)</b>				0.15
<b>Target Price (in IDR)</b>				2,510

Source : Company | Phintraco Sekuritas Research

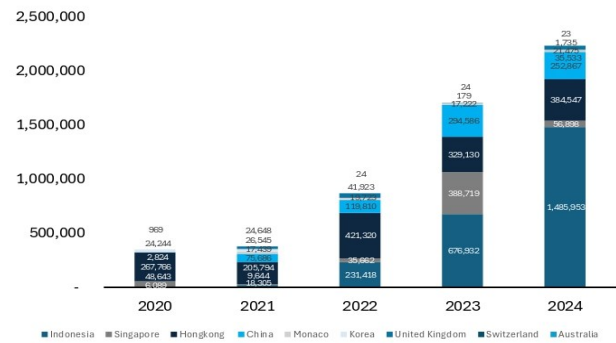
## Performance Highlight

Figure 1. Sales Mix



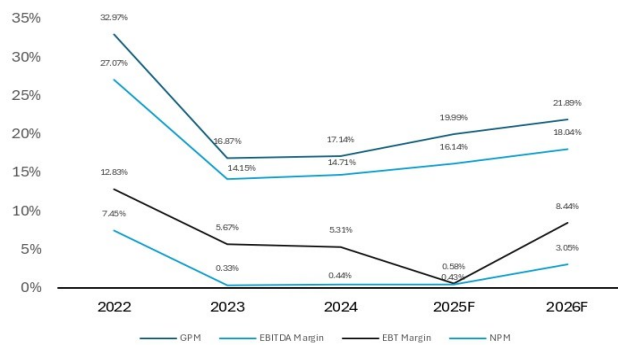
Source : Company | Phintraco Sekuritas Research

Figure 2. Revenue by Geographical Segment



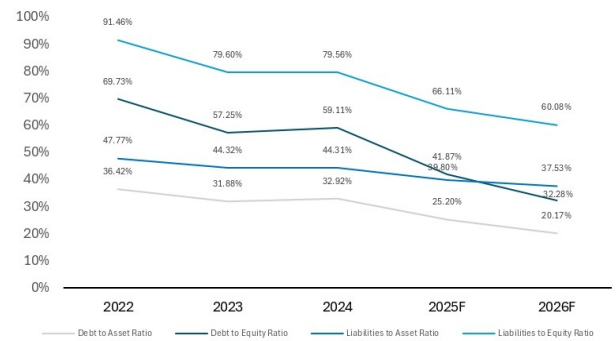
Source : Company | Phintraco Sekuritas Research

Figure 3. Margin Ratios



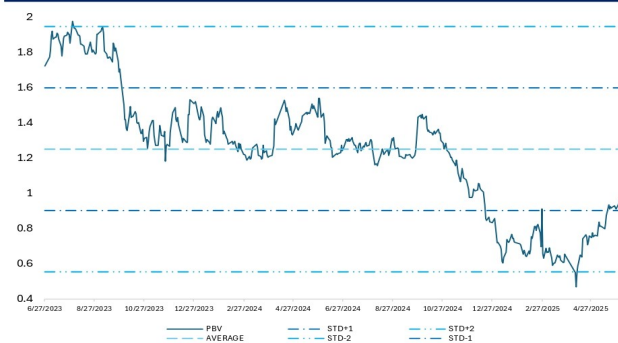
Source : Company | Phintraco Sekuritas Research

Figure 4. Leverage Ratios



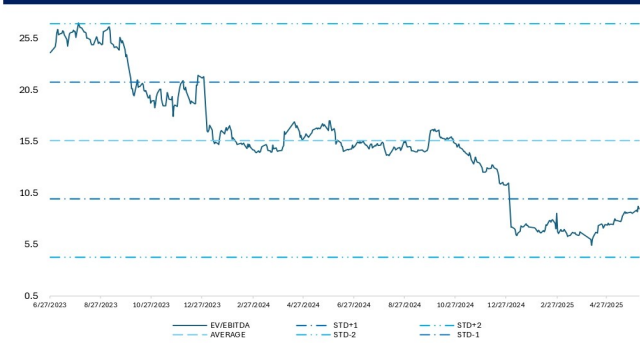
Source : Company | Phintraco Sekuritas Research

MDKA's PBV Band



Source : Company | Phintraco Sekuritas Research

MDKA's EV/EBITDA Band



Source : Company | Phintraco Sekuritas Research

## Key Financial Figures

(in million of USD)

BALANCE SHEET	FY22	FY23	FY24	FY25F	FY26F
<b>Asset</b>					
Cash	444	519	451	386	192
Trade Receivables	66	121	180	177	208
Inventories	251	444	454	510	685
Other Current Assets	135	124	143	138	151
<b>Total Current Assets</b>	<b>896</b>	<b>1,207</b>	<b>1,228</b>	<b>1,211</b>	<b>1,236</b>
Fixed Assets - Net	1,823	2,376	2,601	3,106	2,865
Other Non-Current Assets	1,158	1,382	1,408	1,142	1,343
<b>Total Non-Current Assets</b>	<b>2,981</b>	<b>3,757</b>	<b>4,009</b>	<b>4,247</b>	<b>4,208</b>
<b>Liabilities</b>					
Trade Payables	110	304	239	306	364
Short Term Borrowings (Loans)	334	453	691	424	357
Other Current Liabilities	161	153	182	316	406
<b>Total Current Liabilities</b>	<b>605</b>	<b>909</b>	<b>1,112</b>	<b>1,046</b>	<b>1,127</b>
Long Term Borrowings (Loans)	1,078	1,130	1,033	951	741
Other Non-Current Liabilities	170	161	175	175	175
<b>Total Non-Current Liabilities</b>	<b>1,247</b>	<b>1,291</b>	<b>1,208</b>	<b>1,126</b>	<b>916</b>
<b>Equity</b>					
Total Equity	1,003	927	922	1,290	1,394
Minority Interest	1,022	1,837	1,994	1,996	2,007

Source : Company | Phintraco Sekuritas Research

(in million of USD)

INCOME STATEMENT	FY22	FY23	FY24	FY25F	FY26F
Revenue	870	1,707	2,239	2,902	3,774
<i>Growth</i>	<i>128.34%</i>	<i>96.21%</i>	<i>31.18%</i>	<i>29.59%</i>	<i>30.07%</i>
Cost of Revenue (exc. D&A)	583	1,419	1,855	2,321	2,948
<b>Gross Profit</b>	<b>287</b>	<b>288</b>	<b>384</b>	<b>580</b>	<b>826</b>
<i>GPM</i>	<i>32.97%</i>	<i>16.87%</i>	<i>17.14%</i>	<i>19.99%</i>	<i>21.89%</i>
EBITDA	235	242	329	468	681
<i>EBITDA Margin</i>	<i>27.07%</i>	<i>14.15%</i>	<i>14.71%</i>	<i>16.14%</i>	<i>18.04%</i>
EBIT	112	97	119	17	319
<i>EBIT Margin</i>	<i>12.83%</i>	<i>5.67%</i>	<i>5.31%</i>	<i>0.58%</i>	<i>8.44%</i>
Profit Before Tax	90	12	22	16	254
<i>EBT Margin</i>	<i>10.3%</i>	<i>0.7%</i>	<i>1.0%</i>	<i>0.5%</i>	<i>6.7%</i>
Profit After Tax	65	6	10	12	115
<i>NPM</i>	<i>7.5%</i>	<i>0.3%</i>	<i>0.4%</i>	<i>0.4%</i>	<i>3.0%</i>

Source : Company | Phintraco Sekuritas Research

(in million of USD)

CASH FLOW	FY22	FY23	FY24	FY25F	FY26F
<b>Cash Flow from Operating</b>					
Net Income	65	6	10	12	115
Depreciation & Amortization	185	169	195	1072	438
Working Capital	(71)	(59)	(120)	84	(122)
Others	50	(59)	3	67	25
<b>Net-CFFO</b>	<b>229</b>	<b>57</b>	<b>88</b>	<b>1236</b>	<b>455</b>
<b>Cash Flow from Investing</b>					
Capital Expenditure	(1612)	(722)	(421)	(1576)	(197)
Others	(688)	(163)	(27)	265	(170)
<b>Net-CFFI</b>	<b>(2300)</b>	<b>(886)</b>	<b>(448)</b>	<b>(1311)</b>	<b>(367)</b>
<b>Cash Flow from Financing</b>					
Borrowings	963	220	135	(348)	(296)
Others	186	(50)	15	1	14
Equity	1181	734	143	357	(0)
<b>Net-CFFF</b>	<b>2329</b>	<b>903</b>	<b>292</b>	<b>10</b>	<b>(282)</b>
<b>NET CASH FLOW</b>	<b>258</b>	<b>75</b>	<b>(68)</b>	<b>(65)</b>	<b>(194)</b>

Source : Company | Phintraco Sekuritas Research

RATIOS	FY22	FY23	FY24	FY25F	FY26F
<b>Profitability Ratio (%)</b>					
GPM	32.97%	16.87%	17.14%	19.99%	21.89%
OPM (EBITDA Margin)	27.07%	14.15%	14.71%	16.14%	18.04%
NPM	7.45%	0.33%	0.44%	0.43%	3.05%
ROA	1.67%	0.11%	0.19%	0.23%	2.11%
ROE	3.20%	0.20%	0.34%	0.38%	3.38%
ROIC	2.04%	1.60%	1.73%	0.17%	2.19%
<b>Activity Ratio (X)</b>					
Inventory Turnover	3.70	4.50	4.60	5.75	5.54
Days of Inventory	98.64	81.04	79.30	80.17	84.79
Receivable Turnover	26.17	18.31	14.90	16.28	21.18
Days of Receivables	13.95	19.94	24.49	22.21	20.15
Payable Turnover	10.19	7.57	7.61	10.18	9.89
Days of Payables	35.81	48.23	47.96	48.09	45.02
Cash Operating Cycle	76.78	52.75	55.83	54.29	59.91
<b>Leverage Ratio (%)</b>					
Debt to Asset Ratio	36.42%	31.88%	32.92%	25.20%	20.17%
Debt to Equity Ratio	69.73%	57.25%	59.11%	41.87%	32.28%
Liabilities to Asset Ratio	47.77%	44.32%	44.31%	39.80%	37.53%
Liabilities to Equity Ratio	91.46%	79.60%	79.56%	66.11%	60.08%
<b>Liquidity Ratio (X)</b>					
Current Ratio	1.48	1.33	1.10	1.16	1.10
Quick Ratio	1.07	0.84	0.70	0.67	0.49
Cash Ratio	0.73	0.57	0.41	0.37	0.17
<b>Price Ratio</b>					
P/E (X)	108.86	(227.40)	(66.67)	331.58	35.78
P/B (X)	6.34	4.53	4.01	2.87	2.66
P/R (X)	7.31	2.46	1.65	1.28	0.98
Price per Share	4,120	2,700	2,390	2,510	2,510
OS (in million)	24,111	24,111	24,111	24,111	24,111
EPS (USD) (Annualized)	0.00	(0.00)	(0.00)	0.00	0.00
EPS (IDR) (Annualized)	37.85	(11.87)	(35.85)	7.57	70.15
BVPS (USD)	0.04	0.04	0.04	0.05	0.06
BVPS (IDR)	650	596	596	874	944
RPS (USD)	0.04	0.07	0.09	0.12	0.16
RPS (IDR)	564	1,097	1,447	1,965	2,556
EV/EBITDA (X)	31.12	21.80	15.10	10.03	6.77

Source : Company | Phintraco Sekuritas Research

## Glossarium

CFFO	: <i>Cash Flow from Operating</i>
CFFI	: <i>Cash Flow from Investing</i>
CFFF	: <i>Cash Flow from Financing</i>
EBITDA	: <i>Earning Before Interest, Tax, Depreciation &amp; Amortization</i>
EBIT	: <i>Earning Before Interes &amp; Tax</i>
EBT	: <i>Earning Before Tax</i>
GPM	: <i>Gross Profit Margin</i>
OPM	: <i>Operating Profit Margin</i>
NPM	: <i>Net Profit Margin</i>
ROA	: <i>Return on Asset</i>
ROE	: <i>Return on Equity</i>
ROIC	: <i>Return on Invested Capital</i>
P/E	: <i>Price-to-Earnings</i>
P/B	: <i>Price-to-Book</i>
P/R	: <i>Price-to-Revenue</i>
OS	: <i>Ordinary Shares</i>
EPS	: <i>Earning per Share</i>
BVPS	: <i>Book Value per Share</i>
RPS	: <i>Revenue per Share</i>
EV/EBITDA	: <i>Enterprise Value to Earnings Before Interest, Taxes, Depreciation &amp; Amortization</i>





# PHINTRACO SEKURITAS

## 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"

## PHINTRACO SEKURITAS

Kantor Cabang & Mitra GI BEI



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