

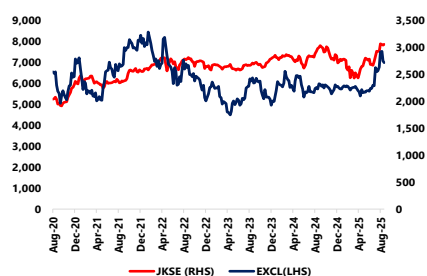


BUY

Price (Sep 4 th , 25)	2,740
Target Price	3,100
Potential Upside	13.14%
Market Cap	49.32 T
Number of Share	18.20 B
52w Lo/Hi	2060 / 3090

Source : IDX | Phintraco Sekuritas Research
| as of Sep 4th, 2025

IHSG vs EXCL



Source : IDX

Shareholder	%
Axiata Investments (Indonesia) Sdn. Bhd.	34.69
PT Bali Media Telekomunikasi	24.57
Public	26.49

Source : Bloomberg

EPS Consensus vs Forecast

	AT	Consensus*	%Diff
2025F	-1.36	90.293	-101.50
2026F	132.86	128.466	3.42

Source : *Bloomberg

Research Analyst

Aditya Prayoga

+62 21 255 6138 Ext. 8302

adit@phintracosekuritas.com

PT XLSmart Telecom Sejahtera Tbk (EXCL.JK / EXCL.IJ)

IDX-30 | ISSI | Shariah Compliant Stock

New Chapter, New Potential

EXCL recorded a net loss of IDR 1.6 trillion in 2Q25, driven by higher operating expenses and integration costs. On the revenue side, EXCL posted revenues of IDR 10.5 trillion (+22.0% QoQ; +21.8% YoY), supported by the data segment at IDR 9.6 trillion (+21.4% QoQ; +19.5% YoY), alongside the combined subscriber base of EXCL.IJ and FREN.IJ reaching 82.6 million, which contributed to a data consumption increase of 3.8 PB (+34.0% QoQ; +43.5% YoY) in 2Q25. However, blended ARPU declined to IDR 36k (-10.0% QoQ; -18.2% YoY) due to FREN's ARPU contribution (IDR 24k), which was lower compared to EXCL (IDR 40k). In terms of profitability, EBITDA remained relatively stable at IDR 4.5 trillion (+3.8% QoQ; -0.4% YoY), but the margin fell to 42.8% (vs 52.3% in 2Q24) due to significantly higher opex from asset consolidation and post-merger network integration. Total opex rose +45.5% QoQ to IDR 10.55 trillion in 2Q25, driven by increased infrastructure expenses (+29.1% QoQ), depreciation (+54.6% QoQ), and employee costs (+114.1% QoQ).

The XLSmart entity has emerged as a new force in the telecommunications industry, offering fresh dynamics along with solid growth prospects. The network integration between XL Axiata and Smartfren lays the foundation for sustainable growth with long-term value for XLSmart. With a broader spectrum portfolio and expanding coverage, XLSmart's network now reaches 475 cities, including 156 new cities, supported by the activation of 11k BTS for Smartfren customers. Total BTS increased 28% YoY to 209.82k (vs pre-merger: 163.88k), with 4G BTS seeing a significant 39% YoY rise to 160.34 thousand. Looking ahead, the merger is expected to deliver an enhanced customer experience through spectrum collaboration and broader coverage, which in turn is likely to boost ARPU and strengthen EXCL's position as a leading player with long-term growth potential.

For FY25E, management projects solid financial performance despite facing post-merger integration costs. EBITDA margin for FY25E is expected in the low-to-mid 40% range, pressured by integration expenses. Management also provided guidance that integration costs in 2H25 will reach IDR 1 trillion, covering network consolidation, tower dismantling, and employee expenses. Meanwhile, total CAPEX for FY25E is estimated at IDR 20 trillion. Gross merger synergies are projected at USD 100–200 million (±IDR 1.6–3.2 trillion), primarily driven by network consolidation and tower lease savings, which are expected to create long-term profitability value.

We maintain our BUY recommendation on EXCL with a higher target price of Rp3,100/share (prev: Rp2,900), implying an EV/EBITDA of 6.35x/5.92x for FY25E/FY26F. We remain optimistic about EXCL's post-merger prospects, as synergies gradually materialize, although integration challenges still linger. For comparison, the ISAT-Hutch merger showed relatively flat performance 2–3 years post-merger, although EBITDA improved in the second year as cost structures normalized. **Downside Risk:** Traffic growth slower than expected and longer-than-anticipated network integration.

Key Operational Highlight

Table 1. Financial and Operational Highlight

PT XLSMART Telecom Sejahtera Tbk - EXCL												
(in Billion IDR)	1H24	1H25	YoY	2Q24	1Q25	2Q25	QoQ	YoY	Phintas Estimate	%Phintas	Consensus Estimate	%Cons
Revenue	17,052	19,095	11.98%	8,613	8,601	10,494	22.00%	21.83%	35,723	53.45%	37,054	51.53%
Data and digital services	15,838	17,464	10.26%	8,016	7,887	9,577	21.43%	19.48%				
Nondata	482	375	-22.16%	242	393	607	54.64%	150.86%				
Cellular interconnection services	373	1,000	167.85%	162	393	607	54.64%	274.16%				
Managed Service and IT Services	358	256	-28.51%	192	126	130	3.25%	-32.34%				
Operating Expenses	14,267	17,800	24.76%	7,219	7,251	10,549	45.48%	46.12%	38,340	46.43%	31,111	57.21%
Depreciation Expenses	6,062	7,310	20.59%	3,054	2,871	4,438	54.57%	45.31%				
Ammortization Expenses	112	203	80.86%	55	100	103	4.00%	87.76%				
Infrastructure Expenses	4,401	5,366	21.92%	2,174	2,342	3,024	29.12%	39.10%				
Interconnection And Other Direct Expenses	1,587	2,123	33.78%	823	950	1,173	23.46%	42.57%				
Salaries And Employee Benefit	818	1,618	97.68%	461	515	1,103	114.12%	139.33%				
Sales And Marketing Expenses	1,079	916	-15.11%	546	389	527	35.24%	-3.54%				
General And Administrative Expense	208	265	27.23%	107	84	181	116.05%	70.17%				
Operating Profit	2,784	1,295	-53.48%	1,394	1,350	(55)	-104.08%	-103.96%	5,557	23.30%	5,943	21.79%
EBITDA	8,958	8,808	-1.68%	4,504	4,321	4,487	3.83%	-0.38%	17,714	49.72%	18,561	47.45%
Net Profit	1,024	(1,224)	-219.47%	483	385	(1,608)	-518.16%	-432.92%	1,885	-	2,216	-
Profitability Ratio												
Operating Profit Margin (OPM)	16.33%	6.78%		16.19%	15.70%	-0.53%			15.56%		16.04%	
EBITDA Margin	52.54%	46.13%		52.29%	50.24%	42.76%			49.59%		50.09%	
Net Profit Margin (NPM)	6.01%	-6.41%		5.61%	4.47%	-15.32%			5.28%		5.98%	
Operational Data												
Subscriber Postpaid (In Million)	1.60	1.90	18.75%									
Subscriber Prepaid (In Million)	56.90	80.70	41.83%									
Total Subscriber (In Million)	58.50	82.60	41.20%									
ARPU Postpaid (In Thousand)	99.00	84.00	-15.15%									
ARPU Prepaid (In Thousand)	43.00	37.00	-13.95%									
ARPU Blended (In Thousand)	44.00	38.00	-13.64%									
Data Consumption (In Petabytes)	5,269	6,665	26.49%									
XL Home Subscribers (In Thousand)	519	1,025	97.49%									
Base Transceiver Station ('000 Units)	164	210	28.03%									

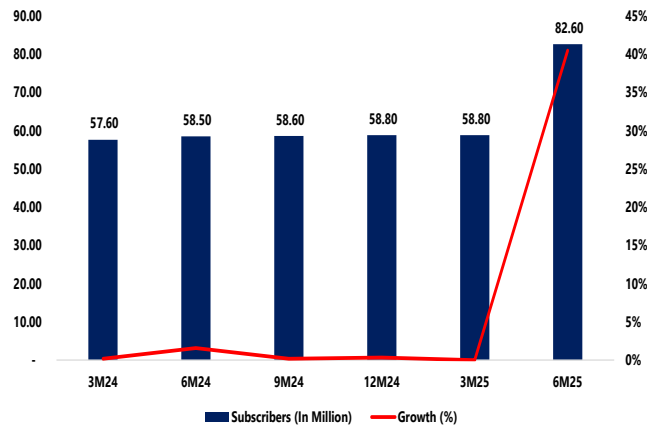
Source : Company | Phintraco Sekuritas Research

Table 2. Earnings Revision

Earnings Revision		New		Old		Change	
PT XLSMART Telecom Sejahtera Tbk - EXCL.IJ		25F	26F	25F	26F	25F	26F
Income Statement (IDR Bn)							
Revenue		41,543	42,352	35,723	37,304	16.29%	13.53%
Operating Profit		3,203	6,306	5,557	5,731	-42.36%	10.02%
EBITDA		18,902	20,751	17,714	18,671	6.71%	11.14%
Net Profit		(25)	2,418	1,885	1,871	-101.32%	29.21%
EPS (Rp)		(1)	133	144	143	-100.95%	-6.80%
Ratio (%)							
Operating Profit Margin		7.71%	14.89%	15.56%	15.36%	-785bps	-47bps
EBITDA Margin		45.50%	49.00%	49.59%	50.05%	-409bps	-105bps
Net Profit Margin		-0.06%	5.71%	5.28%	5.02%	-534bps	69bps

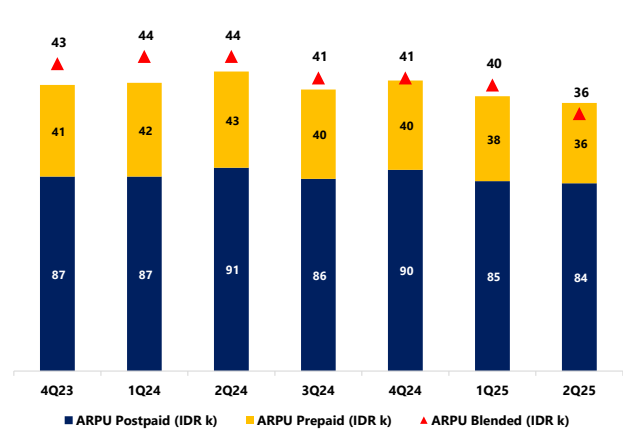
Source : Company | Phintraco Sekuritas Research

Figure 1. XL Smart Subscriber Base



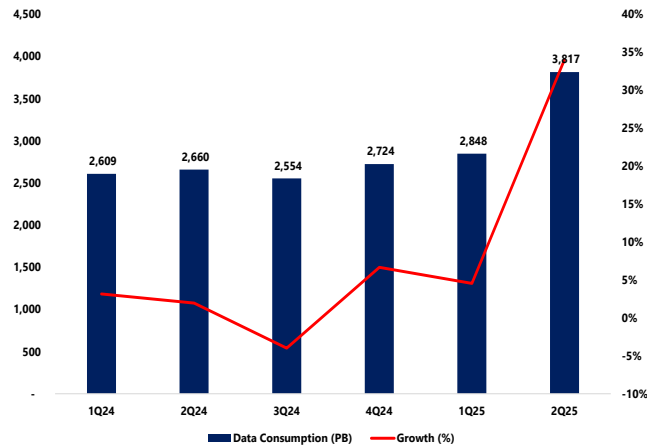
Source : Company | Phintraco Sekuritas Research

Figure 2. ARPU by Segment



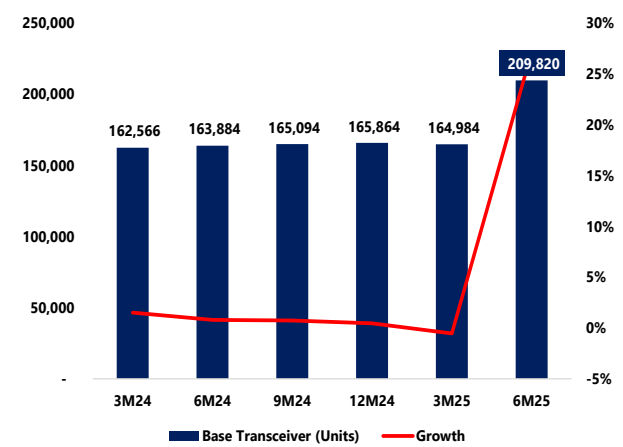
Source : Company | Phintraco Sekuritas Research

Figure 3. Data Traffic Trends



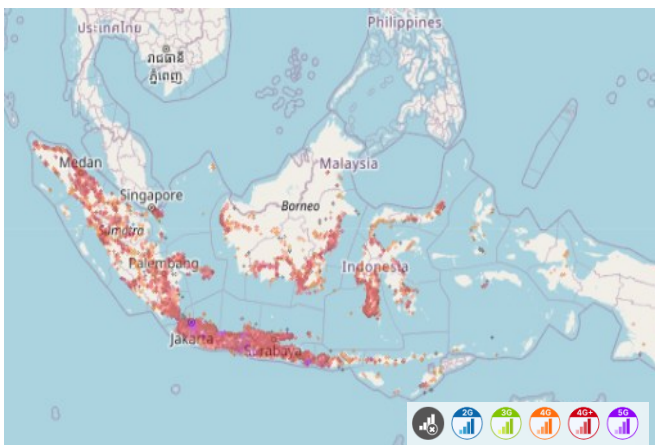
Source : Company | Phintraco Sekuritas Research

Figure 4. BTS Units (2G/3G/4G)



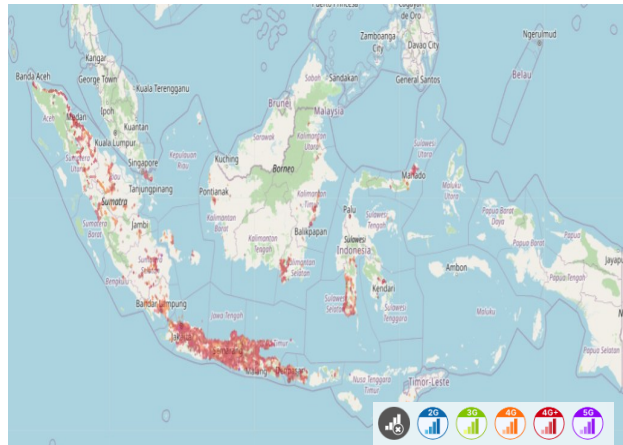
Source : Company | Phintraco Sekuritas Research

Figure 5. XL Axiata Network Coverage



Source : Nperf

Figure 6. Smartfren Network Coverage



Source : Nperf

(in Billion Rupiah)

BALANCE SHEET	FY23	FY24	FY25E	FY26F	FY27F
Asset					
Cash & cash equivalents	966	1,387	1,495	1,260	1,321
Accounts Receivable	1,435	1,863	1,844	1,880	1,916
Total Current Assets	7,174	8,436	10,187	9,776	10,032
Fixed Assets	63,890	61,034	83,300	85,448	87,096
Intangible assets - net	6,454	6,985	9,511	11,588	13,717
Total Non Current Assets	80,515	77,743	110,541	114,350	118,354
Total Asset	87,688	86,179	120,728	124,125	128,387
Liabilities					
Account payables	9,383	8,251	12,874	12,103	12,560
Current maturities of ST borrowings	6,877	9,090	9,730	10,109	10,435
Total Current Liabilities	20,142	21,017	27,319	26,879	27,824
LT debt - net of current maturities	9,251	8,772	13,090	13,599	14,037
Lease liabilities	29,791	28,226	42,153	43,795	45,205
Total Non Current Liabilities	41,041	38,940	57,701	59,843	61,767
Total Liabilities	61,183	59,956	85,020	86,722	89,591
Equity	26,505	26,222	35,708	37,404	38,796

Source : Company | Phintraco Sekuritas Research

(in Billion Rupiah)

CASH FLOW	FY23	FY24	FY25E	FY26F	FY27F
Cash Flow from Operating					
Net Income	1,271	1,819	(25)	2,418	2,314
Depreciation & Amortization	9,314	11,225	13,114	11,523	12,148
Working Capital	(2,507)	(1,375)	4,325	(828)	416
Others	(642)	(806)	(306)	186	7
Net-CFFO	7,436	10,864	17,108	13,299	14,885
Cash Flow from Investing					
CAPEX	(12,731)	(8,369)	(35,379)	(13,671)	(13,796)
Others	(228)	(84)	(10,533)	(1,661)	(2,357)
Net-CFFI	(12,959)	(8,453)	(45,912)	(15,332)	(16,152)
Cash Flow from Financing					
Short Term Debt	(4,042)	2,213	640	379	325
Long Term Debt	6,000	(2,044)	18,245	2,151	1,848
Change in other non-current liabilities	(99)	(41)	540	(6)	81
Equity	-	(1,499)	9,486	-	-
Net-CFFF	1,306	(1,990)	28,912	1,799	1,328
NET CASH FLOW	(4,218)	421	108	(235)	60

Source : Company | Phintraco Sekuritas Research

(in Billion Rupiah)

INCOME STATEMENT	FY23	FY24	FY25E	FY26F	FY27F
Revenue	32,323	34,392	41,543	42,352	43,176
<i>Growth</i>	<i>10.91%</i>	<i>6.40%</i>	<i>20.79%</i>	<i>1.95%</i>	<i>1.95%</i>
Operating Expenses	(27,943)	(28,803)	(38,340)	(36,046)	(37,407)
Operating Profit	4,380	5,589	3,203	6,306	5,769
<i>Operating Profit Margin</i>	<i>13.55%</i>	<i>16.25%</i>	<i>7.71%</i>	<i>14.89%</i>	<i>13.36%</i>
EBITDA	15,885	17,880	18,902	20,751	21,155
<i>EBITDA Margin</i>	<i>49.14%</i>	<i>51.99%</i>	<i>45.50%</i>	<i>49.00%</i>	<i>49.00%</i>
Finance Cost	(2,940)	(3,113)	(3,331)	(3,544)	(3,155)
EBT	1,705	2,427	(14)	3,118	2,984
<i>EBT Margin</i>	<i>5.27%</i>	<i>7.06%</i>	<i>-0.03%</i>	<i>7.36%</i>	<i>6.91%</i>
Net Profit	1,271	1,819	(25)	2,418	2,314
<i>Net Profit Margin</i>	<i>3.93%</i>	<i>5.29%</i>	<i>-0.06%</i>	<i>5.71%</i>	<i>5.36%</i>

Source : Company | Phintraco Sekuritas Research

(in Billion Rupiah)

RATIOS	FY23	FY24	FY25E	FY26F	FY27F
Profitability Ratio (%)					
OPM	13.55%	16.25%	7.71%	14.89%	13.36%
EBITDA Margin	49.14%	51.99%	45.50%	49.00%	49.00%
NPM	3.93%	5.29%	-0.06%	5.71%	5.36%
ROA	1.45%	2.11%	-0.02%	1.95%	1.80%
ROAA	1.45%	2.09%	-0.02%	1.98%	1.83%
ROE	4.80%	6.94%	-0.07%	6.46%	5.96%
ROAE	4.86%	6.90%	-0.08%	6.61%	6.07%
Activity Ratio (X)					
Days of Receivables	15.98	15.98	15.98	15.98	15.98
Days of Payables	120.88	120.88	120.88	120.88	120.88
Cash Operating Cycle	105.09	97.38	101.05	99.17	100.10
Leverage Ratio (x)					
DER	1.74x	1.70x	1.83x	1.81x	1.80x
DAR	0.52x	0.51x	0.54x	0.54x	0.54x
Interest Bearing Debt (In IDR Bn)	45,918	44,250	64,974	67,504	69,677
Net Debt (In IDR Bn)	44,952	42,863	63,479	66,243	68,356
Net Gearing Ratio	1.71x	1.64x	1.79x	1.78x	1.77x
Interest Coverage Ratio (ICR)	1.55x	1.75x	0.96x	1.84x	1.90x
Net Debt / EBITDA	2.83x	2.40x	3.36x	3.19x	3.23x
Liquidity Ratio (X)					
Current Ratio	0.36x	0.40x	0.37x	0.36x	0.36x
Quick Ratio	0.34x	0.39x	0.35x	0.34x	0.34x
Cash Ratio	0.31x	0.34x	0.32x	0.32x	0.31x
Price Ratio					
Price per Share at the end of the year	2,000	2,277	3,100	3,100	3,100
Outstanding Shares (in Billion)	13	13	18	18	18
EPS (IDR) (annualized)	97	139	(1)	133	127
BVPS (IDR)	2,019	1,997	1,962	2,055	2,132
PER(X)	20.66x	16.43x	-2272.73x	23.33x	24.39x
PBV(X)	0.99x	1.14x	1.58x	1.51x	1.45x
EV/EBITDA (annualized)	4.49x	4.08x	6.35x	5.92x	5.91x
Dividend					
DPS	41.82	53.25	-	39.86	50.85
DPR	49.49%	55.00%	0.00%	30.00%	40.00%
Div. Yield	2.09%	2.34%	0.00%	1.29%	1.64%

Source : Company | Phintraco Sekuritas Research

Glossarium

ARPU	: <i>Average Revenue per User</i>
BVPS	: <i>Book Value per Share</i>
CFFF	: <i>Cash Flow from Financing</i>
CFFI	: <i>Cash Flow from Investing</i>
CFFO	: <i>Cash Flow from Operating</i>
DPR	: <i>Dividend Payout Ratio</i>
DPS	: <i>Dividend per Share</i>
EBIT	: <i>Earning Before Interes & Tax</i>
EBITDA	: <i>Earning Before Interest, Tax, Depreciation & Amortization</i>
EBT	: <i>Earning Before Tax</i>
EPS	: <i>Earning per Share</i>
EV	: <i>Enterprise Value</i>
FBB	: <i>Fixed Broadband</i>
FMC	: <i>Fixed Mobile Convergence</i>
FTTH	: <i>Fiber to the Home</i>
NPM	: <i>Net Profit Margin</i>
NPM	: <i>Net Profit Margin</i>
OPM	: <i>Operating Profit Margin</i>
PBV	: <i>Price to Book Value</i>
PER	: <i>Price to Earning Ratio</i>
ROA	: <i>Return on Asset</i>
ROE	: <i>Return on Equity</i>



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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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