PT Adaro Andalan Indonesia Tbk (AADI.JK / AADI.IJ)

Sharia-compliant stocks

AADI Remains Resilient Despite Weakening Coal Exports

Buy

Price (Dec 3rd, 25)	7,600
Target Price	10,200
Potential Upside	+34.21%
Market Cap	59.18T
Number of Share	7.79B
52w Lo/Hi	5,550/ 10,275

Source : *IDX | Phintraco Sekuritas Research | as of Dec 3rd, 2025*

IHSG vs AADI

Source : *IDX*

Shareholder	%
PT Adaro Strategic Investments	41.10
PT Alamtri Resources Indonesia Tbk	15.37
Garibaldi Thohir	5.83
Julius Aslan	0.03
Priyadi	0.00
Susanti	0.00

Source : *Company | as of fin. statement 9M25*

EPS Consensus vs Forecast

	AT	Consensus*	%Diff
2025F	1,988.77	1,957.41	+1.60%
2026F	2,327.00	2,019.17	+15.25%

Source : **bloomberg | as of Des 3rd, 2025*

Research Team

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EBIT declined sharply by 34.8% YoY to US$811 million in 9M25 (from US$1.24 billion in 9M24), mainly due to a significant 88.0% YoY drop in other income to US$39 million in 9M25 following the divestment of its investment in ADMR in 9M24.

AADI's revenue in 9M25 was in line with our expectations. The company recorded revenue of US$1.21 billion in 3Q25 (-2.1% QoQ; -13.2% YoY), resulting in a 10.9% YoY decline in 9M25 revenue to US$3.61 billion, which represents 70.5% of our FY25 estimate. This decline was mainly driven by a 2.1% QoQ decrease in revenue from the Coal Mining and Trading segment to US$1.16 billion, along with a sharp 33.3% QoQ drop in revenue from other segments to US$5 million. Based on market segmentation, AADI's export revenue decreased by 14.3% YoY to US$2.78 billion in 9M25. Meanwhile, domestic revenue posted a 3.0% YoY growth, reaching US$824 million in 9M25.

The company's expenses were lower in line with the decline in sales. Cost of revenue contracted by 9.0% YoY to US$2.67 billion in 9M25. This decrease was mainly driven by a 1.9% YoY reduction in mining costs to US$1.18 billion, along with a significant 31.2% YoY decline in royalty expenses paid to the government to US$550 million in 9M25. Nevertheless, the company's gross profit decreased by 15.8% YoY to US$943 million (from US$1.12 billion in 9M24). On the other hand, operating expenses decreased by 15.0% YoY to US$172 million. As a result, the company's EBIT declined sharply by 34.8% YoY to US$811 million in 9M25 (from US$1.24 billion in 9M24), mainly due to a significant 88.0% YoY drop in other income to US$39 million in 9M25 following the divestment of its investment in ADMR in 9M24.

From a bottom-line perspective, AADI's performance was pressured by declines in profits from associated entities and a sizable corporate income tax expense. AADI's profit before tax dropped by 39.1% YoY to US$813 million, mainly driven by a sharp 94.4% YoY decline in earnings from associates and joint ventures to US$4 million in 9M25 following the divestment of its investment in ADMR. In addition, financial income fell by 38.7% YoY to US$43 million, while finance costs declined by 15.9% YoY to US$45 million in 9M25. The company's net profit decreased by 45.4% YoY to US$587 million, driven by a lower tax expense, which declined by 5.7% YoY to US$158 million in 9M25. The decline in net profit led to a contraction in NPM to 16.3% from 26.5% in 9M24.

Global coal benchmark prices are expected to remain stable below US$110 per ton. Despite relatively strong demand from China and India, downward pressure on prices persists due to increased supply from major producing countries, declining coal consumption in developed economies, and the normalization of gas prices. Although demand from China remains resilient, China's coal imports are projected to be lower, in the range of 470–500 million tons through the end of 2025, due to declining domestic coal prices. We expect AADI's export sales to weaken, mainly due to a decline in its coal ASP, resulting in a 3.8% YoY decline in revenue to US$5.12 billion in FY25F.

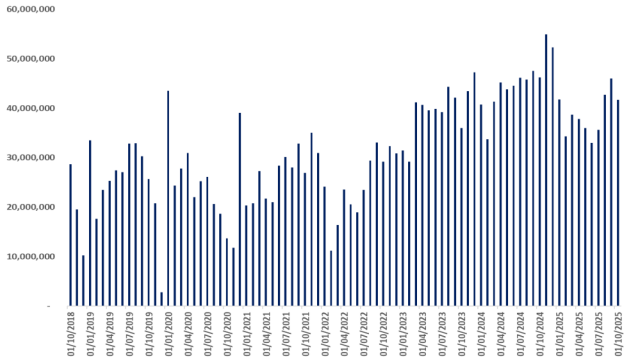
In line with AADI's performance, which remains in line with our previous estimates, we maintain our fair value estimate for AADI at Rp10,200 with a Buy recommendation. Currently, AADI is trading at a PBV of 1.03x, which is below its one-year average PBV of 1.08x.

Performance Highlight

Figure 1. Indonesia Reference Coal Price (Monthly, US$/Ton)

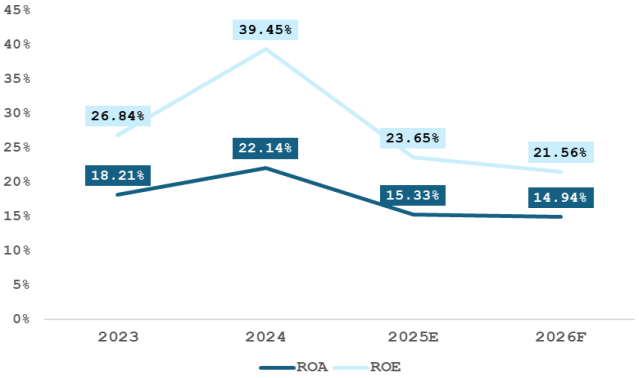
Source : *Bloomberg | Phintraco Sekuritas Research*

Figure 2. China's Coal Import (Monthly, ton)



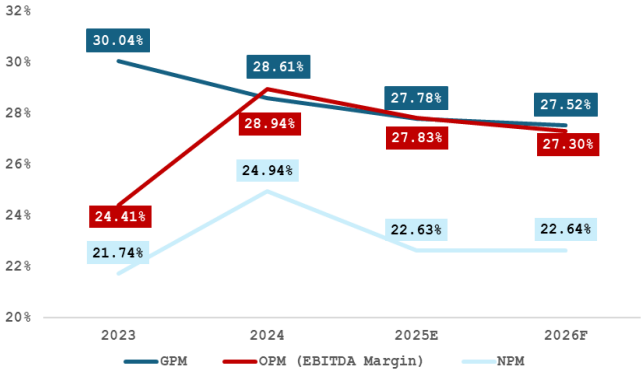
Source : *Bloomberg | Phintraco Sekuritas Research*

Figure 3. ROA & ROE



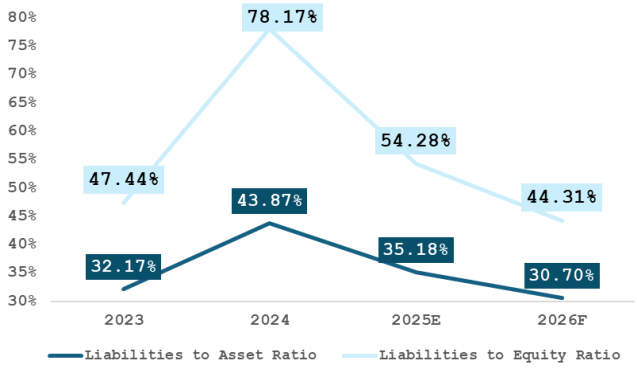
Source : *Company | Phintraco Sekuritas Research*

Figure 4. Profitability Ratio



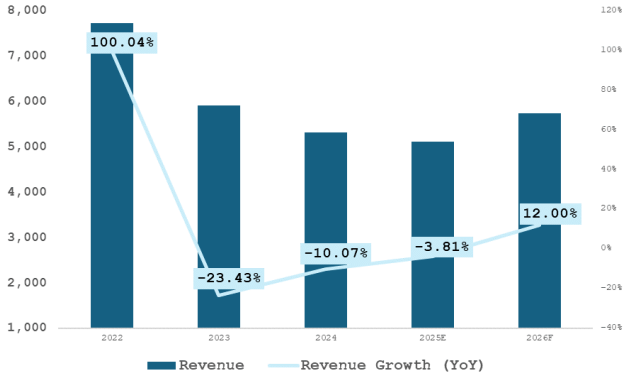
Source : *Company | Phintraco Sekuritas Research*

Figure 5. Leverage Ratio



Source : *Company| Phintraco Sekuritas Research*

Figure 6. Revenue Trajectory (Million of US$)



Source : *Company | Phintraco Sekuritas Research*

Performance Highlight

Table 1. Financial Results in 9M25

Income Statement	9M24	9M25	YoY	3Q24	2Q25	3Q25	QoQ	YoY	Phintas Estimate	%Run Rate
Sales	4,050	3,609	**-10.9%**	1,393	1,235	1,209	**-2.1%**	**-13.2%**	5,117	**71%**
Gross Profit	1,120	943	**-15.8%**	343	348	248	**-28.8%**	**-27.7%**	1,241	**76%**
Operating Income	1,244	811	**-34.8%**	300	320	202	**-37.1%**	**-32.7%**	1,210	**67%**
Net Income	1,075	587	**-45.4%**	216	233	159	**-31.8%**	**-26.5%**	939	**63%**
Profitability Ratios										
GPM	27.6%	26.1%	**-1.5%**	24.6%	28.2%	20.5%	**-7.7%**	**-4.1%**		
OPM	30.7%	22.5%	**-8.3%**	21.5%	25.9%	16.7%	**-9.3%**	**-4.8%**		
NPM	26.5%	16.3%	**-10.3%**	15.5%	18.8%	13.1%	**-5.7%**	**-2.4%**		

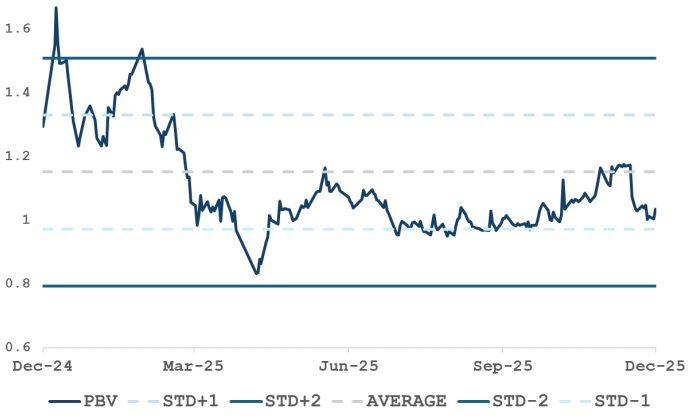
Source : Company | Phintraco Sekuritas Research

Table 2. Revenue's Breakdown

Revenue's Breakdown	9M24	9M25	YoY	3Q24	2Q25	3Q25	QoQ	YoY
Sales	4,050	3,609	**-10.9%**	1,393	1,235	1,209	**-2.1%**	**-13.2%**
Coal Mining and Trading	3,901	3,448	**-11.6%**	1,347	1,179	1,155	**-2.1%**	**-14.3%**
Logistics	129	140	**8.2%**	39	48	49	**2.9%**	**24.4%**
Other	20	21	**4.2%**	7	8	5	**-33.3%**	**-20.4%**
Operational Highlight								
Sales of Coal								
Export	3,249	2,784	**-14.3%**	1,130	930	922	**-0.9%**	**-18.4%**
Domestic	801	824	**3.0%**	264	305	287	**-5.9%**	**8.9%**
Total	4,050	3,609	**-10.9%**	1,393	1,235	1,209	**-2.1%**	**-13.2%**

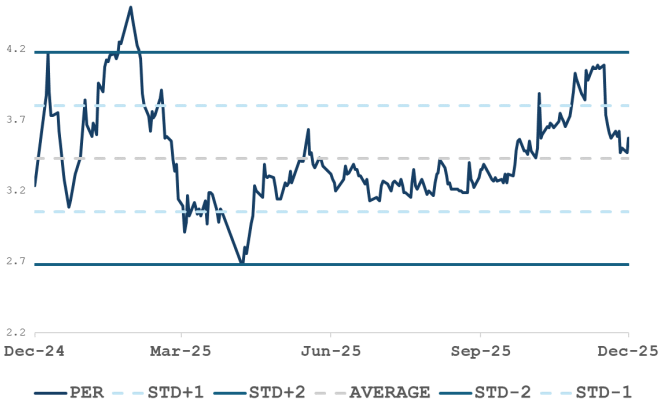
Source : Company | Phintraco Sekuritas Research

Figure 7. AADI PBV Band (1 Years)



Source : *Bloomberg | Phintraco Sekuritas Research*

Figure 8. AADI PER Band (1 Years)



Source : *Bloomberg | Phintraco Sekuritas Research*

Key Financial Figures

(in million of USD)

INCOME STATEMENT	FY24	FY25E	FY26F	FY27F
Revenue	**5,320**	**5,117**	**5,731**	**6,212**
Growth	*-10.07%*	*-3.81%*	*12.00%*	*8.40%*
Cost of Revenue (exc. D&A)	3,798	3,876	4,284	4,470
Gross Profit	**1,522**	**1,241**	**1,447**	**1,742**
GPM	*28.61%*	*24.26%*	*25.25%*	*28.05%*
EBITDA	1,540	1,297	1,469	1,743
EBITDA Margin	*28.94%*	*25.35%*	*25.63%*	*28.05%*
EBIT	1,481	1,210	1,375	1,641
EBIT Margin	*27.84%*	*23.65%*	*24.00%*	*26.41%*
Profit Before Tax	1,540	1,236	1,421	1,687
EBT Margin	*29.0%*	*24.2%*	*24.8%*	*27.2%*
Profit After Tax	**1,327**	**1,042**	**1,211**	**1,430**
NPM	*24.9%*	*20.4%*	*21.1%*	*23.0%*

(in million of USD)

CASH FLOW	FY24	FY25E	FY26F	FY27F
Cash Flow from Operating				
Net Income	1,327	1,042	1,211	1,430
Depreciation & Amortization	99	123	130	140
Working Capital	172	43	67	15
Others	(1,036)	21	(24)	1
Net-CFFO	**562**	**1,228**	**1,384**	**1,586**
Cash Flow from Investing				
Capital Expenditure	(519)	89	(296)	(317)
Others	434	(17)	(16)	(19)
Net-CFFI	**(85)**	**71**	**(312)**	**(336)**
Cash Flow from Financing				
Borrowings	1,224	(264)	(9)	(19)
Others	37	0	0	0
Equity	(2,754)	(0)	0	-
Net-CFFF	**(1,493)**	**(264)**	**(9)**	**(19)**

(in million of USD)

BALANCE SHEET	FY24	FY25E	FY26F	FY27F
Asset				
Cash	1,519	2,554	3,617	4,849
Trade Receivables	402	368	406	443
Inventories	69	75	78	84
Other Current Assets	225	215	237	242
Total Current Assets	**2,214**	**3,212**	**4,338**	**5,618**
Fixed Assets - Net	975	786	976	1,177
Other Non-Current Assets	2,804	2,798	2,790	2,785
Total Non-Current Assets	**3,779**	**3,584**	**3,766**	**3,962**
Liabilities				
Trade Payables	468	540	597	648
Short Term Borrowings (Loans)	332	285	335	349
Other Current Liabilities	73	57	57	56
Total Current Liabilities	**873**	**883**	**989**	**1,053**
Long Term Borrowings (Loans)	490	588	650	651
Other Non-Current Liabilities	1,266	920	850	831
Total Non-Current Liabilities	**1,756**	**1,508**	**1,500**	**1,482**
Equity				
Total Equity	2,999	3,937	5,036	6,328
Minority Interest	365	468	580	718

RATIOS	FY24	FY25E	FY26F	FY27F
Profitability Ratio (%)				
GPM	28.61%	24.26%	25.25%	28.05%
OPM (EBITDA Margin)	28.94%	25.35%	25.63%	28.05%
NPM	24.94%	20.36%	21.13%	23.02%
ROA	22.14%	15.33%	14.94%	14.93%
ROE	39.45%	23.65%	21.56%	20.30%
ROIC	26.67%	18.19%	16.74%	16.14%
Activity Ratio (X)				
Inventory Turnover	57.71	51.48	54.60	53.04
Days of Inventory	6.32	7.09	6.69	6.88
Receivable Turnover	13.01	12.27	12.27	12.52
Days of Receivables	28.06	29.74	28.90	29.32
Payable Turnover	6.35	7.17	7.17	6.90
Days of Payables	57.46	50.90	50.90	52.91
Cash Operating Cycle	-23.08	-14.07	-15.32	-16.72
Leverage Ratio (%)				
Liabilities to Asset Ratio	43.87%	35.18%	30.70%	26.45%
Liabilities to Equity Ratio	78.17%	54.28%	44.31%	35.97%
Liquidity Ratio (X)				
Current Ratio	2.54	3.64	4.39	5.34
Quick Ratio	2.46	3.55	4.31	5.26
Cash Ratio	0.86	1.69	2.41	3.27
Price Ratio				
P/E (X)	3.54	4.77	4.10	3.47
P/B (X)	1.42	1.26	0.99	0.78
Price per Share	8,735	10,200	10,200	10,200
OS (in million)	7,787	7,787	7,787	7,787
EPS (IDR) (Annualized)	2,465	2,140	2,488	2,938
BVPS (IDR)	6,162	8,090	10,347	13,003
RPS (IDR)	10,930	10,514	11,776	12,765
EV/EBITDA (X)	2.98	3.16	2.04	1.00
Dividends (%)				
DPS	-	963	1,155	1,405
DPR (%)	-	45.00%	45.00%	45.00%
Dividend Yield (%)	-	9.44%	11.32%	13.77%

AADI's SOTP Valuation	Valuation Method	EV	AADI's stake	Adjusted EV
Mining Business				**4,903**
AI	DCF	3,811	88.50%	3,372
BCC	DCF	1,463	75.00%	1,097
MIP	DCF	404	75.00%	303
KCR	DCF	273	47.99%	131
Logistic				**534**
AL	DCF	535	99.99%	534
Total Enterprise Value				**5,438**
Net Debt (Cash)				(743.83)
Minority Interest				364.59
Equity Value				**5,059**
Outstanding Shares				7,787
Target Price (USD)				**0.65**
Target Price (IDR)				**10,200**

Glossarium

CFFO	: Cash generated or used by a company's core business activities.
CFFI	: Cash inflows and outflows resulting from transactions related to the company's financing activities.
CFFF	: Cash inflows and outflows related to a company's financial activities, such as issuing or repurchasing shares, borrowing, or repaying loans.
EBITDA	: Company's profitability by excluding interest, taxes, depreciation, and amortization.
EBIT	: Company's profitability from its core operations, excluding interest expenses and taxes.
EBT	: Company's profit before accounting for income tax expenses.
OPM	: Financial ratio that measures the percentage of profit a company makes from its core operations, relative to its revenue.
NPM	: Financial ratio that shows the percentage of profit a company retains from its total revenue after all expenses, are deducted.
ROA	: Financial ratio that measures a company's ability to generate profit from its assets.
ROE	: Financial ratio that measures a company's profitability in relation to shareholders' equity.
EPS	: Portion of a company's profit allocated to each outstanding share of common stock
BVPS	: Value of a company's equity on a per-share basis.
RPS	: Amount of revenue generated for each outstanding share of a company's stock.
PER	: Financial ratio that compares a company's market price per share to its earnings per share (EPS).
PBV	: Financial ratio that compares a company's market price per share to its book value per share.
DPS	: Amount of dividend a company pays to its shareholders for each outstanding share.
DPR	: Financial ratio that shows the proportion of a company's earnings paid out as dividends to shareholders.
EV	: Total value of a company, including its market capitalization, debt, and excluding cash and cash equivalents.

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Rating for Stocks :

Buy	: The stock is expected to give return of more than 10% over the next 12 months.
Hold	: The stock is expected to give return of between -10% and 10% over the next 12 months.
Sell	: The stock is expected to give return of less than -10% over the next 12 months.
Outperform	: The industry is expected to perform slightly better than the market return. Equal to "moderate buy".
Neutral	: The industry is expected to perform in line with the market return. Equal to "hold"

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Kantor Cabang & Mitra GI BEI