KSI Research

INET Equity Initiation

KIWOOM SEKURITAS INDONESIA

PT Sinergi Inti Andalan Prima Tbk. (INET)

INET: Transformative Expansion Sets Up a High-Growth Cycle

Published on 17 November 2025

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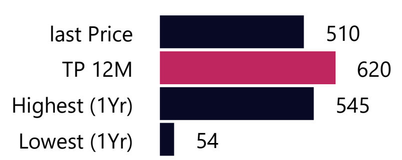
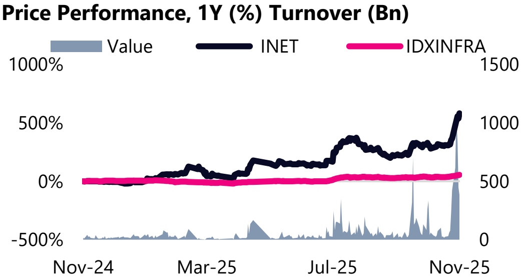
Stock Rate	**BUY**
Industry	Overweight
Fair Value	IDR 620
vs. Last Price	22%
Stock Data	
Ticker Code	INET
Sub Sector	infrastructure
Sector	IDXINFRA
Market Cap (IDR.Tn)	4.76
Shares Issued (Bn)	9.33
AVG 3M Turnover (IDR Bn)	188.9

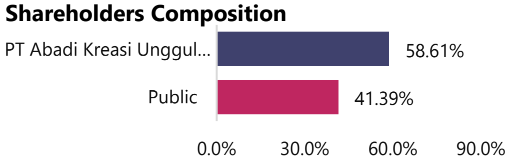
Price (IDR)



Price Performance, 1Y (%) Turnover (Bn)



Shareholders Composition



ESG Rating	
Environmental	-
Social	-
Governance	-

INET is accelerating its infrastructure expansion through a Jakarta-Batam-Singapore submarine cable investment of IDR 200–300 billion (20 Tbps), With 50% of its capacity already secured by IJE, INET benefits from strong revenue visibility and improved IP transit efficiency. In parallel, the company is developing its Bali–Lombok FTTH network through GPI as a Starlite partner, in collaboration with PT Solusi Sinergi Digital Tbk (WIFI.IJ). The project targets 2 million homepasses and offers Wi-Fi 7 speeds of up to 2 Gbps, with prices starting from IDR 299,000 per month. Given the high-income markets but low FTTH penetration (<25%), both initiatives are well-positioned to become key growth drivers for INET.

Rights Issue to Accelerate Infrastructure Expansion. INET will raise IDR 3.2 trillion via a rights issue (3:4, IDR 250) to fund its core expansion. Most proceeds go to GPI for the Bali-Lombok Wi-Fi 7 FTTH rollout, with additional allocations to PFI for submarine cable IRU payments and IAB for FTTH deployment in Java. The remainder supports working capital. The offering runs 1–5 December 2025 with AKUN as standby buyer, strengthening INET's capital base and accelerating its digital infrastructure growth.

INET is entering a high-growth phase starting in 2025, supported by its 2Q25 FTTH rollout targeting 2 million homepasses and an estimated annual revenue potential of Rp667 billion. Synergies from the PADA and THC acquisitions strengthen operational integration, lower costs, and enhance network control. The earnings outlook for FY2025-2026F is solid, driven by FTTH ramp-up, a high-margin contract model, operating leverage, and a low 2024 base. With smooth execution and secured funding, net profit could exceed Rp100 billion. The PADA acquisition is a key catalyst, lifting INET's revenue more than tenfold and creating room for margin improvement through cost efficiencies. Overall, these initiatives enhance INET's growth visibility and profitability profile.

Key Takeaways:

- **Infrastructure Expansion:** Dual expansion via submarine cable (20 Tbps, 50% pre-sold) and Bali-Lombok FTTH (2M homepasses, Wi-Fi 7) strengthens growth visibility.
- **Rights Issue Funding:** Rights issue of IDR 3.2T funds FTTH rollout, submarine cable IRU, and Java deployment, backed by a standby buyer.
- **Strategic Acquisitions.** PADA and THC acquisitions boost scale, efficiency, and operational integration.
- **Earnings Outlook:** Strong earnings rebound expected in 2025–2026F, with FTTH ramp-up, higher margins, and potential net profit above Rp100B.

Recommendation "BUY"
Based on a blended valuation using the DCF and P/E methods, we recommend a "BUY" for INET, with a target price of IDR 620 per share over the next 12 months. This implies a forward P/E of 48x and a PBV of 3.65x. The latest closing price (IDR 510) is currently trading at a P/E of 39.8x (compared to the peer average of 48x) and a PBV of 3.0x (versus the peer average of 4.8x). *Key risks include FTTH execution and funding challenges, margin pressure from high capex and slow monetization, potential integration setbacks from recent acquisitions, competitive pressure on ARPU and churn, operational disruptions to the network, and reliance on government policy support.*

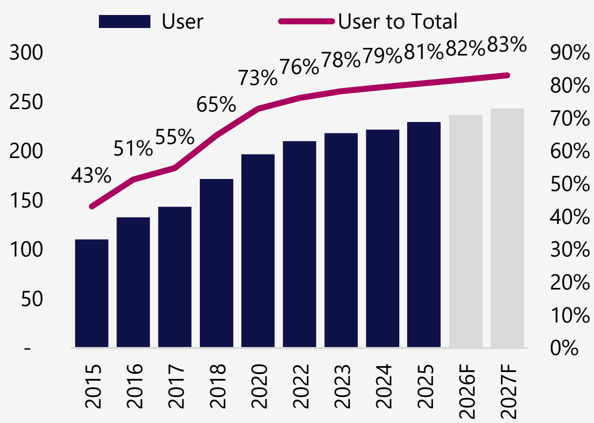
Financial Highlight

Year–end 31 Dec	2022A	2023A	2024A	2025F	2026F	2027F
Revenue (IDR Bn)	20	29	30	212	1,007	1,630
Net Profit (IDR Bn)	1.4	0.9	1.3	21.5	280.8	355.6
EPS (IDR)	0	0	0	2	13	16
EBITDA Margin	13%	8%	12%	14%	34%	28%
NPM	6.9%	3.0%	4.4%	10.2%	27.9%	21.8%
ROE	2%	0%	1%	1%	8%	9%
Interest Coverage (x)	15.35x	9.95x	-5.53x	135.34x	271.75x	185.16x
P/E (x)	n.a	863.46	397.77	292.87	48.38	38.20
P/BV (x)	n.a	3.52	2.45	3.95	3.65	3.33
EV/EBITDA (x)	n.a	0.20	- 0.56	313.06	131.83	101.99

Source: INET and KSI Research

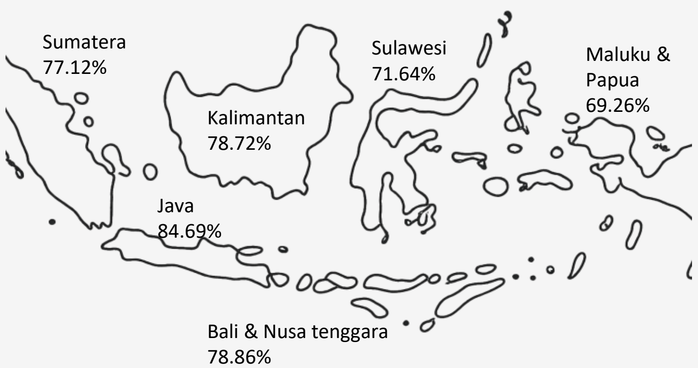
Macro & Industry Outlook

Internet Users Penetration in Indonesia



Source : APJII & KSI Research

Internet Users in Region

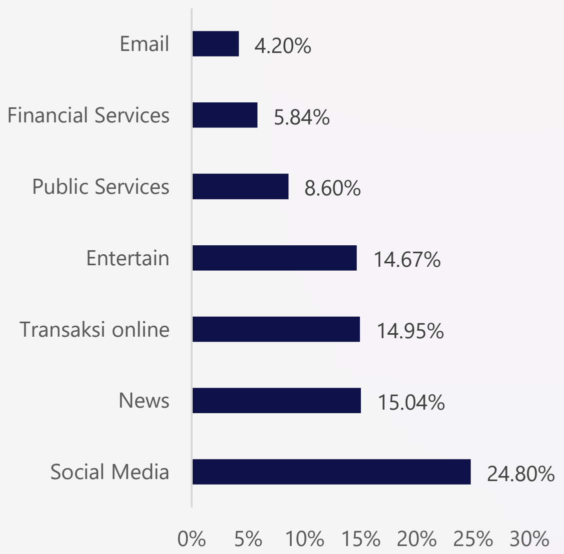


Source : APJII & KSI Research

Consistent Growth in Indonesia's Internet Penetration. The number of internet users in Indonesia has consistently grown over the past decade, reflecting the acceleration of the nation's digital transformation. Based on data from APJII and KISI Research, the number of internet users rose from around 109 million in 2015 to more than 250 million users in 2025, equivalent to about 83% of Indonesia's total population. This trend demonstrates the widening digital adoption, driven by greater access to mobile devices, more affordable data packages, and the expansion of broadband infrastructure across various regions.

Geographically, Java remains the region with the highest internet penetration rate at 84%, followed by Sumatra (77%), Bali & Nusa Tenggara (72%), Sulawesi (70%), and Kalimantan (73%).

Internet User Activity in Indonesia



Source : APJII & KSI Research

Social Media Leads Digital Activity, Boosting Demand for Stable High-Speed. Social media remains the highest-used internet service. Digital activity among Indonesians continues to rise in line with increasing reliance on online platforms. Social media dominates with a usage rate of 24.80%, followed by news access (15.04%), digital transactions (14.95%), and entertainment content (14.67%). Other activities such as public services (8.60%), financial services (5.84%), and email communication (4.20%) also show potential for further growth as digital technology adoption increases in daily life.

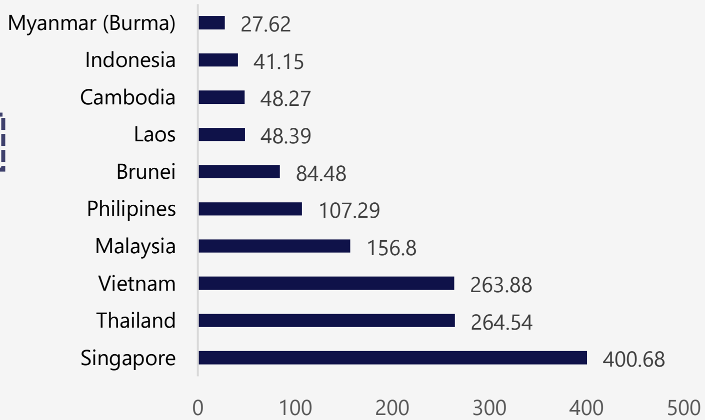
From a demographic perspective, Millennials record the highest digital penetration at 89.12%, followed by Gen Z (87.80%) and Gen Alpha (79.73%), who play a key role in driving the national digital ecosystem. We view that the high demand for social media usage requires substantial mobile data and stable internet speed, which could support increasing demand for fixed broadband.

Fiber Optics Market: Indonesia vs Top 5 Major Economies in 2027 (Asia)

Country	Product	Life Cycle	
India	Fiber Optics	High Growth	12.45%
Indonesia	**Fiber Optics**	**High Growth**	11.78%
Australia	Fiber Optics	Growing	5.76%
China	Fiber Optics	Growing	5.12%
Korea	Fiber Optics	Stable	3.72%
Japan	Fiber Optics	Stable	0.64%

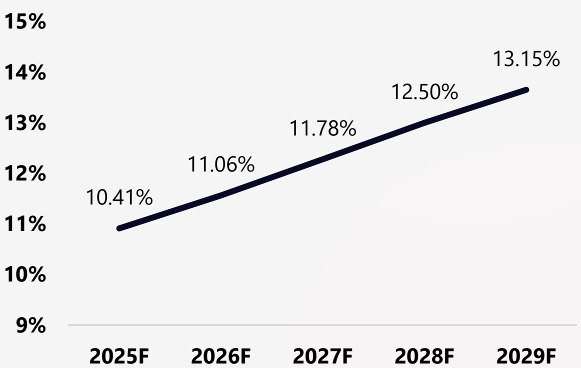
Source : EWReesearch & KSI Research

FBB Speed Rank in ASEAN (Mbps)



Source : Ookla & KSI Research

Indonesia Fiber Optics Market Size Growth Rate

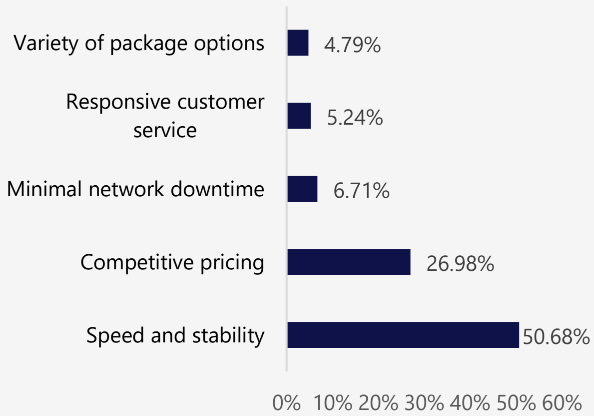


Source : 6Wresearch & KSI Research

Strong FBB Market Potential, but Broadband Speeds Remain Slow. The fiber optic market in Asia is projected to record significant growth by 2027, with India leading at a projected growth rate of 12.45%. Indonesia follows in second place with growth of 11.78% and is classified in the "High Growth" phase, making it one of the most attractive markets in the region. Compared with other major countries such as Australia, China, Korea, and Japan whose growth ranges from 0.64% to 5.76% Indonesia shows a much stronger expansion potential, especially as national digitalization needs continue to increase.

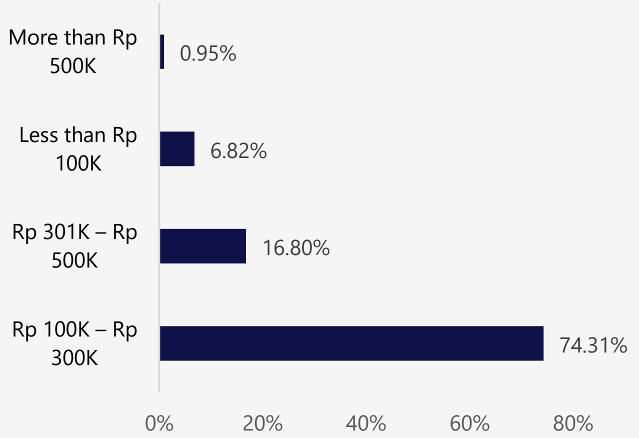
On the other hand, Indonesia's fiber broadband (FBB) speed still lags behind other ASEAN countries, reaching only 41.15 Mbps-far below Thailand, Vietnam, Malaysia, and Singapore, which record speeds in the hundreds of Mbps. We maintain a positive long-term outlook. Increased investment in network infrastructure as well as policies encouraging fiber adoption are expected to accelerate improvements in internet service quality. As a result, Indonesia holds significant opportunities to strengthen its digital competitiveness and attract more investment in the telecommunications sector in the years ahead.

Most Influential Aspects Affecting FBB Satisfaction



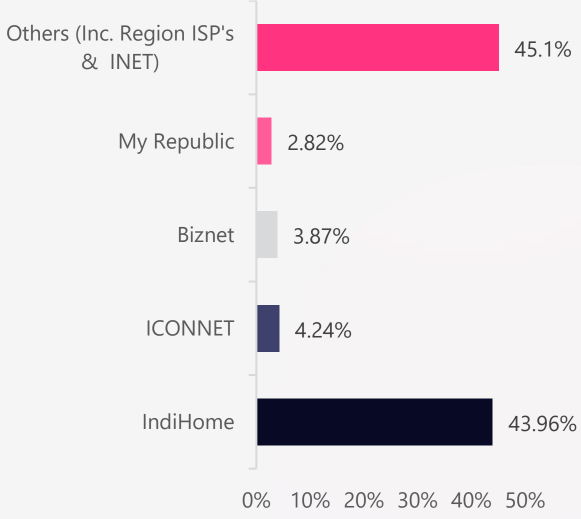
Source : Apjii & KSI Research

FBB Spending in Customer



Source : Apjii & KSI Research

Fixed Broadband (FBB) Market Share



Source : Apjii & KSI Research

Speed and Pricing Become the Main Determinants of FBB Customer Preferences. Speed and stability are the dominant factors influencing customer satisfaction, accounting for 50.68%, followed by competitive pricing at 26.98%. Although other factors such as minimal network downtime and responsive customer service also play a role, their impact is much smaller compared to the two primary aspects. For example, minimal downtime contributes only 6.71%, while responsive customer service stands at 5.24%.

Meanwhile, customer spending patterns for FBB services show that most customers spend between IDR 100K and IDR 300K, accounting for 74.31%, followed by 16.80% who spend between IDR 301K and IDR 500K. Speed and pricing remain key considerations for consumers when deciding to subscribe to FBB services, which aligns with INET's plan to build FTTH with speeds of up to 2Gbps at a price of IDR 299K per month. Currently, the largest FBB market share is held by Infihome at 43.96%, while INET still has an insignificant market share.

Company & Business Profile

Milestone (INET)

2016
Company was established in 2016 with a vision to enhance and provide highquality telecommunications infrastructure.

2017
The first POP (Point of Presence) developments are located in Jakarta and Bali.

2018-2021
Expansion of the Point of Presence (POP) network to Surabaya and Yogyakarta. A total of 158 POPs are now served.

2022-2023
The company successfully completed its IPO and listed on the IDX, then collaborated with BDDC, built the Sinergy Datacenter, and added strategic clients.

2025
The company is planning a submarine cable project connecting Jakarta–Batam–Singapore, a Data Center, and the development of an FTTH network.

Source: INET

PT Sinergi Inti Andalan Prima Tbk. (INET), is a company that provides business-to-business (B2B) services to its partners, most of which are internet service providers (ISPs), serving more than 100 companies out of approximately 800 ISPs across Indonesia. Since its establishment in 2016, INET has operated 13 Points of Presence (POP) in eight major cities, including Jakarta, Bandung, Yogyakarta, Surabaya, Bali, Balikpapan, Medan, and Lampung, as well as one POP in Singapore.

INET also plans to increase the number of Points of Presence (POP) to 52 locations across Indonesia. This expansion aims to strengthen the company's position as a future-ready digital infrastructure provider, while also supporting the growth of cloud services, rising ISP traffic, and the acceleration of digital transformation in the corporate sector.

INET POP Operational in Indonesia

Source: INET

Bussiness Segment :

- **Data center interconnect,** Providing high-quality backbone connectivity between data centers with reliable service.

- **Local loop or local access,** Connecting headquarters and branch networks through the provider's infrastructure efficiently.

- **Collocation.** Offering secure and reliable colocation facilities in strategic locations with 24-hour monitoring.*

- **Managed services,** Providing device and network management services for partners.

- **Bandwidth Provider:.** Through DPS, providing the "Data Prime" ISP service for corporate customers.

- **Fiber Optic.** Through PFI, operating an optical fiber network of more than 430 km across Java to support bandwidth services and business efficiency.

INET Clients

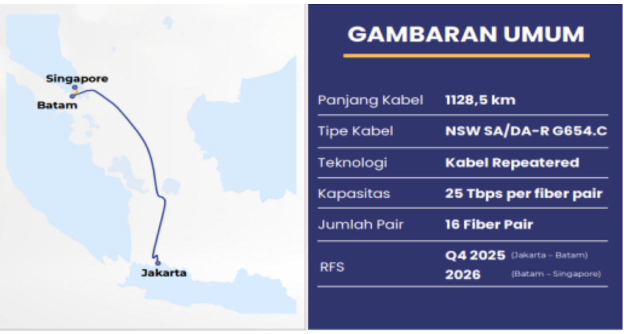
Source: INET

INET Strategic Project: Enhancing High-Speed Network Services

Submarine Cable Expansion. INET's expansion is carried out through its subsidiary, PT Pusat Fiber Indonesia (PFI), which has entered into an Indefeasible Right of Use (IRU) agreement with PT Jejaring Mitra Persada, a subsidiary of PT Ketrosden Triasmitra Tbk (KETR.IJ), for the Jakarta–Batam–Singapore submarine cable investment. The investment amounts to IDR 200–300 billion and has a useful life of 25 years. The total capacity reaches 20 Tbps, and INET has already secured a major tenant PT Integrasi Jaringan Ekosistem (IJE), a subsidiary of PT Solusi Sinergi Digital Tbk (WIFI.IJ). IJE has been allocated 10 Tbps, or 50% of the total capacity.

This strategic investment aims to improve IP transit efficiency and reduce latency for ISPs and corporate customers in Indonesia, and we view this development as potentially contributing positively to INET's revenue.

Submarine Cables Rising 8 (SKKL) Project

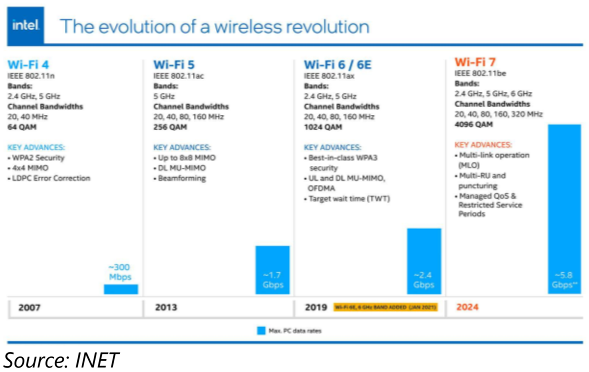


Source: INET

FTTH Development in Bali–Lombok. INET is currently developing its FTTH business, with Bali–Lombok set as the primary focus market. This FTTH rollout will utilize the latest technology, Wi-Fi 7 *(as Starlite partner, collaborate with PT Solusi Sinergi Digital Tbk (WIFI.IJ))* which offers speeds of up to 2Gbps. The FTTH development is being carried out through its newly acquired subsidiary, PT Garuda Prima Internetindo (GPI), targeting 2 million homepasses and marketed under the brand Starlite, offering competitive pricing starting from IDR 299,000 per month.

The selection of Bali–Lombok is driven by the region's dependence on fast and stable connectivity, especially given its tourism and creative industry base, while FTTH penetration in the area remains low less than 25% of households have Fiber-to-the-Home access despite above-average income levels. We view the competitive pricing and speeds of up to 2Gbps as strong enablers for achieving the 2 million homepass target and contributing positively to INET's growth.

Wi-Fi Generation



Source: INET

Performance Optimization Through FTTH Contractor Development. In addition to the Bali–Lombok FTTH project, INET is also optimizing its operations through its FTTH contractor business. Through its subsidiary, PT Internet Anak Bangsa (IAB), the company acts as a contractor for PT Integrasi Jaringan Ekosistem (IJE), which is targeting 2 million homepasses over the next three years.

To enhance cost efficiency and optimize IAB's performance, INET acquired a 53.57% stake in PT Personel Alih Daya Tbk (PADA.IJ). PADA is an outsourcing company that manages tens of thousands of workers. We view this collaboration as a way to improve efficiency by reducing dependence on third parties and strengthening the company's bottom line. On the other hand, the FTTH contractor business can also generate recurring income for the company.

Corporate Action : Right Issue

Rights Issue to Support Strategic Project Funding. INET will conduct a rights issue with a targeted proceeds value of IDR 3.2 trillion, using a rights issue ratio of 3:4 and an exercise price of IDR 250.

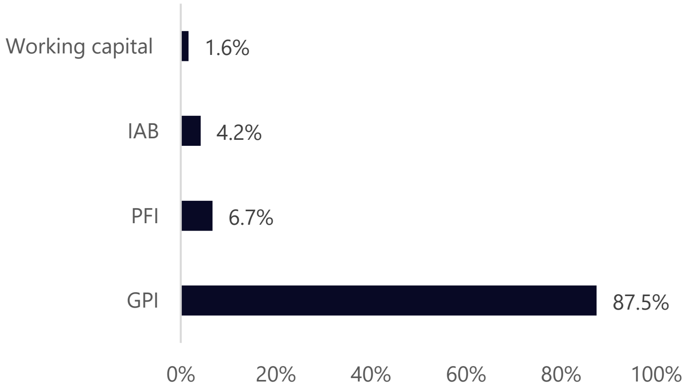
Planned Use of Rights Issue Proceeds:

- Approximately IDR 2.8 trillion will be used as capital injection for the subsidiary, GPI, which will allocate the funds for developing a high-speed Fiber to the Home (FTTH) network using Wi-Fi 7 technology for 2 million customers in Bali and Lombok.
- Approximately IDR 213.4 billion will be used as capital injection for the subsidiary, PFI, which will allocate the funds to settle the Indefeasible Right of Use (IRU) payment for the submarine cable network to PT JMP.
- Approximately IDR 135 billion will be used as capital injection for the subsidiary, IAB, which will allocate the funds for working capital to support Fiber to the Home (FTTH) development in Java. IAB provides deployment services with a scope of work that includes observation, surveying, design, implementation/rollout, as well as managed services and troubleshooting.
- The remaining funds will be used as the Company's working capital, including but not limited to expenses for supporting equipment procurement, service development, marketing activities, training programs, and other overhead costs.

The rights issue trading period will take place on 1–5 December 2025, while Series II warrants can be traded from 3 December 2025 to 1 December 2028. To ensure the success of this corporate action, INET has appointed PT Abadi Kreasi Unggul Nusantara (AKUN) as the standby buyer, which will absorb all remaining shares.

With the execution of this rights issue, the Company is expected to strengthen its capital structure, expand its digital infrastructure network, and accelerate the creation of recurring income across its strategic business lines.

Proceed Allocation Right Issue



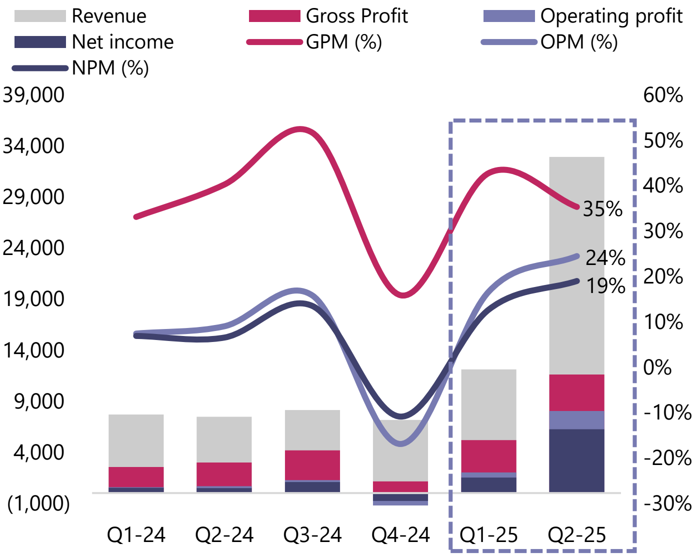
Source: INET

6M25 Results: Revenue Surges, Margins Jump Sharply

IDR Mn	6M25	yoy	2Q25	q/q	y/y
Revenue	**45,002**	**197%**	**32,900**	**172%**	**341%**
Java	*43,350*	*229%*	*32,459*	*198%*	*400%*
Bali	*1,653*	*-16%*	*441*	*-64%*	*-55%*
Cost of Revenue	**28,219**	**194%**	**21,289**	**207%**	**377%**
Java	*27,090*	*224%*	*20,707*	*224%*	*434%*
Bali	*1,129*	*-10%*	*582*	*7%*	*0%*
Gross Profit	16,784	203%	11,611	124%	287%
Operating profit	10,058	711%	8,046	300%	1100%
EBITDA	17,349	531%	11,782	112%	651%
Net income	7,776	667%	6,242	307%	1186%
EPS	0.94	597%	0.756	279%	1099%
Liabilities	20,114	41%	20,114	19.1%	41%
Equity	291,447	35%	291,447	24%	35%
Total Asset	311,561.2	36%	311,561	24%	36%
GPM %	*37%*	1%	*35%*	-7%	-5%
OPM %	*22%*	14%	*24%*	8%	15%
NPM %	*17%*	11%	*19.0%*	6%	12%
EBITDA %	*39%*	20%	*36%*	-10%	15%
ROE (%)	3%	2%	9%	6%	8%
ROA (%)	2%	2%	8%	6%	7%

Source : Company & Bloomberg

Q2-25 Momentum: Stronger Profitability Bounce-Back



Source : Company & Bloomberg

6M25 & 2Q25 Performance: The Company Shows Significant Growth Acceleration Driven by Java

The company recorded a sharp revenue increase to IDR 45 billion in 6M25, rising +197% y/y from IDR 15.2 billion in 6M24. In 2Q25, revenue reached IDR 32.9 billion, a substantial jump of +172% q/q and +341% y/y, primarily driven by the Java region, which surged +400% y/y to IDR 32.5 billion. Meanwhile, revenue from Bali declined by –64% q/q and –55% y/y, reflecting a contrasting trend.

Margins Under Pressure Due to Cost Escalation in 2Q25

Cost of Revenue increased to IDR 21.3 billion in 2Q25 (+207% y/y and +377% q/q), outpacing revenue growth and pressuring the gross profit margin (GPM), which dropped to 35% in 2Q25 (vs 40% in 2Q24 and 43% in 1Q25). This indicates rising cost intensity, especially in Java, where the cost margin increased to 64% (vs 60% in 2Q24). In Bali, the cost margin rose to 132%, highlighting the growing cost burden from that region.

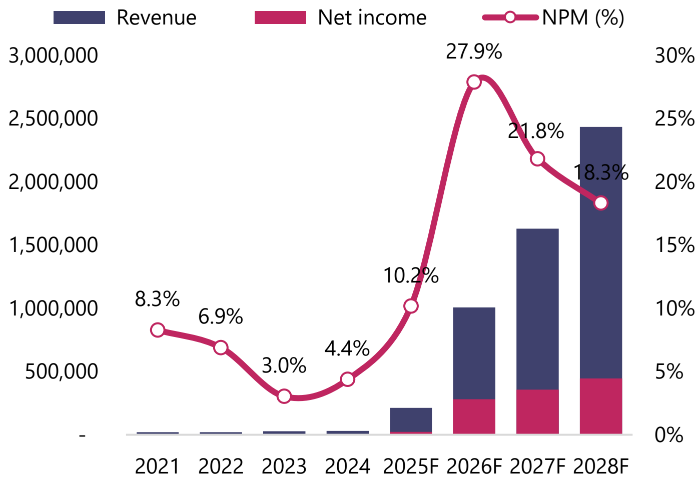
Profitability Strengthens Despite Quarterly Volatility

EBITDA reached IDR 11.8 billion in 2Q25, climbing +112% q/q and +651% y/y, with a strong EBITDA margin of 36%. Net income also surged to IDR 6.2 billion (+307% q/q and +1,186% y/y), delivering an impressive NPM of 19% (vs 6.5% in 2Q24). EPS grew to IDR 0.426 in 2Q25, up from IDR 0.199 in 1Q25, although the quarterly fluctuations indicate that the company is in a phase of rapid expansion.

Robust Balance Sheet Supports Ongoing Business Expansion

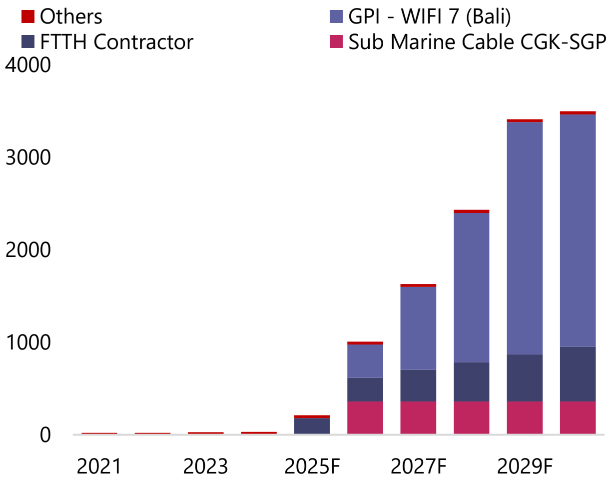
Total assets increased to IDR 311.6 billion (+24% q/q and +36% y/y), reflecting significant expansion. Equity rose to IDR 291.4 billion, up +24% y/y, while liabilities remained stable at IDR 20.1 billion. Forward ROE and ROA improved to 9% and 8% in 2Q25, signaling better capital efficiency and stronger operational returns.

INET Growth Trajectory: Revenue Surge and Strengthening Margins



Source : Company & Bloomberg

Multi-Segment Growth Driven by FTTH & Submarine Cable



Source : Company & Bloomberg

INET is entering a high-growth phase in 2025 as the company begins executing its large-scale Fiber-to-the-Home (FTTH) rollout project in 2Q25. The initiative targets 2 million homepasses within three years, translating to an estimated Rp667bn annual revenue contribution, supported by its efficient contractor model and potential upside from the government's "Internet Murah" program and the upcoming 5G spectrum rollout.

Strategic acquisitions, namely PADA (human resources) and THC (infrastructure assets), are expected to enhance execution capability, cost efficiency, and network control, creating a vertically integrated operational model.

Earnings Outlook

INET targets significant earnings growth in FY2025-2026F, driven by: Revenue ramp-up from FTTH contracts starting 2Q25. High-margin contract-based model, supported by lower subcontracting costs. Low base effect from 2024, amplifying y/y profit growth. Operating leverage from integrated human and infrastructure assets post-acquisition. If project execution proceeds as planned and standby investor funding is realized, net profit could exceed Rp100bn, implying a substantial turnaround versus 2024 levels.

INET Unlocks Major Upside Through PADA Synergies. INET's acquisition of PADA provides a significant expansion of the company's business scale. PADA's 6M25 revenue of IDR 504 billion and net profit of IDR 135 million will be consolidated into INET, which previously reported only IDR 45 billion in revenue and IDR 8 billion in net profit for the same period. This consolidation is expected to increase INET's top line by more than tenfold. Management also noted that the integration offers opportunities for cost efficiencies and operational synergies, which should help improve margins, especially since PADA's profitability is still relatively thin. Overall, the acquisition is considered positive for INET, as it drives strong revenue growth and creates potential for future earnings improvement through better cost management and efficiency gains.

Valuation

We assign a Buy recommendation on INET. Our valuation is based on a Discounted Cash Flow (DCF) approach using a WACC of 7.54% and a terminal growth rate of 3%. The projected free cash flows through 2030F yield an equity value of IDR 12.1 trillion, which translates to a fair value of IDR 620 per share. Compared with the current market price of IDR 510, this implies an upside potential of 22%. The valuation reflects solid EBIT growth momentum, improving cash generation, and a balanced capital structure.

Fair Value

DCF (IDR Bn)	2025F	2026F	2027F	2028F	2029F	2030F
EBIT	27,337	335,019	437,465	558,256	697,390	744,811
marginal tax rate	22%	22%	22%	22%	22%	22%
EBIT (1-tax)	21,323	261,315	341,223	435,439	543,964	580,953
+ D & A	2,650	3,869	23,614	45,254	66,381	87,419
- Capex	63,599	991,105	1,105,624	1,101,622	1,118,282	69,976
Changes in working capital	29,895	21,774	99,685	131,527	165,615	-5,767
Free Cash Flow	**-9,731**	**-704,147**	**-641,102**	**-489,403**	**-342,321**	**592,629**
Terminal Value						**17,677,624**
Discount Factor	1.00	0.93	0.86	0.80	0.75	0.70

Firm Value		**Key Assumption**	
Cash	3,257,846		
Interest Bearing Debt	12,328	**Terminal Growth**	**3%**
Equity Value	**13,584,453**	Beta	0.24
Share	21,910	RF	6.14%
Fair Value (IDR)	**620**	RP	5.84%
Last Price	510	Cost of Equity	7.54%
Potential Upside (%)	22%	Cost of Debt	10.00%
		WACC	7.54%

Source : Company & Bloomberg

INET vs Industry (Last update 14 Nov 2025)

Ticker	M.Cap	Last Price	1D	1W	1M	3M	6M	1Y	YTD	Beta	WACC	PBV	PE	ROE	DER	AVG 3M Value
INET	4.29T	470	7%	47%	59%	67%	145%	581%	711%	0.40x	7.50%	13.30x	470.80x	3%	0.01x	134B
AVG										**0.67x**	**8.7%**	**9.93x**	**943.98x**	**2.0%**	**0.42x**	**38B**
MORA	143.65T	6,075	20%	156%	499%	1458%	1346%	1810%	1193%	0.90x	8.50%	20.60x	3236.10x	1%	0.78x	3B
LINK	8.88T	3,100	3%	-2%	-5%	46%	94%	152%	158%	0.60x	8.70%	2.00x	n.a	-38%	1.31x	0B
DATA	6.28T	4,580	0%	-3%	-11%	137%	236%	670%	491%	1.20x	9.60%	21.90x	57.70x	44%	0.13x	47B
KBLV	0.45T	254	3%	79%	-16%	159%	192%	151%	182%	-0.10x	7.90%	0.20x	11.30x	5%	0.00x	43B
JAST	0.10T	97	-4%	4%	11%	-14%	67%	76%	41%	1.00x	9.70%	1.60x	n.a	-3%	0.31x	3B
Asia Pasific										**0.82x**	**10.8%**	**9.01x**	**48.21x**	**-5.7%**	**0.59x**	**59B**
688030 CH	8.02T	19	0%	-1%	-3%	-5%	23%	11%	22%	1.70x	11.50%	4.00x	n.a	-15%	0.62x	128B
6183 TT	7.73T	96	-1%	1%	-3%	-2%	0%	21%	16%	0.30x	11.30%	5.40x	25.00x	22%	0.05x	1B
688316 CH	6.67T	59	-1%	-3%	-2%	-22%	0%	35%	77%	2.20x	15.30%	74.20x	n.a	-105%	3.47x	405B
300051 CH	6.25T	7	2%	2%	4%	-5%	5%	-25%	7%	0.80x	9.50%	16.40x	n.a	-64%	1.44x	180B
8099 TT	3.85T	72	-1%	-2%	-5%	11%	-1%	-1%	-2%	1.00x	16.30%	4.50x	32.20x	15%	0.12x	13B
2512 HK	3.73T	4	-2%	-9%	-7%	-14%	79%	26%	25%	-0.10x	3.50%	4.00x	112.00x	4%	0.65x	40B
ORIENTTE IN	3.06T	388	1%	-11%	-17%	25%	6%	-5%	-19%	1.30x	10.50%	4.90x	30.20x	20%	0.02x	93B
6689 TT	2.40T	66	0%	-4%	-6%	-18%	-28%	-27%	-44%	1.00x	18.30%	1.60x	39.90x	4%	0.03x	13B
7747 TT	1.88T	128	-2%	-1%	-8%	-5%	1%	-7%	-5%	0.40x	10.70%	3.70x	31.50x	14%	0.20x	5B
AREA IJ	1.32T	525	1%	-2%	4%	3%	-3%	172%	163%	0.00x	8.10%	5.60x	150.60x	4%	0.21x	1B
6997 TT	1.16T	98	0%	-4%	-7%	0%	-8%	-38%	-20%	0.20x	10.40%	3.70x	23.90x	19%	0.00x	1B
INET TB	1.09T	4	-2%	-3%	-5%	-8%	-24%	-46%	-34%	0.70x	3.70%	0.60x	6.10x	12%	1.68x	3B
8645 HK	1.06T	1	0%	2%	-11%	23%	20%	18%	20%	-0.10x	8.00%	3.20x	n.a	-15%	0.17x	0B
INSET TB	0.70T	2	0%	9%	-2%	-3%	-11%	-51%	-45%	1.50x	11.80%	1.00x	30.70x	5%	0.21x	3B
INFOTEC MK	0.59T	0	0%	-2%	-12%	-23%	-52%	-57%	-58%	1.40x	12.60%	2.40x	n.a	n.a	0.01x	0B

Source : Bloomberg & KSI Research

Downside Risks

1. **High Capex & Long Payback Period**
   Both businesses require massive upfront investment with long payback periods, making them highly sensitive to changes in demand.
2. **Pressured Profitability**
   FTTH faces stagnant ARPU due to price competition, while submarine cables are pressured by overcapacity that pushes down wholesale rates.
3. **Churn Risk & Technological Substitution**
   FTTH customers can easily switch to competitors, compounded by the rising threat of FWA/5G services that could substitute fixed broadband.
4. **Operational & Technical Disruptions**
   Submarine cables are prone to damage from ship activity, underwater earthquakes, or sabotage, potentially causing prolonged downtime and high repair costs.
5. **Regulatory & Geopolitical Constraints**
   FTTH encounters permitting challenges and utility fee pressures, while submarine cables face cross-border regulatory hurdles and data-security concerns in sensitive regions.
6. **Dependence on Consortium Partners**
   Submarine cable projects typically involve multiple global stakeholders, limiting strategic flexibility and operational control.

Financial Exhibits

Year–end 31 Dec (IDR Mn)	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F	2030F
Revenue	19,948	28,889	30,437	211,996	1,007,367	1,630,200	2,432,446	3,414,105	3,498,777
Costs of revenue	14,370	20,620	19,564	131,077	417,732	780,697	1,259,382	1,853,789	1,869,639
Gross profit	5,578	8,270	10,874	80,919	589,635	849,504	1,173,064	1,560,316	1,629,138
Operating profit	1,889	1,306	1,110	27,337	335,019	437,465	558,256	697,390	744,811
Interest expense	123	131	(201)	202	1,233	2,363	3,466	4,564	4,546
Interest income	0	95	497	497	26,199	20,858	15,974	12,290	9,777
EBITDA	2,588	2,224	3,549	29,987	338,888	461,079	603,509	763,772	832,230
Income before tax	1,785	1,310	1,696	27,620	359,974	455,949	570,753	705,105	750,031
Tax expenses	411	434	368	6,077	79,194	100,309	125,566	155,123	165,007
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	1,374	876	1,328	21,544	280,780	355,640	445,187	549,982	585,024
EPS (Full IDR)	0	0	0	2	13	16	20	25	27

Balance sheet

Year–end 31 Dec (IDR Mn)	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F	2030F
Cash and equivalents	2,017	61,802	61,911	3,257,846	2,593,636	1,986,386	1,528,225	1,215,714	1,814,037
Account receivables	3,839	3,777	4,826	43,561	206,993	334,973	499,818	701,528	718,927
Inventories	-	-	-	-	-	-	-	-	-
L-T Invest & receivables	-	-	-	-	-	-	-	-	-
Fixed assets	51,125	79,868	132,496	193,445	1,180,681	2,262,692	3,319,060	4,370,961	4,353,517
Other assets	16,003	78,471	30,621	33,970	40,330	45,310	51,724	59,573	60,250
Total assets	72,984	223,918	229,855	3,528,822	4,021,641	4,629,360	5,398,827	6,347,778	6,946,731
S-T liabilities	428	384	369	539	2,340	4,485	6,579	8,664	8,629
Other S-T liabilities	7,114	7,107	12,225	82,306	273,872	506,517	809,303	1,184,478	1,196,786
L-T liabilities	151	1,637	1,015	1,481	9,988	19,141	28,078	36,976	36,829
Other L-T liabilities	88	251	375	2,612	12,412	20,086	29,970	42,065	43,108
Total liabilities	7,781	9,379	13,983	86,938	298,612	550,228	873,929	1,272,183	1,285,353
Equity	65,203	214,539	215,872	3,441,884	3,723,029	4,079,132	4,524,898	5,075,594	5,661,379
BVPS (Full IDR)	7	24	24	157	170	186	207	232	258

Cash Flows Statement

Year–end 31 Dec (IDR Mn)	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F	2030F
Net Income	1,374	876	1,328	21,544	280,780	355,640	445,187	549,982	585,024
Depreciation	781	918	1,718	2,650	3,869	23,614	45,254	66,381	87,419
Change in working capital	2,126	2,631	4,011	29,895	21,774	99,685	131,527	165,615	(5,767)
Operating cash flow	4,281	4,425	7,057	54,089	306,422	478,939	621,968	781,978	666,676
Capital expenditure	49,060	29,661	54,347	63,599	991,105	1,105,624	1,101,622	1,118,282	69,976
Others	(12,744)	(64,880)	48,031	340	9,800	7,674	9,884	12,095	1,043
Investing cash flow	**(61,804)**	**(94,541)**	**(6,316)**	**(63,259)**	**(981,305)**	**(1,097,950)**	**(1,091,738)**	**#########**	**(68,932)**
Dividend paid	-	-	-	-	-	-	-	-	-
Net change in debt	(383)	1,442	(637)	636	10,308	11,298	11,030	10,984	(182)
Others	59,494	148,460	4	3,204,473	365	462	579	715	761
Financing cash flow	**59,110**	**149,902**	**(633)**	**3,205,109**	**10,673**	**11,760**	**11,609**	**11,699**	**578**
Effect of Foreign Exc. Rates	-	-	-	-	-	-	-	-	-
Change in cash	1,588	59,786	109	3,195,939	(664,209)	(607,251)	(458,161)	(312,510)	598,322
Beginning cash flow	429	2,017	61,802	61,802	3,257,846	2,593,636	1,986,386	1,528,225	1,215,714
Ending cash flow	2,017	61,802	61,911	3,257,741	2,593,636	1,986,386	1,528,225	1,215,714	1,814,037

Source : Company & Bloomberg

Financial Ratio

Key Ratios	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F	2030F
Revenue Growth (%)	0%	45%	5%	597%	375%	62%	49%	40%	2%
Gross Profit Growth (%)	-1%	48%	31%	644%	629%	44%	38%	33%	4%
Operating Profit Growth (%)	-13%	-31%	-15%	2364%	1126%	31%	28%	25%	7%
EBITDA Growth (%)	0%	-14%	60%	745%	1030%	36%	31%	27%	9%
Net Profit Growth (%)	-15%	-27%	29%	1529%	1203%	27%	25%	24%	6%
EPS Growth (%)	-12%	6%	-15%	1553%	1203%	27%	25%	24%	6%
Gross margin (%)	28%	29%	36%	38%	59%	52%	48%	46%	47%
EBITDA margin (%)	13%	8%	12%	14%	34%	28%	25%	22%	24%
EBIT margin (%)	9%	5%	4%	13%	33%	27%	23%	20%	21%
Pretax margin (%)	9%	5%	6%	13%	36%	28%	23%	21%	21%
Net margin (%)	7%	3%	4%	10%	28%	22%	18%	16%	17%
ROE (%)	2%	0%	1%	1%	8%	9%	10%	11%	10%
ROA (%)	2%	0%	1%	1%	7%	8%	8%	9%	8%
Current ratio (x)	1.46x	1.14x	8.78x	5.32x	39.87x	10.17x	4.57x	2.51x	1.63x
Quick ratio (x)	1.46x	1.14x	8.78x	5.32x	39.87x	10.17x	4.57x	2.51x	1.63x
Gearing (%)	0.01	0.01	0.01	0.00	0.00	0.01	0.01	0.01	0.01
Interest Bearing Debt to equity (x)	0.01x	0.01x	0.01x	0.00x	0.00x	0.01x	0.01x	0.01x	0.01x
DER (x)	0.12x	0.04x	0.06x	0.03x	0.08x	0.13x	0.19x	0.25x	0.23x
DAR (x)	0.11x	0.04x	0.06x	0.02x	0.07x	0.12x	0.16x	0.20x	0.19x
Interest Coverage (x)	15.35x	9.95x	-5.53x	135.34x	271.75x	185.16x	161.08x	152.80x	163.85x
Receivables turnover (x)		5.41x	4.55x	5.42x	3.33x	2.88x	3.02x	3.09x	2.63x
Receivables (days)		67	80	67	109	127	121	118	139
Cash Ratio	27%	825%	492%	3932%	939%	389%	187%	102%	150%
Sustainable Growth (%)	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Earning Yield (%)	n.a	0.1%	0.3%	0.4%	2.3%	2.9%	3.7%	4.6%	4.9%
Dividend Yield (%)	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
PE (x)	n.a	863.46x	397.77x	259.99x	42.95x	33.91x	27.09x	21.93x	20.61x
PBV (x)	n.a	3.52x	2.45x	3.50x	3.24x	2.96x	2.67x	2.38x	2.13x
P/Sales (x)	n.a	38.01x	26.49x	173.56x	164.74x	56.88x	11.97x	7.40x	4.96x
EV/Ebitda (x)	n.a	0.20x	-0.56x	313.06x	131.83x	78.36x	27.98x	21.91x	17.52x

Source : Company & Bloomberg

Published on 17 November 2025

Board of Commissioner

Saripudin Arief- Commissioner

An Indonesian citizen. He currently serves as Commissioner of the Company. He has extensive experience in the information and communication technology industry. Since 2024, he has served as Operational Director of PT Inti Pusat Data Nusantara. Previously, he was VP of Sales & Business Development at PT Sinergi Inti Andalan Prima Tbk (2021–present), Director of PT Binari Teknologi Solusi (2018–2021), and GM Operational at PT Trans Hybrid Communication (2008–2018).

Dr. Ir. Cahyana Ahmadjayadi - Commissioner

An Indonesian citizen. He currently serves as Independent Commissioner of the Company. He brings decades of experience in government, telecommunications, and corporate leadership. He has served as Independent Commissioner of PT Sinergi Inti Andalan Prima Tbk since 2022, and previously held positions such as Independent Commissioner of PT Telkom Indonesia Tbk (2017–2020) and PT Bank Mandiri Tbk (2010–2013). Earlier in his career, he was Director General of Telematics Applications at the Ministry of Communication and Informatics (2005–2010), and Deputy Minister of State-Owned Enterprises for Strategic Industry (1998–2000).

Tongam Lumban Tobing - Commissioner

Tongam Lumban Tobing formerly served as Head of Investigation at Indonesia's Financial Services Authority (OJK) and Director at Bank Indonesia. He brings strong expertise in legal and regulatory affairs to his role as Commissioner.

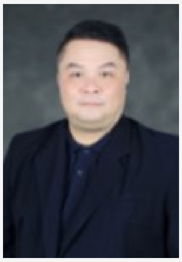
Board of Director

Muhammad Arif – President Director

An Indonesian citizen. He currently serves as President Director (CEO) of the Company. Since 2019, he has led PT Sinergi Inti Andalan Prima Tbk as CEO and also serves as Commissioner at PT Pusat Fiber Indonesia (since 2022). In addition, he is the Chairman of the Indonesian Internet Service Providers Association (APJII) since 2021. His previous roles include Chairman of the Indonesian Telecommunication Network Providers Association (APJATEL) (2018–2021), VP Commercial & Operation at PT Technology Data Indonesia (2015–2019), and Sales Manager at PT Power Telecom (2008–2015).

Bayu Satrio – Director

An Indonesian citizen. He currently serves as Director of the Company. He has a strong background in sales, finance, and business development. Since 2019, he has held the position of Finance Director at PT Sinergi Inti Andalan Prima Tbk and, since 2022, has also served as Director of PT Pusat Fiber Indonesia. His previous professional experiences include Senior Sales Manager at PT Brawijaya Perkasa (2018–2019) and Senior Commercial Business Development at PT Infotech Digital System (2016–2018).



Willy Unsulangi – Director

An Indonesian citizen. He currently serves as Director of the Company. He has more than a decade of experience in telecommunications and technology management. Since 2024, he has served as Operational Director at PT Sinergi Inti Andalan Prima Tbk and Director at PT Otteco Nusantara Teknologi since 2020. Previously, he was President Director at PT Garuda Prima Internetindo (2019–2024) and Sales & Regional Manager at PT Supra Primatama Nusantara (2011–2018).

Source : INET, KSI Research

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Sector/Industry

OVERWEIGHT	: Sector & Industry Outlook has potential and good condition
NEUTRAL	: Sector & Industry Outlook Stable or tend to be stagnant
UNDERWEIGHT	: Sector & Industry Outlook has challenges and bad condition

Stock

BUY	: Stock Performance > +15% Over the next 12 month (excluding dividend)
TRADING BUY	: Stock Performance, range between +5% to +15% Minor to Medium Term
HOLD	: Stock Performance, range between -10% to +15% Over the next 12 month (excluding dividend)
SELL	: Stock Performance > -15% Over the next 12 month (excluding dividend)
TRADING SELL	: Stock Performance, range between -5% to -15% Minor to Medium Term
NOT RATED	: Stock is not within regular research coverage Over the next 12 month (excluding dividend)

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