



KSI Research

ENRG Equity Update

KIWOOM
SEKURITAS INDONESIA

PT Energi Mega Persada Tbk (ENRG)

ENRG: Private Placement Ignites Growth and Valuation

Published on 01 July 2025

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Industry

Buy

Neutral

TP 12M
vs. Last PriceIDR 408
+24%**Stock Data**

Ticker Code

ENRG

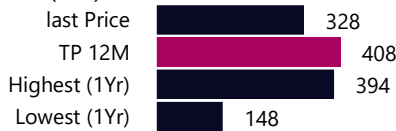
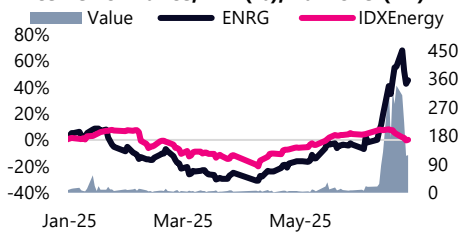
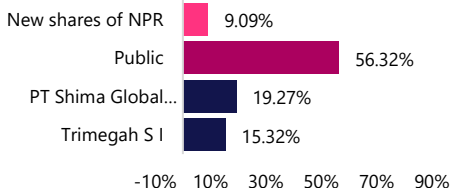
Sub Sector

Oil, Gas & Coal

Sector

Energy

Market Cap (IDR.Tn) Using Post-PP	8.9
Shares Issued (Bn) Using Post-PP	27.3
AVG 3M Turnover (Bn)	55.9

Price (IDR)**Price Performance, YTD(%), Turnover(Bn)****Shareholding After Private Placement****ESG Rating**

Environmental	1.16
Social	1.59
Governance	5.02

Top line & bottom line grows slightly. ENRG successfully posted net sales of USD 117 million in Q1-25, growing +20% y/y but declining -21% q/q from Q4-24's USD 148 million. EBITDA reached USD 69 million, up +11% y/y but down -16% q/q. Net profit came in at USD 18 million, rising +2% y/y but declining -26% q/q. The net profit margin stood at 15.3%, slightly down from 16.3% in Q4-24 and 18.2% in Q1-24. This growth was supported by higher oil and gas production, driven by the successful acquisition of three producing oil and gas assets - Sengkang (gas), Siak (oil), and Kampar (oil). Average Oil Price: Decreased by 7% from \$81.56 per barrel to \$76 per barrel. Average Gas Price: Increased by 8% from \$6.36 per mcf to \$6.88 per mcf.

Total equity increased by 12% y/y to USD 675 million, while total liabilities rose by 11% to USD 909 million, maintaining a solid capital structure. The Debt-to-Equity Ratio (DER) slightly improved from 1.36x to 1.35x, indicating leverage remains under control. However, the Interest Coverage Ratio (ICR) declined from 2.25x to 2.00x, suggesting pressure from interest expenses, although it remains within a safe range. Finance costs rose by 13% y/y.

ENRG is expected to see potential production growth in 2025, along with increased contribution from the KKS Sengkang (South Sulawesi). We expect the performance topline in 2025F to grow by +35% y/y and net profit to grow by +38% y/y. The increase factor is due to acquiring several assets that have started operating and producing.

At the General Meeting of Shareholders (GMS) on June 26, 2025, the shareholders approved the Company's plan to conduct a Capital Increase Without Pre-Emptive Rights (PMTHMETD) or Private Placement, with a maximum of 2,482,123,025 new shares, equivalent to 9.1% of the total outstanding shares.

Key Takeaways

- **Top line grows solidly (+20% y/y)**, but net profit flattens (+2% y/y) due to lower oil prices and higher costs.
- **Oil production up 23%**, gas production up 18% y/y - offset by 7% drop in average oil price.
- **Net profit margin down to 15.3%**, impacted by lower oil prices and higher finance costs.
- **DER remains healthy at 1.35x**, with ICR slightly down to 7.2x, still within a safe zone.
- **Growth outlook supported by asset acquisitions (Siak, Kampar, and Sengkang blocks)**, expected to boost 2025F performance.
- **The GMS approved a 10% Private Placement** (2.48 billion shares) with potential proceeds of IDR 829 billion (USD 51 million) to fund 70% for drilling and 30% for working capital in the PSC Malacca Strait block, aiming to boost production and strengthen assets.

Recommendation "BUY"

Based on relative valuation (PE & PBV) and future, we upgrade ENRG's fair value for 12M target at IDR 408 per share (Prev. 200). This price reflects a P/E of 6.64x and PBV of 0.78x. Last price (IDR 328) trade at PE est. 5.30x (vs avg peers at 16.8x) and PBV est. 0.63x (vs avg peers at 4.7x). *Downside risks: energy transition, regulatory uncertainty, commodity price fluctuations, competition and technological advances.*

Financial Highlight

End 31 Dec	2022A	2023A	2024A	2025F	2026F	2027F
Revenue (USD Mn)	452	421	467	633	634	638
Net Profit (USD Mn)	67	69	76	104	109	105
EPS (IDR Full amount)	39.95	42.05	48.72	61.08	64.04	61.60
EBITDA Margin	63%	60%	56%	56%	56%	56%
NPM	14.8%	16.3%	16.2%	16.5%	7.2%	16.5%
ROE	13%	12%	12%	13%	12%	11%
Interest Coverage (x)	10.8	6.9	3.2	6.7	7.0	6.7
P/E (x)	7.36	5.23	4.72	6.64	6.37	6.62
P/BV (x)	0.83	0.55	0.49	0.78	0.70	0.64
EV/EBITDA (x)	2.19	2.15	2.60	2.80	2.72	2.59

Source: Company and KSI Research

Private Placement Analysis – ENRG

RUPS Approval Summary

At the General Meeting of Shareholders (GMS) held on June 26, 2025, the shareholders approved the Company's plan to conduct a Capital Increase Without Pre-Emptive Rights (PMTHMETD) or Private Placement, with a maximum issuance of 2,482,123,025 new shares, equivalent to 9.1% of the total outstanding shares.

Assumptions & Proceeds Estimation

- **Assumed Share Price:** Rp IDR 334 (based on the closing price as of June 26, 2025)
- Exchange Rate Assumption: IDR 16,200 / USD
- Estimated Proceeds: Approximately IDR 829 billion or USD 51.16 million

Note: The estimated proceeds are subject to change based on market price at the time of execution.

Proforma Shareholding Structure (Post-PP)

Description	Before PMTHMETD		After PMTHMETD	
	Number of Shares	%	Number of Shares	%
Authorized Capital	153,031,564,210	-	153,031,564,210	-
Issued and Paid-Up Capital				
Shareholder	Number of Shares	%	Number of Shares	%
PT Trimegah Sekuritas Indonesia Tbk	4,183,331,122	16.9	4,183,331,122	15.3
PT Shima Global Kapital	5,261,552,513	21.2	5,261,552,513	19.3
Public	15,376,346,615	61.9	15,376,346,615	56.3
New Shares from PMTHMETD	-	-	2,482,123,025	9.1
Total Issued and Paid-Up	24,821,230,250	100	27,303,353,275	100
Total Number of Shares in Portfolio	128,210,333,960		125,728,210,935	

Source : Company & KSI Research

Utilization of Proceeds from the Private Placement

The proceeds from the Private Placement will be allocated to support capital expenditure and working capital requirements related to the Malacca Strait Production Sharing Contract (PSC) oil block located in Riau, Sumatra. Approximately 70% of the funds will be directed toward drilling activities, while the remaining 30% will be utilized as working capital. This includes the financing of goods and services procurement not directly associated with drilling operations.

Analysis and Commentary

The planned private placement action could serve as a positive sentiment, as the funding allocation strategy reflects the Company's commitment to enhancing production potential through exploration and drilling activities. If the drilling efforts result in successful reserve discoveries, this initiative could boost long-term revenue generation and strengthen the Company's asset base.

The PMTHMETD action has had a positive impact on the company's capital structure and liquidity without putting pressure on operations. Debt ratios improved, equity increased, and short-term payment capacity strengthened, making ENRG financially more solid following the corporate action.

Financial ratio analysis

Category	Ratio	Before	After	Analysis of Change
Capital Structure	DAR (x)	0.57x	0.56x	Decreased : proportion of debt to total assets slightly improved.
	DER (x)	1.35x	1.25x	Decreased : lower leverage indicates improved equity position.
	EAR (x)	0.43x	0.45x	Increased : equity contribution to total assets has strengthened.
Liquidity	Current Ratio (x)	0.59x	0.70x	Increased : better ability to meet short-term obligations, though still below ideal.
Solvency Ratios	ICR (x)	7.45x	7.45x	Stable : strong ability to cover interest expenses (>7 times).
	DSCR (x)	1.74x	1.74x	Stable : consistent ability to repay debt with operating cash flow.
Market Ratio	PE (x)	7.16x	7.93x	Increased: slight rise in market valuation; still relatively undervalued vs industry.
	PBV (x)	0.67x	0.71x	Increased: reflects modest market appreciation of equity value, but remains undervalued.

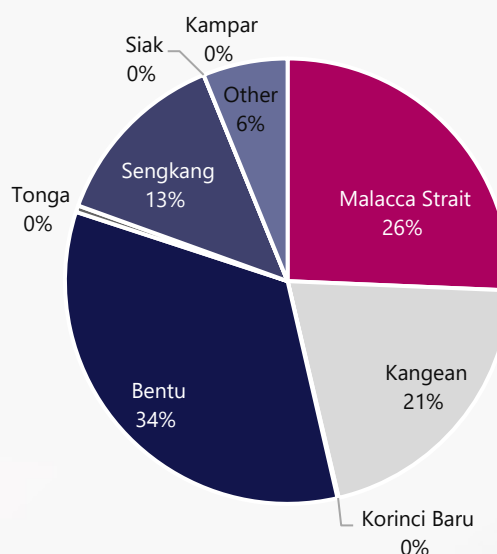
Source : Company & KSI Research

Note: The data is based on the Q1 2025 financial statements, price 332 & USDIDR 16,200 (closed June 26, 2025)

Result 1Q2025

USD Mn	1Q24	4Q24	1Q25	q/q	y/y		1Q2024	1Q2025	y/y
Malacca Strait	32.3	28.5	26.3	-8%	-19%	Gross Oil Production per Day (barrel/day)	6,882	8,479	23%
Kangean	21.5	37.2	21.1	-43%	-2%	Gross Gas Production per Day (million cubic feet/day)	192	226	18%
Korinci Baru	0.2	0.2	0.1	-44%	-57%	Average Oil Price (usd/barrel)	81.56	76	7%
Bentu	35.0	45.8	34.4	-25%	-2%	Average Gas Price (usd/mcf)	6.36	6.88	8%
Tonga	0.0	0.0	0.5	100%	100%				
Sengkang	5.5	13.6	13.6	0%	148%				
Siak	0.0	8.7	0.0	-100%	n/a				
Kampar	0.0	5.6	0.0	-100%	n/a				
Other	0.0	8.3	6.3	-24%	n/a				
Revenue	97	148	117	-21%	20%				
Costs of revenue	64	90	79	-12%	23%				
Gross profit	33	58	38	-35%	14%				
Operating profit	28	54	33	-39%	19%				
EBITDA	62	92	69	-26%	11%				
Net income	18	24	18	-26%	2%				
EPS (Full USD)	0	0	0	-26%	2%				
Liabilities	821	926	909	-2%	11%				
Equity	603	657	675	3%	12%				
Total Asset	1423	1583	1584	0%	11%				
GPM %	34%	39%	32%	-7%	-2%				
OPM %	28%	36%	28%	-8%	0%				
Ebitda Margin %	64%	63%	59%	-4%	-5%				
NPM %	18.2%	16.3%	15.3%	-1%	-3%				
ROE (%)	12%	15%	11%	-4%	-1%				
ROA (%)	5%	6%	5%	-2%	0%				

Contribution to total revenue (1Q2025)



Source : Company, KSI Research & Bloomberg

ENRG recorded improved financial and operational performance in Q1 2025 compared to the same period last year, with net sales increasing by 20% from USD 97 million to USD 117 million, EBITDA growing by 11% from USD 62 million to USD 69 million, and net profit rising slightly by 2% from USD 17.66 million to USD 17.95 million. This growth was supported by higher oil and gas production, driven by the successful acquisition of three producing oil and gas assets - Sengkang (gas), Siak (oil), and Kampar (oil).

Gross oil production increased by 23% y/y to 8,479 barrels per day, while gross gas production rose by 18% y/y to 226 million cubic feet per day. Following the acquisitions, ENRG's production mix now consists of 82% gas and 18% oil.

ENRG holds a 100% interest in Sengkang, which remains a key contributor to its gas production alongside Bentu. Sengkang produces approximately 40 - 45 million cubic feet of gas per day and holds 2P reserves of 380 billion cubic feet. Meanwhile, ENRG holds a 90% interest in Siak and Kampar, which collectively produce around 3,000 barrels of oil per day and have 2P and 2C resources totaling 24 million barrels of oil. These assets are expected to support ENRG's future production growth, while the company also continues to pursue organic development strategies.

Valuation

We assign a "Buy" rating for ENRG. We calculate the fair value of ENRG using relative valuation methods (PE & PBV). We obtained a result that the fair value of ENRG is Rp 408 (rounded). The PBV and PE weights are each 50%. The current fair value implements a P/E ratio of 5.4x and a PBV of 0.64x.

Multiple Valuation	Base Amount	Target Multiple	Value (Bn)	Weight (%)	The Value of the firm
PE (Net Income)	104	9x	938	50%	469
PBV (Equity)	792	1x	792	50%	396
Total Value (USD Mn)					865
Share (Mn)					27,303
Fair value used rupiah : 16.1K (IDR)					510
<i>Margin of Safety</i>					<i>20%</i>
Target Price (IDR)					408
Last Price (26 June 25)					IDR 328
Potential Upside (%)					24%

Source : Company & Bloomberg

Historical PBV 5Y (Above AVG, Below Std +1)



Source : KSI Research & Bloomberg

Historical PE 5Y (Above Std+1, potential up to Std+2)



Source : KSI Research & Bloomberg

ENRG vs Industry (Last update 26 June 2025)

Ticker	M.Cap	Last Price	1D	1W	1M	3M	6M	1Y	YTD	Beta	WACC	PBV	PE	ROE	DER	ESG Score	AVG 3M	Value
ENRG	8T	334	2%	-13%	50%	93%	55%	75%	45%	1.0x	8.30%	0.5x	5.2x	11%	0.6x	3.37	56B	
AVG Peers										0.8x	9.39%	4.7x	16.8x	9%	1.0x	4.29	33B	
MEDC	32T	1,270	1%	-12%	3%	24%	15%	-5%	17%	0.6x	6.90%	0.9x	6.3x	16%	1.5x	5.21	83B	
RATU	18T	6,600	6%	-6%	11%	37%	n/a	n/a	n/a	2.4x	16.70%	23.9x	n/a	n/a	0.8x	n/a	82B	
BIPI	5T	79	5%	4%	0%	1%	-12%	23%	-9%	0.5x	5.60%	0.7x	50.7x	1%	1.1x	n/a	12B	
SURE	4T	2,390	0%	3%	4%	0%	2%	-6%	0%	0.2x	9.30%	n/a	n/a	n/a	2.4x	n/a	0B	
MITI	1T	183	0%	-6%	8%	22%	24%	24%	15%	0.5x	11.00%	1.6x	w	1%	0.0x	n/a	0B	
FWCT	0T	148	2%	1%	-7%	-19%	19%	21%	21%	0.3x	7.90%	0.8x	4.8x	18%	0.5x	n/a	0B	

Source : KSI Research & Bloomberg

Financial Exhibits

Income Statement

Year-end 31 Dec (USD Mn)	2022A	2023A	2024A	2025F	2026F	2027F
Revenue	452	421	467	633	634	638
Costs of revenue	268	275	319	437	431	440
Gross profit	184	146	148	196	203	198
Operating profit	168	122	124	164	170	165
EBITDA	283	254	264	358	358	361
Income before tax	141	101	95	135	141	136
Tax expenses	74	33	22	31	33	31
Minority interests	-	(0.3)	(2.4)	(0.5)	(0.5)	(0.5)
Net income	67	69	76	104	109	105
EPS (Full USD)	0.0027	0.0028	0.0030	0.0038	0.0040	0.0038

Balance sheet

Year-end 31 Dec (USD Mn)	2022A	2023A	2024A	2025F	2026F	2027F
Cash and equivalents	46	82	54	154	242	335
Account receivables	26	39	51	77	78	78
Inventories	37	38	44	70	69	71
Fixed assets	739	829	1,068	1,179	1,274	1,353
Other assets	347	382	366	526	526	530
Total assets	1,194	1,369	1,583	2,006	2,189	2,367
S-T liabilities	57	80	95	114	128	142
Other S-T liabilities	281	284	340	508	509	513
L-T liabilities	118	192	289	348	390	431
Other L-T liabilities	224	228	202	244	273	302
Total liabilities	680	784	926	1,215	1,301	1,387
Equity	515	585	657	792	888	980
BVPS (Full USD)	0.0237	0.0264	0.0294	0.0324	0.0363	0.0401

The company's 2025 outlook reflects adjustments after the private placement.

Cash Flows Statement

Year-end 31 Dec (USD Mn)	2022A	2023A	2024A	2025F	2026F	2027F
Net Income	67	69	76	104	109	105
Depreciation	128	132	140	194	188	195
Change in working capital	(154)	(201)	(186)	(192)	(282)	(287)
Operating cash flow	41	(0)	29	106	15	14
Capital expenditure	(107)	(132)	(374)	(165)	(165)	(166)
Others	7	(22)	38	(131)	(1)	(3)
Investing cash flow	(114)	(112)	(201)	(241)	(95)	(82)
Dividend paid	-	-	-	-	-	-
Net change in debt	(29)	74	97	59	42	41
Others	115	74	46	176	126	121
Financing cash flow	87	149	143	235	168	161
Effect of Foreign Exc. Rates	-	-	-	-	-	-
Change in cash	14	36	(29)	100	88	93
Beginning cash flow	33	46	82	54	154	242
Ending cash flow	46	82	54	154	242	335

Funds raised based on the assumed share price and exchange rate on June 26, 2025.

Source : Company & Bloomberg

Financial Ratio

Key Ratios	2022A	2023A	2024A	2025F	2026F	2027F
Revenue Growth (%)	11%	-7%	11%	35%	0%	1%
Gross Profit Growth (%)	24%	-20%	1%	33%	3%	-2%
Operating Profit Growth (%)	25%	-27%	2%	32%	4%	-3%
EBITDA Growth (%)	0%	-10%	4%	35%	0%	1%
Net Profit Growth (%)	66%	3%	10%	38%	5%	-4%
EPS Growth (%)	66%	3%	10%	25%	5%	-4%
Gross margin (%)	41%	35%	32%	31%	32%	31%
EBITDA margin (%)	63%	60%	56%	56%	56%	56%
EBIT margin (%)	37%	29%	27%	26%	27%	26%
Pretax margin (%)	31%	24%	20%	21%	22%	21%
Net margin (%)	14.8%	16.28%	16.17%	16.47%	17.2%	16.5%
ROE (%)	13%	11.7%	11.5%	13%	12%	11%
ROA (%)	6%	5.0%	4.8%	5%	5%	4%
Current ratio (x)	0.53x	0.67x	0.59x	0.70x	0.82x	0.95x
Quick ratio (x)	0.42x	0.56x	0.49x	0.59x	0.71x	0.84x
Gearing (%)	34%	46%	58%	58%	58%	58%
Net gearing (%)	25%	32%	50%	39%	31%	24%
LT D/Equity (x)	0.34x	0.46x	0.58x	0.58x	0.58x	0.58x
DER (x)	1.32x	1.34x	1.41x	1.53x	1.47x	1.42x
DAR (x)	0.57x	0.57x	0.58x	0.61x	0.59x	0.59x
Interest Coverage (x)	10.85x	6.86x	3.25x	6.74x	7.00x	6.74x
Receivable turn over (x)	15.25x	14.56x	14.07x	9.84x	8.24x	8.26x
AR turnover (days)	24	25	26	37	44	44
Inventory turnover (x)	7.31	7.29	7.29	6.21	6.21	6.21
Cash Ratio	14%	23%	12%	25%	38%	51%
Sustainable Growth (%)	13%	12%	12%	13%	12%	11%
Earning Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PE (x) (RHS)	7.36x	5.23x	4.43x	5.86x	5.59x	5.81x
PBV (x)	0.83x	0.55x	0.46x	0.69x	0.62x	0.56x
P/Sales	1.09x	0.85x	0.72x	0.97x	0.96x	0.96x
EV/Ebitda (RHS)	2.19x	2.15x	2.52x	2.57x	2.48x	2.35x

Source : Company & Bloomberg

Kiwoom Sekuritas Guide to Sector/Industry/Stock Ratings

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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