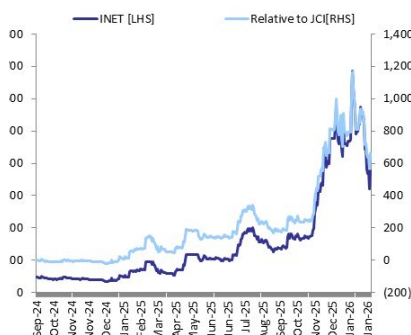


Not Rated

Last Price (Rp)	372
Target Price (Rp)	-
Previous Target Price (Rp)	-
Upside/Downside	-
No. of Shares (mn)	22,374
Mkt Cap (Rpbn/US\$mn)	8,323/496
Avg, Daily T/O (Rpbn/US\$mn)	248.2/14.8
Free Float (%)	76.0
Major Shareholder (%)	
PT Abadi Kreasi Unggul	55.9
EPS Consensus (Rp)	
	2025F 2026F 2027F
BRIDS	n.a n.a n.a
Consensus	1.1 9.0 15.0
BRIDS/Cons (%)	n.a n.a n.a

INET relative to JCI Index



Source: Bloomberg

Sinergy Inti Andalan Prima (INET IJ) In Transition Phase Toward FTTH Monetization

- INET expands to B2C FTTH, FTTH contracting, and IRU Submarine; The main driver to be B2C FTTH supported by a targeted 2.8mn HP rollout.
- The Rp4.2tr capital raising and acquisitions will support this expansion; Management indicating that further acquisitions may be pursued.
- Earnings ramp-up is expected from FY27F as the FTTH rollout begins; dependency on a single ecosystem remains a key risk.

New expansion to B2C FTTH, FTTH contracting, and IRU Submarine

INET is expanding its business into three key growth pillars: FTTH contracting, B2C FTTH, and submarine cable IRU. In the FTTH contracting, INET will support the FTTH rollout of Surge/WIFI, targeting the construction of 2mn home-passes through FY28, implying a total contract value of ~Rp540bn. In parallel, INET plans to commence its submarine cable IRU in Apr26, securing 20 Tbps of total capacity, with 10 Tbps locked in by WIFI as an anchor customer, while the remaining capacity will be monetized to other ISPs. INET's total investment for this IRU is estimated at Rp250-350bn. The largest growth driver is expected to come from the B2C FTTH segment, scheduled to begin operations in FY27F, targeting 2mn home-passes in Bali-Lombok and 800k home-passes in West Kalimantan, with targeting 60-70% take-up rate.

Capital raising and strategic acquisitions enable FTTH scale-up

To support its expansion, INET raised capital through a Rp3.2tr rights issue and Rp1tr bond issuance, of which Rp3.8tr earmarked for its B2C FTTH rollout, implying an estimated capex of Rp1.4mn/home-pass. In addition, the company remains active in pursuing inorganic growth, with acquisitions of PT Trans Hybrid Communication (THC) and PT Personel Alih Daya Tbk (PADA IJ). THC provides existing backbone infrastructure in West Kalimantan, supporting INET's planned FTTH expansion in the region, while PADA operates as an outsourcing services provider, supplying manpower for WIFI's FTTH and FWA deployment. Management has indicated that further acquisitions may be pursued to accelerate expansion across its FTTH businesses.

Ramp-up expected from FY27F; Dependency and commercialization risk

In conclusion, three new business pillars remain highly operationally linked to WIFI, with execution risk—particularly service quality & churn—largely borne by INET in the FTTH contracting. We expect a meaningful acceleration in revenue and earnings from FY27F, driven by the rollout of B2C FTTH, although uncertainty around the commercialization structure remains a key downside risk. Based on consensus forecast, INET currently trades at 15.1x/9.4x FY26F/FY27F EV/EBITDA, which we view as fair for an ISP/ FiberCo.

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Key Financials

Year to 31 Dec	2022A	2023A	2024A	9M24A	9M25A
Revenue (Rpbn)	20	29	30	23	69
EBITDA (Rpbn)	3	2	4	5	35
EBITDA Growth (%)	1.2	(9.9)	58.1	68.5	654.6
Net Profit (Rpbn)	1	1	1	2	19
EPS (Rp)	-	0	0	0	1
EPS Growth (%)	-	-	38.5	16.7	678.0
PER (x)	-	4,709.8	3,401.5	1,640.0	210.8
EV/EBITDA	3,023.3	3,354.3	2,122.1	1,323.0	175.3

Source: INET, BRIDS

In Transition Phase Toward FTTH Monetization

FY25-26 marks a transition period for INET as the company expands beyond its legacy dark fiber/core leasing and B2B bandwidth services into new growth verticals, including FTTH contracting, B2C FTTH, and submarine cable IRU. This strategic shift is supported by targeted acquisitions (PT Trans Hybrid Communication and PT Personel Alih Daya Tbk.) as well as capital raising through a rights issue and bond issuance, with total funding of Rp4.2tr.

FTTH contractor

Through its subsidiary PT Internet Anak Bangsa (IAB), INET acts as an FTTH contractor supporting the FTTH rollout of Surge/WIFI. The revenue model comprises an installation fee of Rp270-300k/home-pass, recognized upfront, and a recurring maintenance fee equivalent to a 20% revenue share from WIFI. INET targets to construct 2mn home-passes by 2028, with a phased rollout of 400k in FY26F, 600k in FY27F, and 1mn in FY28F. To support execution capacity, INET leverages outsourced manpower from PT Personel Alih Daya Tbk (PADA), an outsourcing services provider in which INET holds a 53.6% controlling stake. As of 9M25, PADA employed 27,246 personnel, providing scalable labor resources for FTTH deployment.

In addition, PADA has been appointed by WIFI as one of its distribution partners for the FWA-IRA program. Under this arrangement, PADA receives a fixed fee of Rp10k/subscriber/month, with an operational target of ~3,000 subscriber installations per day.

B2C FTTH

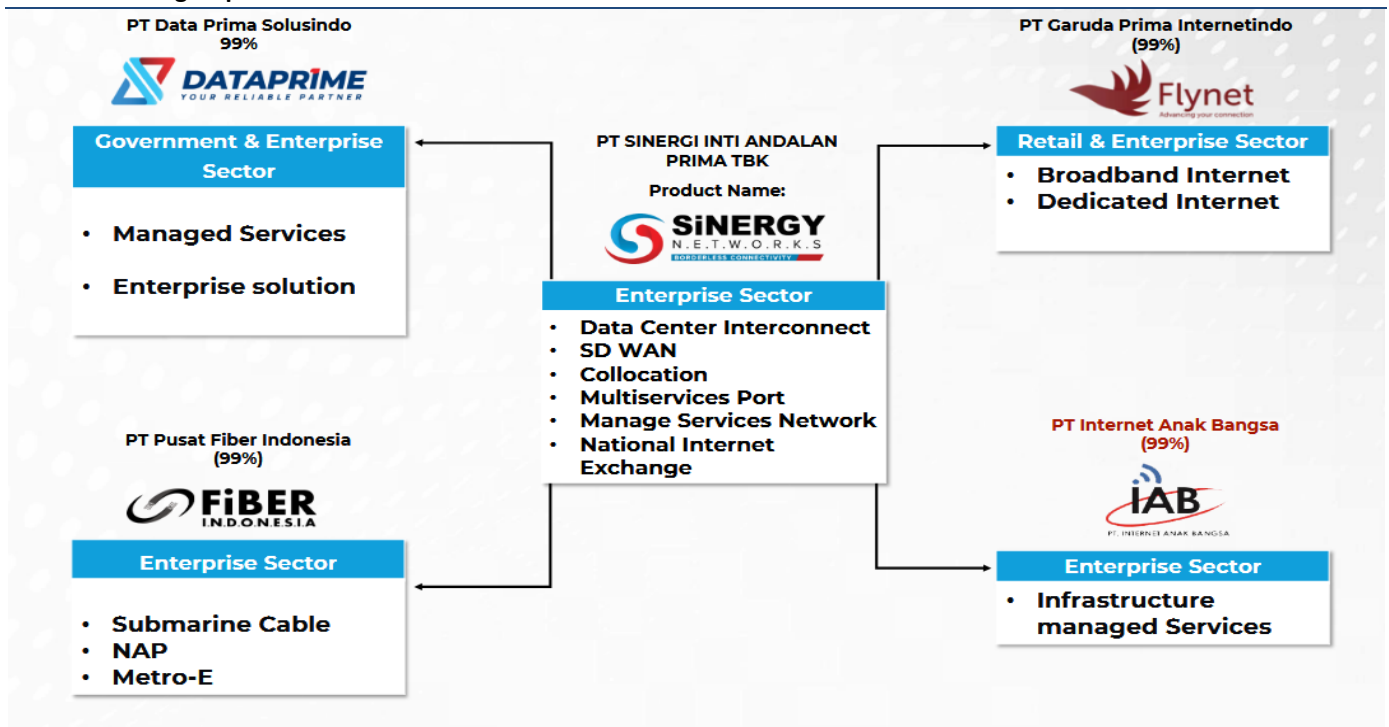
PT Garuda Prima Internetindo (GPI) will serve as INET's vehicle for its retail FTTH ISP business, covering Bali, Lombok, and West Kalimantan. GPI targets to develop 2mn home-passes in Bali-Lombok and 800k in West Kalimantan, with a targeted take-up rate of 60-70%. The estimated capex is Rp1.4mn/home-pass, funded through Rp2.8tr from the rights issue and an additional Rp1tr from bond and sukuk issuance. The FTTH B2C business is expected to begin ramping up in FY27F.

The product will be positioned as a premium FTTH offering, utilizing Wi-Fi 7 technology to deliver high throughput and superior QoS, with speeds of up to 2 Gbps. Pricing is expected to be set at Rp259-299k/month. While the commercialization structure has yet to be finalized, INET has indicated openness to partnering with other ISPs for the commercialization process, with Starlite (WIFI's brand) viewed as the most likely partner.

IRU Submarine Jakarta-Batam-Singapore

As part of its international connectivity expansion, INET operates the JKT-Batam-SG submarine cable through PT Pusat Fiber Indonesia (PFI). PFI has signed an Indefeasible Right-of-Use (IRU) agreement with JMP, a subsidiary of KETR as the asset owner, securing 20 Tbps of capacity with a 10-year tenor. INET's total investment for this IRU is estimated at Rp250-350bn, comprising Rp215bn for the IRU commitment and the remainder for maintenance and related costs over the contract period. Under this structure, PFI acts as a capacity aggregator, holding the economic rights to the IRU capacity and reselling it to downstream ISPs. INET has already locked in 10 Tbps with WIFI as an anchor customer, with the contract value broadly equivalent to INET's IRU investment, effectively enabling full cost recovery from a single anchor customer. While the remaining 10 Tbps will be monetized through per-Gbps sales to other ISPs. Commercial operations for this segment are expected to commence in April 2026.

Exhibit 1. INET group business structure



Source: Company

Exhibit 2. INET acquisition plans

Target Company	PT Trans Hybrid Communication (THC)	PT Personel Alih Daya Tbk (PADA)
Size of acquisition	60% of controlling	53.57% of controlling
Business pillar	<ul style="list-style-type: none"> IP transit Dedicated internet THX IX IPLC, IEPL, Local loop metro-e Manage solutions & managed services Collocation server & THC Cloud 	<ul style="list-style-type: none"> Office services Technical services Customer care center services Security services Training services Head hunter services On demand services

Source: Company, BRIDS

Exhibit 3. Telco peers valuation

Company	Market Cap. (RpBn)	P/E (x)			P/BV (x)			EV/EBITDA (x)			ROE (%)	
		25F	26F	27F	25F	26F	27F	25F	26F	27F	25F	26F
TLKM	329,877	15.8	14.9	14.0	2.3	2.3	2.2	5.1	4.9	4.6	14.7	15.4
ISAT	69,017	14.8	12.3	11.4	1.9	1.8	1.7	4.6	4.3	4.1	13.4	15.2
EXCL	56,420	-	-	29.2	1.9	2.0	1.9	6.2	5.5	4.9	(13.6)	(4.8)
WIFI	12,422	41.0	31.7	8.9	1.7	1.6	1.4	15.2	9.9	3.9	7.5	5.3
INET*	8,323	334.5	41.4	24.8	3.9	3.6	3.2	158.7	14.9	9.3	0.7	8.1
Weighted average		19.4	12.7	14.9	2.1	2.1	2.0	6.1	4.7	4.4	10.5	12.4

* Consensus number

Source: Bloomberg, BRIDS Estimates

Exhibit 4. Income Statement

Year to 31 Dec (Rpbn)	2022A	2023A	2024F	9M24	9M25
Revenue	20	29	30	23	69
COGS	(14)	(21)	(20)	14	36
Gross profit	6	8	11	37	105
EBITDA	3	2	4	5	35
Oper. profit	2	1	1	2	25
Interest income	0	0	0	0	0
Interest expense	(0)	(0)	(0)	-	0
Forex Gain/(Loss)	0	0	0	-	-
Income From Assoc. Co's	0	0	0	-	-
Other Income (Expenses)	0	(0)	(0)	0	1
Pre-tax profit	2	1	2	3	25
Income tax	(0)	(0)	(0)	1	6
Minority interest	(0)	0	(0)	0	(0)
Net profit	1	1	1	2	19
Core Net Profit	1	1	1	2	19

Exhibit 5. Balance Sheet

Year to 31 Dec (Rpbn)	2022A	2023A	2024F	9M24	9M25
Cash & cash equivalent	2	62	62	62	160
Receivables	4	4	5	6	27
Inventory	0	0	0	0	0
Other Curr. Asset	3	0	0	1	1
Fixed assets - Net	51	82	133	109	152
Other non-curr.asset	13	76	30	163	266
Total asset	73	224	230	232	455
ST Debt	0	0	0	0	2
Payables	7	7	12	11	33
Other Curr. Liabilities	0	0	0	0	49
Long Term Debt	0	2	1	3	9
Other LT. Liabilities	0	0	0	0	0
Total Liabilities	8	9	14	15	93
Shareholder's Funds	65	215	216	217	362
Minority interests	0.00	0.00	0.00	0	0
Total Equity & Liabilities	73	224	230	232	455

Exhibit 6. Cash Flow

Year to 31 Dec (IDRbn)	2022A	2023A	2024F	9M24	9M25
Net income	1	1	1	2	19
Depreciation and Amort.	1	1	3	2	10
Change in Working Capital	-	-	-	-	-
Other Oper. Cash Flow	4	(27)	6	5	77
Operating Cash Flow	2	(29)	2	1	48
Capex	(1)	(3)	(6)	(6)	(29)
Others Inv. Cash Flow	(60)	(59)	0	0	(85)
Investing Cash Flow	(61)	(62)	(6)	(6)	(114)
Net change in debt	(0)	(0)	(0)	0	8
New Capital	59	149	0	0	127
Dividend payment	0	0	0	0	(1)
Other Fin. Cash Flow	0	0	0	0	0
Financing Cash Flow	58	149	(0)	0	135
Net Change in Cash	2	60	0	(0)	98
Cash - begin of the year	0	2	62	62	62
Cash - end of the year	2	62	62	62	160

Exhibit 7. Key Ratios

Year to 31 Dec	2022A	2023A	2024F	9M24	9M25
Growth (%)					
Sales	0.3	44.8	5.4	17.7	194.7
EBITDA	1.2	(9.9)	58.1	68.5	654.6
Operating profit	(13.3)	(28.7)	(2.7)	16.7	916.4
Net profit	(16.5)	(36.3)	51.7	37.3	818.9
Profitability (%)					
Gross margin	28.0	28.6	35.7	158.2	152.7
EBITDA margin	13.7	8.5	12.8	20.1	51.5
Operating margin	9.5	4.7	4.3	10.7	36.8
Net margin	6.9	3.0	4.4	9.1	28.2
ROAA	3.4	0.6	0.6	2.8	11.4
ROAE	4.0	0.6	0.6	3.0	13.5
Leverage					
Net Gearing (x)	(0.0)	(0.3)	(0.3)	-	-
Interest Coverage (x)	15.4	33.2	178.7	10.0	1,075.8

Source: INET, BRIDS

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INVESTMENT RATING

BUY	Expected total return of 10% or more within a 12-month period
HOLD	Expected total return between -10% and 10% within a 12-month period
SELL	Expected total return of -10% or worse within a 12-month period

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