Buy

(Maintained)

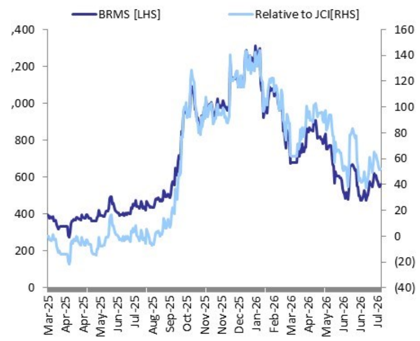
Tactical (3M): **N** *(prev. OW)*

Last Price (Rp)	**560**
Target Price (Rp)	**700**
Previous TP (Rp)	***1,100***
Upside/Downside	**+25.0%**
No. of Shares (mn)	**141,784**
Mkt Cap (Rpbn/US$mn)	**79,399/4,411**
Avg, Daily T/O (Rpbn/US$mn)	**287.1/16.0**
Free Float (%)	**46.5**
Major Shareholder (%)	
Emirates Tarian Global	**25.1**
Maybank Securities Pte Ltd	**8.2**

EPS Consensus (US$cents)

	2026F	**2027F**	**2028F**
BRIDS	0.0	0.1	0.2
Consensus	2.8	3.6	10.4
BRIDS/Cons (%)	**(98.3)**	**(98.0)**	**(98.5)**

BRMS relative to JCI Index



Source: Bloomberg

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Bumi Resource Minerals (BRMS)

A Steeper FY26F Recovery Path, But Near-Term Risks Largely Priced In

- **1H26 earnings missed, with net profit of US$12.9mn (-44.0% y-y), as lower production and constrained sales drove a 2Q26 loss.**
- **Mgmt's FY26 target of 70-75koz appears challenging; we cut FY26–28F production to 60.9koz/81.6koz/158.2koz.**
- **Maintain Buy rating with lower TP of Rp700, reflecting weaker volume and ASPs, with CIL and underground ramp-up as catalysts.**

1H26 earnings miss on lower production and sales

BRMS booked 1H26 revenue of US$95.8mn (-21.0% y-y), while net profit fell to US$12.9mn (-44.0% y-y), representing only 12.1%/13.2% of our FY26F/consensus estimates. The weak result was driven by a US$4.6mn net loss in 2Q26 (vs. profits in 1Q26: US$17.5mn; 2Q25: US$8.5mn), as revenue dropped to US$26.3mn (-62.0% q-q; -54.0% y-y). Gold production declined to 6.3koz (-57.4% q-q) as the River Reef pushback reduced mining activity and lowered head grade to 0.90g/t (vs. 1.42g/t in 1Q26). The quarter was further affected by slower gold sales due to temporary domestic market oversupply, while gold ASP softened to US$4,138/oz (-8.3% q-q).

CPM Recovery in 2H26, but FY26 Target Remains Challenging

Despite the weak quarter, we believe BRMS has passed its operational trough following the completion of the River Reef pushback in Jul26, allowing mining to resume with ore grades gradually normalizing through 2H26F. Sales visibility has also improved after CPM secured a gold offtake agreement with ANTM, which will purchase up to 120kg/month through Jun28, securing around 60–80% of normal monthly production. With 1H26 gold output at only 21.1koz, we believe the revised FY26F production guidance of 70–75koz appears challenging. However, the long-term investment case remains intact, supported by the 2,000tpd CIL expansion and 3.5–4.9g/t underground mining from 2H27F.

Maintain Buy with Lower TP of Rp700 on lower production and ASP

We maintain our Buy rating but lower our SOTP-based TP to Rp700 from Rp1,100, following cuts to our FY26F–28F forecasts. We reduce our gold production assumptions to 60.9koz/ 81.6koz/ 158.2koz and lower gold ASP assumptions to US$4,300/ US$4,300/ US$4,400 per oz, reflecting a slower production recovery after the weak 1H26 performance and lower gold price in 2Q26. This lowers our FY26F–28F net profit forecasts by 35.5%/ 26.7%/ 6.6%. While near-term earnings remain under pressure, we believe recent share price weakness has largely priced in these headwinds, with the 2,000tpd CIL expansion and underground mining continuing to underpin BRMS' medium-term growth outlook.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (US$mn)	162	249	257	342	671
EBITDA (US$mn)	48	100	109	155	315
EBITDA Growth (%)	135.9	108.0	9.0	41.9	103.6
Net Profit (US$mn)	24	50	69	101	228
EPS (US$cents)	0.0	0.0	0.0	0.1	0.2
EPS Growth (%)	75.3	104.9	38.0	46.6	125.3
BVPS (US$cents)	0.8	0.9	0.9	1.0	1.2
PER (x)	179.1	87.4	63.3	43.2	19.2
EV/EBITDA	92.9	45.2	41.8	29.7	14.6

Source: BRMS, BRIDS Estimates

Exhibit 1. BRMS 1H26 Results

BRMS	2Q26	1Q26	2Q25	*q-q*	*y-y*	1H26	1H25	*y-y*	A/F	A/C
PROFIT & LOSS (US$mn)										
Revenue	**26.3**	**69.5**	**57.5**	***-62%***	***-54%***	**95.8**	**120.8**	***-21%***	**27.1%**	**27.1%**
Cost of revenue	-14.4	-26.0	-21.4	*-44%*	*-33%*	-40.4	-48.6	*-17%*		
Gross profit	**11.9**	**43.5**	**36.1**	***-73%***	***-67%***	**55.4**	**72.2**	***-23%***		
Operating expenses	-8.5	-14.9	-13.5	*-43%*	*-37%*	-23.4	-22.0	*6%*		
Operating profit	**3.4**	**28.6**	**22.6**	***-88%***	***-85%***	**32.0**	**50.2**	***-36%***	**21.4%**	**21.3%**
EBITDA	**5.9**	**30.8**	**24.6**	***-81%***	***-76%***	**36.8**	**54.9**	***-33%***	**23.3%**	**22.8%**
Other income/(expense)	-9.3	-5.7	-11.0	*62%*	*-16%*	-15.0	-19.2	*-22%*		
Pre-tax profit	**-5.9**	**22.9**	**11.6**	***N/A***	***N/A***	**17.0**	**31.0**	***-45%***		
Taxes	1.1	-4.8	-4.2	*N/A*	*N/A*	-3.7	-8.7	*-58%*		
Non-controlling interests	0.1	-0.5	1.1	*N/A*	*N/A*	-0.4	0.7	*-151%*		
Net profit	**-4.6**	**17.5**	**8.5**	***N/A***	***N/A***	**12.9**	**23.0**	***-44%***	**12.1%**	**13.2%**
Core profit	**4.6**	**23.3**	**19.5**			**27.9**	**42.1**			
Margins (%)										
Gross	45.1	62.6	62.7			57.8	59.8			
EBIT	12.8	41.2	39.3			33.4	41.5			
Net	- 17.6	25.3	14.8			13.5	19.0			

Operational data	2Q26	1Q26	2Q25	*q-q*	*y-y*	1H26	1H25	*y-y*	A/F
Gold Production (Oz)	6,301	14,790	17,071	***-57.4%***	***-63.1%***	21,091	38,993	***-45.9%***	**27%**
Gold ASP (US$/oz)	4,138	4,512	3,282	***-8.3%***	***-20.7%***	4,400	3,045	***44.5%***	**96%**
Cash cost	1,883	1,603	1,138	***17.5%***	***-39.6%***	1,687	1,125	***49.9%***	**106%**
Cash Margin	**2,255**	**2,909**	**2,144**	***-22.5%***	***-4.9%***	**2,713**	**1,920**	***41.3%***	**109%**

Source: BRMS, BRIDS

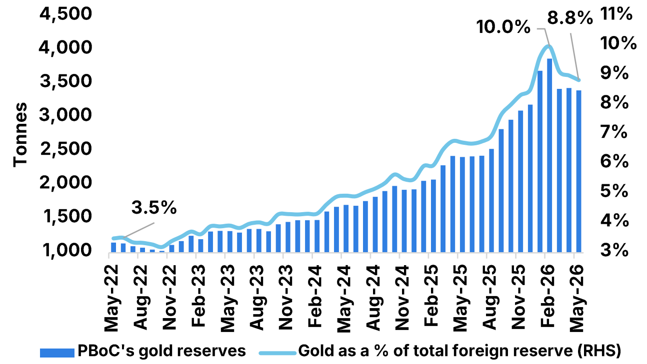
Exhibit 2. BRMS Estimates Revision

BRMS	2026F			2027F			2028F		
(US$Mn)	Old	New	Change	Old	New	Change	Old	New	Change
Revenue	353	257	**-27.2%**	433	342	**-21.0%**	711	671	**-5.7%**
Gross margin	*61.1%*	*57.9%*		*63.1%*	*61.0%*		*64.5%*	*64.2%*	
Operating Profit	149	100	**-32.7%**	191	144	**-24.6%**	324	304	**-6.3%**
Operating margin	*42.2%*	*39.0%*		*44.2%*	*42.1%*		*45.6%*	*45.3%*	
EBITDA	158	109	**-31.0%**	202	155	**-23.4%**	336	315	**-6.3%**
EBITDA margin	*44.7%*	*42.4%*		*46.6%*	*45.2%*		*47.2%*	*47.0%*	
Net profit	107	69	**-35.5%**	138	101	**-26.7%**	244	228	**-6.6%**
Net margin	*33.0%*	*26.9%*		*31.1%*	*29.6%*		*32.9%*	*34.0%*	

Operational Assumption	2026F			2027F			2028F		
	Old	New	Change	Old	New	Change	Old	New	Change
Gold ASP (US$/oz)	4,600	4,300	**-6.5%**	4,700	4,300	**-8.5%**	4500	4,400	**-2.2%**
Gold Production (oz)	77,213	60,950	**-21.1%**	93,865	81,646	**-13.0%**	164,202	158,215	**-3.6%**

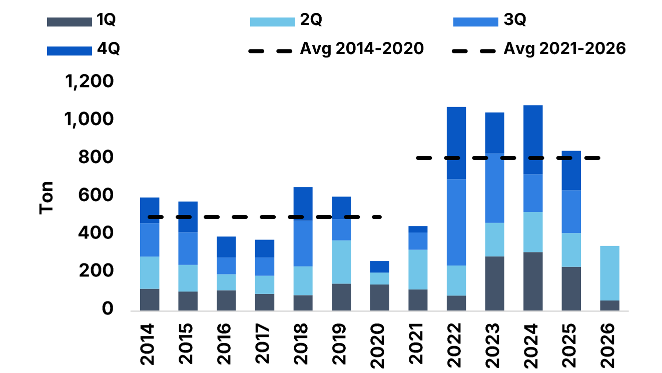
Source: BRMS, BRIDS Estimates

Exhibit 3. PBoC gold reserve trend



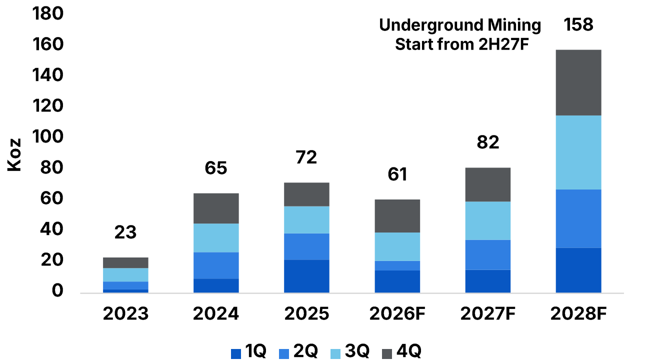
Source: Bloomberg, BRIDS

Exhibit 4. Central bank buying rebounded sharply in 2Q



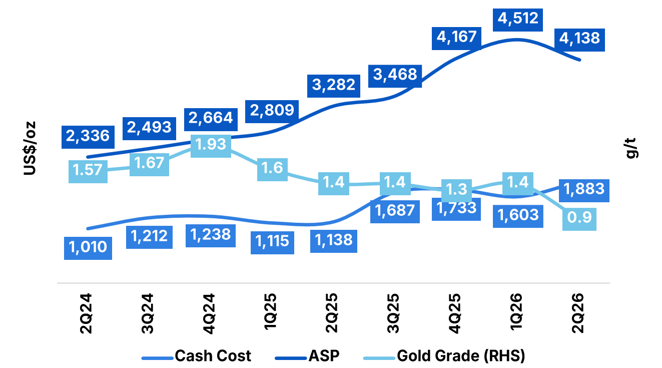
Source: Bloomberg, BRIDS

Exhibit 5. BRMS Gold Sales Volume



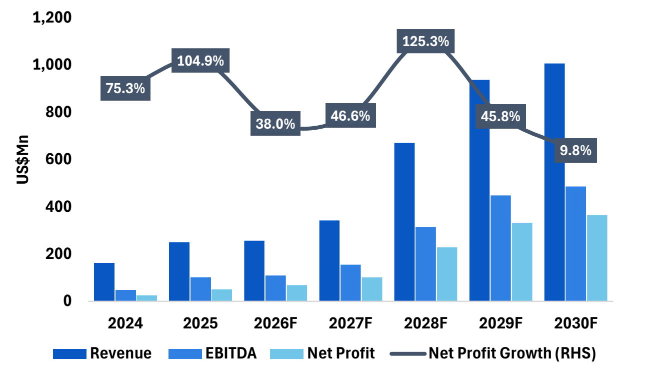
Source: BRMS, BRIDS Estimates

Exhibit 6. BRMS Gold ASP, Cash Cost, and Head Grade



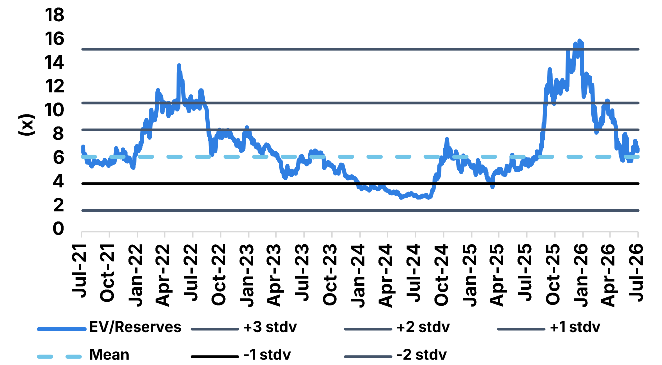
Source: BRMS, BRIDS

Exhibit 7. BRMS Earnings Outlook



Source: BRMS, BRIDS Estimates

Exhibit 8. EV/Reserves BRMS 5-Year



Source: BRMS, BRIDS

Exhibit 9. SOTP Valuation

	Old Valuation		
DCF	**EV (USDmn)**	**%**	**Valuation**
CPM	2,745	30%	12x FY28F earnings discounted back using 12% Ke
GM	4,077	45%	EV/Resource (US$2,651/ton)
SHS	1,845	20%	EV/Resource (US$944/Oz)
LMR	310	3%	EV/Resource (US$944/Oz)
DPM	169	2%	EV/Resource (US$134/ton)
Total	**9,146**		
Net (debt)/cash	(194)		
# Shares (Bn)	*142*		
Target price (Rp/sh)	**1,100**		
	New Valuation		
DCF	**EV (USDmn)**	**%**	**Valuation**
CPM	2,188	39%	10x FY28F earnings discounted back using 12% Ke
GM	2,324	41%	EV/Resource (US$2,519/ton)
SHS	736	13%	EV/Resource (US$753/Oz)
LMR	247	4%	EV/Resource (US$753/Oz)
DPM	159	3%	EV/Resource (US$125/ton)
Total	**5,654**		
Net (debt)/cash	(188)		
# Shares (Bn)	*142*		
Target price (Rp/sh)	**700**		

Source: Bloomberg, BRIDS

Exhibit 10. EV/Resources comparables

Gold

Company Name	EV (US$)	Resources (Ton)	Contained Metal (Oz)	EV/Resource (US$/Oz)
Barrick Gold Corp	65,510,000,000		150,000,000	437
Gold Fields LTD	32,840,000,000	385,900,000	65,000,000	505
Kinross Gold Corp	25,700,000,000	1,220,764,000	27,500,000	935
Newmont Corp	95,800,000,000	5,265,900,000	88,100,000	1,087
Archi Indonesia	1,912,500,000		5,500,000	348
Amman Mineral	21,799,000,000		33,200,000	657
Merdeka Copper Gold	6,453,900,000		36,900,000	175
Merdeka Gold Resources	3,435,000,000		7,000,000	491
Indika Energy (Awak Mas)	1,237,700,000		2,550,000	485
Average				**753**

Copper

Company name	EV (USD)	Resource	Contained Metal (Ton)	EV/Resource (USD/Ton)
First Quantum Minerals	29,160,000,000	6,232,000,000	25,820,000	1,129
Lundin Mining corp	24,020,000,000	1,689,334,800	6,347,000	3,784
Southern Copper Corp	159,800,000,000		49,420,000	3,234
Boliden AB	17,050,000,000	1,091,000,000	10,650,000	1,601
Glencore	115,680,000,000		46,650,000	2,480
Anglo American	66,950,000,000		47,240,000	1,417
Amman Mineral	21,799,000,000		10,614,000	2,054
Average				**2,519**

Zinc

Company name	EV (USD)	Resource (Tons)	Contained Metal (Ton)	EV/Resource (USD/Ton)
Griffin Mining	493,509,277	82,300,000	3,400,000	145
Morococha-T	6,879,800	7,635,000	335,940	20
Terramin Australia	107,279,262	32,650,000	1,700,000	63
Zenith Minerals	28,321,730	23,500,000	784,500	36
Average				**125**

Source: Bloomberg, BRIDS

Exhibit 12. BRMS Assets EV

Asset	Resource (Mt)	Grade	Contained Metal	Peers Multiple	EV
Gorontalo Minerals	392.3	0.5%	1,922	2,519	2,905
Suma Heksa Sinergi	75.3	0.85	2,058	753	775
Linge Mineral Resources	6.8	1.58	345	753	260
Dairi Prima Mineral	25.1	10.1%	2,535	125	317
Asset	**Resource (Mt)**	**Grade %**	**Contained Metal (koz)**	**Peers Multiple**	**EV**
Gorontalo Minerals	105.4	0.7%	613	2,519	1,544

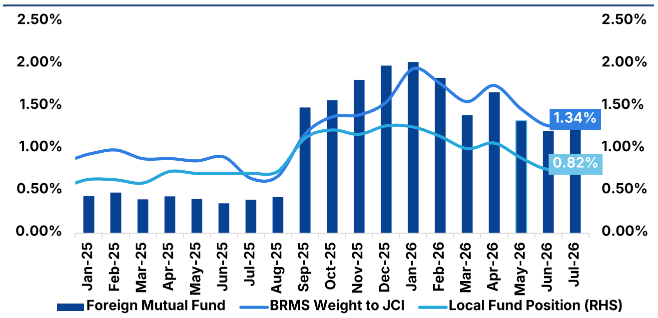
Source: Bloomberg, BRIDS

Exhibit 13. Peers comparable

Ticker	Company	Mkt.Cap (USD mn.)	PE		EV/EBITDA		ROA		ROE	
			26F	27F	26F	27F	26F	27F	26F	27F
BRMS IJ	**BUMI RESOURCES MINERALS TBK**	**4,403**	**1.1**	**0.9**	**25.0**	**18.3**	**7.2**	**9.0**	**8.1**	**9.9**
ANTM IJ	ANTAM PERSERO TBK PT	3,838	6.7	6.2	4.7	4.1	18.4	18.5	26.0	25.9
EMAS IJ	MERDEKA GOLD RESOURCES TBK P	5,391	373.8	74.8	N/A	N/A	10.4	13.8	3.7	18.5
UNTR IJ	UNITED TRACTORS TBK PT	4,954	8.2	6.3	2.9	2.5	6.0	7.9	10.0	12.5
ARCI IJ	ARCHI INDONESIA TBK PT	1,504	9.8	5.9	5.2	4.6	36.2	39.8	33.2	34.3
	Domestic Average		**8.3**	**6.1**	**4.3**	**3.7**	**20.2**	**22.1**	**23.1**	**24.2**
2899 HK	ZIJIN MINING GROUP CO LTD-H	125,917	9.4	8.2	6.7	5.4	15.7	15.7	36.3	31.9
	Regional Average		**9.4**	**8.2**	**6.7**	**5.4**	**15.7**	**15.7**	**36.3**	**31.9**
NEM US	NEWMONT CORP	98,742	10.0	8.8	5.4	4.5	16.3	16.0	26.8	25.2
AEM US	AGNICO EAGLE MINES LTD	73,619	11.9	11.5	6.2	5.6	16.1	14.5	21.5	19.0
AU US	ANGLOGOLD ASHANTI PLC	40,118	8.8	8.2	4.7	4.2	28.4	27.1	49.5	46.3
KGC US	KINROSS GOLD CORP	27,402	8.3	7.8	4.1	3.5	22.5	20.2	30.8	25.5
ABX CN	BARRICK MINING CORP	60,779	9.9	8.2	4.5	3.8	11.0	12.2	21.3	21.6
GFI SJ	GOLD FIELDS LTD	29,084	6.2	5.9	3.4	3.1	24.5	20.7	45.5	38.8
	Global Average		**9.2**	**8.4**	**4.7**	**4.1**	**19.8**	**18.4**	**32.6**	**29.4**
		Average.	**8.9**	**7.7**	**4.8**	**4.1**	**19.5**	**19.2**	**30.1**	**28.1**

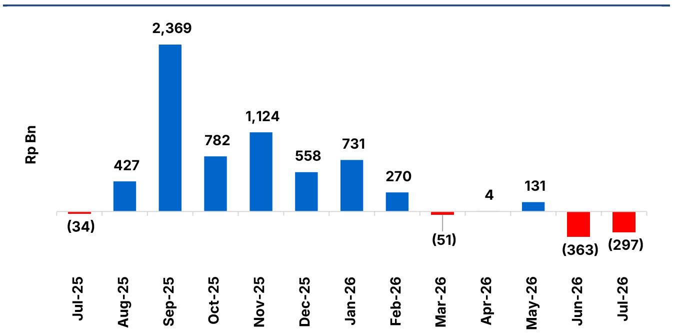
Source: Bloomberg, BRIDS

Exhibit 14. BRMS's fund positioning



Source: KSEI, BRIDS

Exhibit 15. BRMS's monthly foreign flow



Source: BRMS, BRIDS

Exhibit 16. Income Statement

Year to 31 Dec (US$mn)	2024A	2025A	2026F	2027F	2028F
Revenue	**162**	**249**	**257**	**342**	**671**
COGS	(83)	(109)	(108)	(133)	(240)
Gross profit	**80**	**140**	**149**	**209**	**430**
EBITDA	**48**	**100**	**109**	**155**	**315**
Oper. profit	**43**	**93**	**100**	**144**	**304**
Interest income	0	1	2	3	4
Interest expense	(9)	(18)	(19)	(23)	(21)
Forex Gain/(Loss)	1	5	2	2	2
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	(1)	(14)	4	4	4
Pre-tax profit	**34**	**66**	**89**	**130**	**293**
Income tax	(9)	(16)	(20)	(29)	(64)
Minority interest	(1)	0	0	0	0
Net profit	**24**	**50**	**69**	**101**	**228**
Core Net Profit	**23**	**45**	**67**	**99**	**226**

Exhibit 17. Balance Sheet

Year to 31 Dec (US$mn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	12	40	64	84	57
Receivables	0	1	0	0	0
Inventory	18	20	17	20	30
Other Curr. Asset	147	204	226	267	452
Fixed assets - Net	213	248	315	379	393
Other non-curr.asset	765	796	820	852	912
Total asset	**1,155**	**1,311**	**1,442**	**1,602**	**1,844**
ST Debt	97	18	234	281	255
Payables	46	66	66	74	114
Other Curr. Liabilities	3	3	3	4	6
Long Term Debt	8	172	18	22	20
Other LT. Liabilities	7	7	7	7	7
Total Liabilities	**160**	**266**	**328**	**387**	**401**
Shareholder's Funds	1,201	1,251	1,320	1,421	1,649
Minority interests	(207)	(206)	(206)	(206)	(206)
Total Equity & Liabilities	**1,155**	**1,311**	**1,442**	**1,602**	**1,844**

Exhibit 18. Cash Flow

Year to 31 Dec (US$mn)	2024A	2025A	2026F	2027F	2028F
Net income	24	50	69	101	228
Depreciation and Amort.	8	10	13	15	21
Change in Working Capital	(28)	17	4	4	30
OtherOper. Cash Flow	(11)	(57)	(21)	(41)	(183)
Operating Cash Flow	**(6)**	**20**	**65**	**80**	**97**
Capex	(26)	(72)	(101)	(110)	(94)
Others Inv. Cash Flow	(1)	(4)	(2)	(2)	(2)
Investing Cash Flow	**(27)**	**(76)**	**(103)**	**(112)**	**(95)**
Net change in debt	50	85	62	52	(28)
New Capital	0	0	0	0	0
Dividend payment	0	0	0	0	0
Other Fin. Cash Flow	0	0	0	0	0
Financing Cash Flow	**51**	**85**	**62**	**52**	**(28)**
Net Change in Cash	**18**	**28**	**24**	**19**	**(27)**
Cash - begin of the year	5	12	40	64	84
Cash - end of the year	12	40	64	84	57

Exhibit 19. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	248.1	53.6	3.0	33.1	96.1
EBITDA	135.9	108.0	9.0	41.9	103.6
Operating profit	150.3	117.7	7.6	43.7	110.8
Net profit	75.3	104.9	38.0	46.6	125.3
Profitability (%)					
Gross margin	49.1	56.2	57.9	61.0	64.2
EBITDA margin	29.6	40.1	42.4	45.2	47.0
Operating margin	26.4	37.4	39.0	42.1	45.3
Net margin	15.0	20.1	26.9	29.6	34.0
ROAA	2.2	4.1	5.0	6.7	13.2
ROAE	2.1	4.1	5.4	7.4	14.8
Leverage					
Net Gearing (x)	0.1	0.1	0.2	0.2	0.2
Interest Coverage (x)	4.7	5.1	5.3	6.3	14.7

Source: BRMS, BRIDS Estimates

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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