Striking Gold (and Copper)

28 September 2026

AMMN's stellar 2Q26 performance reinforces our positive outlook, with 1H26 revenue surging to USD2.0 bn (+1,024% YoY) and driving a massive bottom-line turnaround; net profit reached USD498 mn, reversing a -USD149 mn loss in 1H25, supported by higher Phase 8 ore grades, robust production volumes, and elevated pricing. Earnings momentum should continue to accelerate in 2H26 as Batu Hijau Phase 8 reaches steady-state optimization and the integrated smelter and PMR fully ramp up, driving higher copper cathode and refined gold sales. Sustained copper strength—supported by tight ore supply and structural demand from AI-related infrastructure—leads us to raise our FY26F copper price assumption to USD13,300/tonne, translating into revised FY26F revenue and net profit forecasts of USD4.1 bn (+123.7% YoY) and USD1.2bn, respectively. We maintain BUY and raise our TP to IDR7,000/share (from IDR6,500), implying 54.5% upside and 13.0x forward EV/EBITDA.

AMMN IJ	BUY
Sector	Metal Mining
Price 28 Sep '26 (IDR)	4,530
Price target (IDR)	7,000
Upside/Downside (%)	54.5

Stock Information

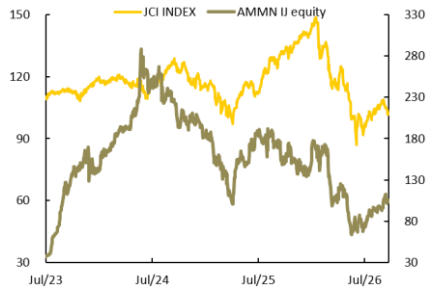
Amman Mineral Internasional (AMMN) is one of Indonesia's largest copper and gold mining companies, operating the Batu Hijau mine in Sumbawa while expanding downstream through smelting and refining facilities and developing the Elang copper-gold project.

Market cap (IDR bn)	328,508
Shares outstanding (mn)	72,518
52-week range (IDR)	2,710 – 8,500
3M average daily vol. ('000)	78,543
3M average daily val. (IDR mn)	334,442

Shareholders (%)

PT Sumber Gemilang Persada	32.2
PT Medco Energi International Tbk	21.0
Public	18.7
PT AP Investment	15.5
Others	12.6

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance	2.7	35.6	(35.3)

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Exceptional 2Q26 results on higher volumes and prices

AMMN posted 2Q26 revenue of USD1.2 bn (+54.0% QoQ; +589.6% YoY), bringing 1H26 revenue to USD2.0 bn (+1,024% YoY), or 54.2% of our FY26F estimate and 47.0% of consensus. Growth was supported by higher production volumes and realized prices, with copper rising +45% YoY to USD6.43/ lb and gold reaching USD4,822/ oz. Concentrate production increased +81.2% YoY to 347.3k dmt, while contained copper and gold production rose +136.0% and +481.3% YoY, respectively, as Batu Hijau Phase 8 yielded superior ore grades; copper grade reached 0.52% (1H25: 0.33%) and gold grade rose to 0.65 g/t (1H25: 0.14 g/t). Downstream sales reached 48,654 tonnes of copper cathode (+162.7% YoY) and 65.5k oz of refined gold, with refined gold production hitting fresh monthly records in Jul and Aug '26. Following the completion of smelter and PMR commissioning, AMMN set FY26F production guidance of 130k tonnes of copper cathode and 350k oz of refined gold, while raising its gold-in-concentrate production guidance by 34% to 775k oz.

Margin expansion powers massive 1H26 earnings turnaround

Gross margin expanded to 47.0% from 30.5% in 1H25, supported by higher sales volumes and realized prices, while operating and EBITDA margins reached 44.3% and 55.8%, respectively. On the bottom line, AMMN booked 1H26 net profit of USD498 mn, reversing a -USD149 mn net loss a year earlier. This represented 61.8% of our FY26F estimate and 52.9% of consensus. We attribute this outperformance directly to the high-grade Phase 8 extraction profile and the seamless operational ramp-up of the downstream facilities.

Perfect combo of supply-demand for copper

Global copper markets remain exceptionally tight. As of 25 Sep '26, LME copper averaged USD13,436/tonne year to date, with 2Q26 averaging USD13,408/tonne (+4.1% QoQ; +41.6% YoY) and 3Q26-to-date pushing even higher to USD14,023/tonne. We attribute the strength to tight ore supply and structural demand from AI-related infrastructure. Accordingly, we raise our FY26F copper price assumption to USD13,300/tonne and increase our FY26F revenue forecast to USD4.1 bn (+123.7% YoY) from USD3.8 bn previously. We forecast FY26F net profit of USD1.2 bn (see Exhibit 3).

Maintain BUY; raise target price to IDR7,000/ share

We raise our target price from IDR6,500/share to IDR7,000/share, implying 54.5% upside from the current price of IDR4,530/share and 13.0x forward EV/EBITDA, vs. AMMN's current trading multiple of 10.8x. Our positive view reflects the optimized run-rate of Batu Hijau Phase 8, growing copper cathode and refined gold sales, and a 10.2% increase in Batu Hijau ore reserves to 777mn tonnes under the Jun '26 JORC update, extending mine life by approximately one year to 2031-2032. Key catalysts include: 1) Seamless execution and steady-state optimization of Phase 8 mining operations; 2) stronger copper and gold prices; and 3) progress on the Elang project toward a final investment decision in 2027. Key risks include: 1) production falling short of guidance; 2) project execution delays; and 3) weaker commodity prices or regulatory changes.

Exhibit 1: Key statistics

Year end Dec (IDR bn)	2024A	2025A	2026F	2027F	2028F
Revenue (USD mn)	2,664	1,847	4,131	5,219	5,204
EBITDA (USD mn)	1,422	921	2,300	2,700	2,773
Net profit (USD mn)	637	249	993	1,200	1,234
EPS (IDR)	139	57	241	315	352
ROE (%)	12.9	4.7	16.7	16.9	14.8
ROA (%)	6.3	2.0	6.7	7.1	6.5
PER (x)	60.8	113.4	18.8	14.4	12.9
EV/EBITDA (x)	29.7	36.9	10.8	8.8	8.3
Net gearing (x)	0.7	1.1	0.9	0.9	0.8

Sources: Company, KBVS Research

Financial highlights

Exhibit 2: Results and operational numbers 1H26

Amman Mineral Internasional (AMMN) (USD mn)	2Q25	1Q26	2Q26	qoq (%)	yoy (%)	1H25	1H26	yoy (%)	1H26/ KBVS (%)	1H26/ Cons' (%)
Revenue	180	808	1,244	54.0	589.6	183	2,052	1,024	54.2	47.0
Gross profit	113	342	622	81.6	449.8	56	964	1,631	54.8	50.7
Operating profit	73	314	595	89.3	720.5	(30)	910	n.a	63.6	53.3
EBITDA	140	432	713	65.0	407.7	103	1,145	1,017	59.1	53.0
Net profit	(10)	160	338	110.9	n.a	(149)	498	n.a	61.8	52.9
Gross profit margin (%)	*62.7*	*42.4*	*50.0*	-	-	*30.5*	*47.0*	-	-	-
Operating profit margin (%)	*40.2*	*38.9*	*47.8*	-	-	*n.a*	*44.3*	-	-	-
EBITDA margin (%)	*77.8*	*53.5*	*57.3*	-	-	*56.1*	*55.8*	-	-	-
Net profit margin (%)	*n.a*	*19.8*	*27.1*	-	-	*n.a*	*24.3*	-	-	-
Operational numbers										
Production concentrate										
Production (dmt)	111,916	167,792	179,515	7.0	60.4	191,657	347,307	81.2		
Sales (dmt)	0	30,013	90,066	200.1	n.a	0	120,079	n.a		
Copper concentrate										
Production (Mlbs)	52	101	110	8.9	111.5	89	211	137.1		
Sales (Mlbs)	0	19	53	178.9	n.a	69	72	4.3		
Gold concentrate										
Production (oz)	27,238	136,155	210,199	54.4	671.7	59,578	346,354	481.3		
Sales (oz)	0	30,505	90,162	195.6	n.a	0	120,667	n.a		
Copper cathode										
Production (ton)	19,170	27,670	21,086	(23.8)	10.0	19,805	48,756	146.2		
Sales (ton)	18,522	28,764	19,890	(30.9)	7.4	18,522	48,654	162.7		
Refined gold										
Production (oz)	0	66,209	55,922	(15.5)	n.a	0	122,131	n.a		
Sales (oz)	0	16,043	49,501	208.6	n.a	0	65,544	n.a		

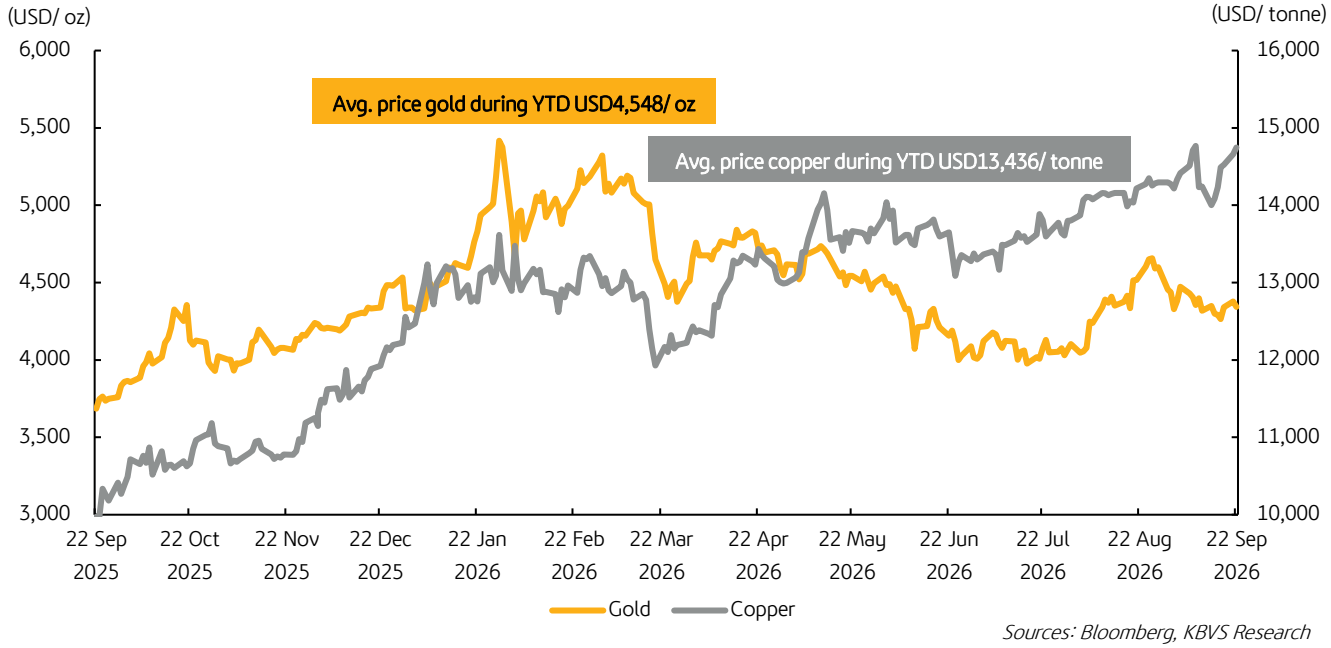
Sources: Company, KBVS Research

Exhibit 3: Earnings changes

(USD mn)	New			Old			Changes (%)		
	26F	27F	28F	26F	27F	28F	26F	27F	28F
Revenues	4,131	5,219	5,204	3,789	4,179	4,475	9.0	24.9	16.3
Gross profit	1,935	2,277	2,351	1,759	1,943	2,348	10.0	17.2	0.1
EBITDA	2,300	2,700	2,773	1,937	2,139	2,558	18.8	26.2	8.4
EBIT	1,763	2,021	2,096	1,429	1,579	1,959	23.3	28.0	7.0
Net profit	993	1,200	1,234	806	899	1,170	23.2	33.5	5.4

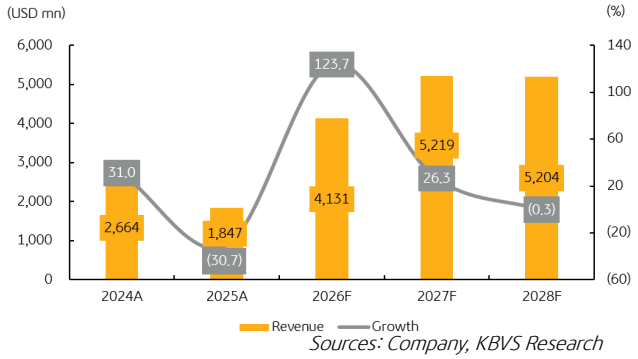
Sources: Company, KBVS Research

Exhibit 4: Copper and Gold prices



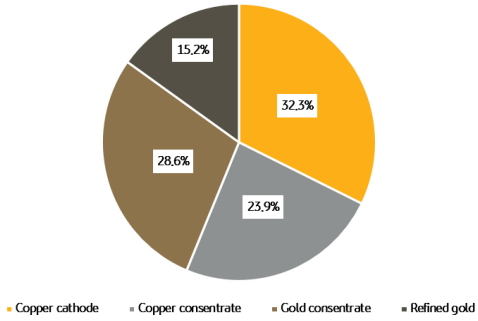
Sources: Bloomberg, KBVS Research

Exhibit 5: Revenue and growth



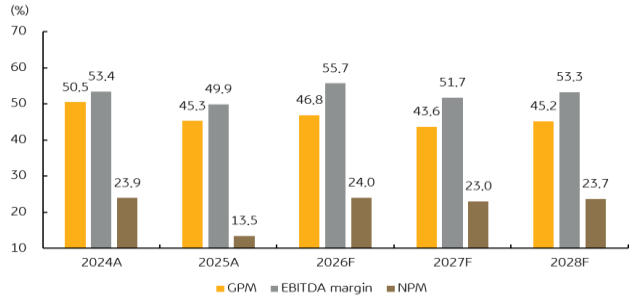
Sources: Company, KBVS Research

Exhibit 6: Revenue breakdown 1H26



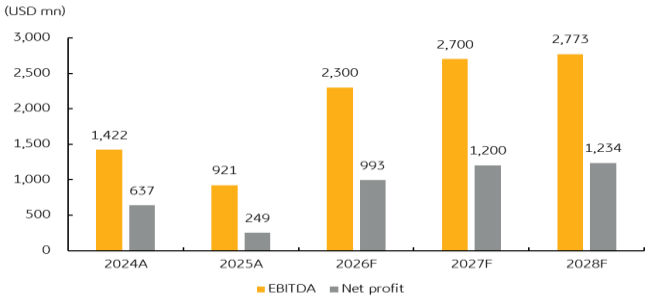
Sources: Company, KBVS Research

Exhibit 7: Profitability margin



Sources: Company, KBVS Research

Exhibit 8: EBITDA and earnings forecasts



Sources: Company, KBVS Research

Exhibit 9: Peer comparable

Ticker	Market cap	EPS growth (%)		P/E (x)		P/BV (x)		EV/EBITDA (x)		ROE (%)	
	(USD mn)	26F	27F	26F	27F	26F	27F	26F	27F	26F	27F
AMMN	**18,694**	**298.5**	**20.9**	**29.1**	**22.2**	**4.5**	**3.5**	**15.2**	**12.3**	**16.7**	**16.9**
EMAS	6,138	n.a	84.8	46.3	24.5	10.7	7.1	21.9	15.7	32.2	38.7
BRMS	5,002	24.0	99.4	35.3	17.6	3.9	3.5	39.2	26.3	5.8	8.7
ANTM	4,151	47.1	6.5	7.1	6.6	1.8	1.6	4.9	4.6	26.5	25.6
MDKA	4,012	n.a	57.6	27.6	18.4	2.5	1.9	8.1	6.1	15.2	16.4
ARCI	1,760	n.a	66.7	11.6	6.9	3.5	2.6	7.1	6.3	35.8	34.1
Sector		**148.3**	**44.9**	**29.3**	**19.3**	**4.9**	**3.7**	**17.1**	**12.9**	**19.4**	**20.9**

Sources: Company, KBVS Research

Financial tables

Exhibit 10: Profit and Loss

Year end Dec (USD mn)	2024A	2025A	2026F	2027F	2028F
Revenue	**2,664**	**1,847**	**4,131**	**5,219**	**5,204**
CoGS	(1,319)	(1,011)	(2,196)	(2,941)	(2,853)
Gross profit	**1,345**	**836**	**1,935**	**2,277**	**2,351**
Operating expenses	(160)	(162)	(171)	(256)	(255)
Operating profit	**1,185**	**674**	**1,763**	**2,021**	**2,096**
EBITDA	**1,422**	**921**	**2,300**	**2,700**	**2,773**
Other income (expense)	(260)	(326)	(388)	(418)	(448)
Pre-tax profit	**925**	**347**	**1,375**	**1,603**	**1,648**
Income tax	(211)	(65)	(247)	(241)	(247)
Profit for period	**642**	**258**	**1,015**	**1,227**	**1,261**
Minority interest	5	9	22	26	27
Net profit	**637**	**249**	**993**	**1,200**	**1,234**

Source: Company, KBVS Research

Exhibit 11: Balance Sheet

Year end Dec (USD mn)	2024A	2025A	2026F	2027F	2028F
Cash and cash equivalent	754	677	860	805	807
Receivables	271	611	750	948	945
Inventories	472	511	633	848	823
Others	159	396	277	277	277
Total current assets	**2,332**	**3,152**	**3,580**	**4,059**	**4,157**
Fixed asset	4,502	5,635	6,532	7,449	8,316
Mining properties	179	178	175	172	169
Stockpiles	876	992	1,220	1,448	1,676
Deferred stripping ratio	2,803	3,322	3,896	4,441	4,961
Others	428	592	510	510	510
Total assets	**11,121**	**13,871**	**15,912**	**18,080**	**19,788**
ST. debt	476	552	595	638	680
Payables	610	587	1,300	1,741	1,688
Other current liabilities	71	272	171	171	171
Total current liabilities	**1,156**	**1,410**	**2,066**	**2,549**	**2,540**
LT. debt	3,809	5,881	6,338	6,795	7,252
Other non current liabilities	907	1,149	1,028	1,028	1,028
Total liabilities	**5,873**	**8,440**	**9,431**	**10,372**	**10,820**
Minority interest	89	93	115	141	168
Total Equity	**5,248**	**5,431**	**6,481**	**7,708**	**8,969**

Source: Company, KBVS Research

Exhibit 12: Cash Flow

Year end Dec (USD mn)	2024A	2025A	2026F	2027F	2028F
Net profit	**637**	**249**	**993**	**1,200**	**1,234**
Depreciation and amortization	356	124	537	611	683
Change in working capital	(183)	(637)	328	(95)	(147)
Operating cash flow	**1,072**	**(105)**	**1,778**	**1,716**	**1,770**
Fixed assets	(1,906)	(1,430)	(1,239)	(1,305)	(1,301)
Mining properties	36	3	4	5	5
Stockpiles	159	(115)	(228)	(228)	(228)
Investing cash flow	**(2,592)**	**(2,053)**	**(2,152)**	**(2,298)**	**(2,295)**
Net - borrowing	1,070	2,147	500	500	500
Others	0	0	0	0	0
Financing cash flow	**1,046**	**2,081**	**557**	**526**	**527**
Net cash flow	(474)	(77)	184	(56)	2
Cash at beginning	1,229	754	677	860	805
Cash at ending	**754**	**677**	**860**	**805**	**807**

Source: Company, KBVS Research

Exhibit 13: Key Performance Metrics

Year end Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Revenue	31.0	(30.7)	123.7	26.3	(0.3)
Gross profit	49.1	(37.9)	131.5	17.7	3.2
EBIT	54.4	(43.1)	161.7	14.7	3.7
EBITDA	44.4	(35.2)	149.8	17.4	2.7
Net profit	152.6	(60.9)	298.8	20.9	2.8
Profitability (%)					
Gross margin	50.5	45.3	46.8	43.6	45.2
EBIT margin	44.5	36.5	42.7	38.7	40.3
EBITDA margin	53.4	49.9	55.7	51.7	53.3
Net margin	23.9	13.5	24.0	23.0	23.7
ROE	12.9	4.7	16.7	16.9	14.8
ROA	6.3	2.0	6.7	7.1	6.5
Solvency (x)					
Current ratio	2.0	2.2	1.7	1.6	1.6
Quick ratio	0.9	0.9	0.8	0.7	0.7
Interest coverage	5.0	2.4	5.5	6.1	5.8

Source: Company, KBVS Research

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