

April 25th, 2025
Plantation, Equity

Price IDR 56
Target Price IDR 79
JKSE Index IDR 6,678.92



Stock Code
Bloomberg code
Market cap (IDR Bn)
52-Week High (IDR)
52-Week Low (IDR)
Free Float (%)

BWPT IJ
1,765.4
73
50
22.66

Major Shareholders (%)
PT Rajawali Capital
International
FICP
Treasury
BOD
Public

37.70%
37.00%
1.28%
0.04%
23.98%

USD/IDR-YE (JISDOR)
2024A
2025F

16,201
16,292

Key Indicators
DER (x)
Debt ratio (x)
EBITDA Margin (%)

2025F
1.63
0.45
34.10

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BUY

Investment Considerations

A Challenging Year Marked by Productivity Gain

In 2024, BWPT faced weather-related challenges, with total FFB production (including plasma) declining 8.73% YoY to 1,041,514 MT, mainly due to the impact of El Niño. Consequently, CPO and PK production fell by 17.63% and 17.01% YoY, respectively. Despite lower output, the company achieved an 8% YoY increase in FFB yield, though CPO yield declined 2% YoY. Mill efficiency improved, with the Oil Extraction Rate (OER) rising to 23.57% and the Kernel Extraction Rate (KER) to 4.40%, up from 22.96% and 4.25% in the previous year. By year-end 2025, BWPT targets a 5.95% increase in production, with further improvements in OER to 23.95% and KER to 4.47%.

Strong Profitability Driven by Digitalization and Cost Control

In 2024, BWPT delivered strong profitability, supported by digital initiatives and cost efficiencies. Net profit attributable to the parent rose 46.99% YoY to IDR 260.21 billion, driven by a 2.33% increase in revenue and a 3.15% reduction in COGS. Cost savings were supported by a 38.27% drop in FFB purchases and a 21.68% decline in mill bulking costs. Interest expenses also decreased 15.06%, aided by a shift toward market-based debt financing. For 2025, net profit is projected to grow 28.40% YoY, with revenue expected to rise 3.29% YoY.

Enhanced Solvency through Strategic Financing

BWPT significantly improved its balance sheet, with the Debt-to-Equity Ratio (DER) falling to 1.80x in December 2024, from 2.34x in the prior year. This was achieved through a shift from traditional bank loans to corporate bond issuance. In July 2024, BWPT issued "Obligasi Berkelanjutan I Tahap I Tahun 2024" worth IDR 61.85 billion, maturing July 2025 at a 9.75% annual coupon. In February 2025, it followed with "Obligasi Berkelanjutan I Tahap II Tahun 2025" totaling IDR 30.09 billion, split between:

- Series A: IDR 23.92 billion at 9.75%, 1-year maturity
- Series B: IDR 6.17 billion at 11%, 3-year maturity

By the end of 2025, the DER is expected to improve further to 1.63x.

Strategic Growth and Financial Restructuring in 2025

BWPT plans to commission a new mill in East Kalimantan and expand Kernel Crushing Plant (KCP) operations, expected to come online in H1 2025. It is also increasing its renewable energy efforts through the expansion of biogas power plants to support KCP operations. Additionally, BWPT will address its accumulated losses of IDR 4.07 trillion via a quasi-reorganization using Additional Paid-in Capital, eliminating negative retained earnings. This restructuring is expected to improve the financial profile, potentially enable future dividend distributions, and enhance share liquidity by attracting new investors.

Valuation: BUY, TP IDR 79

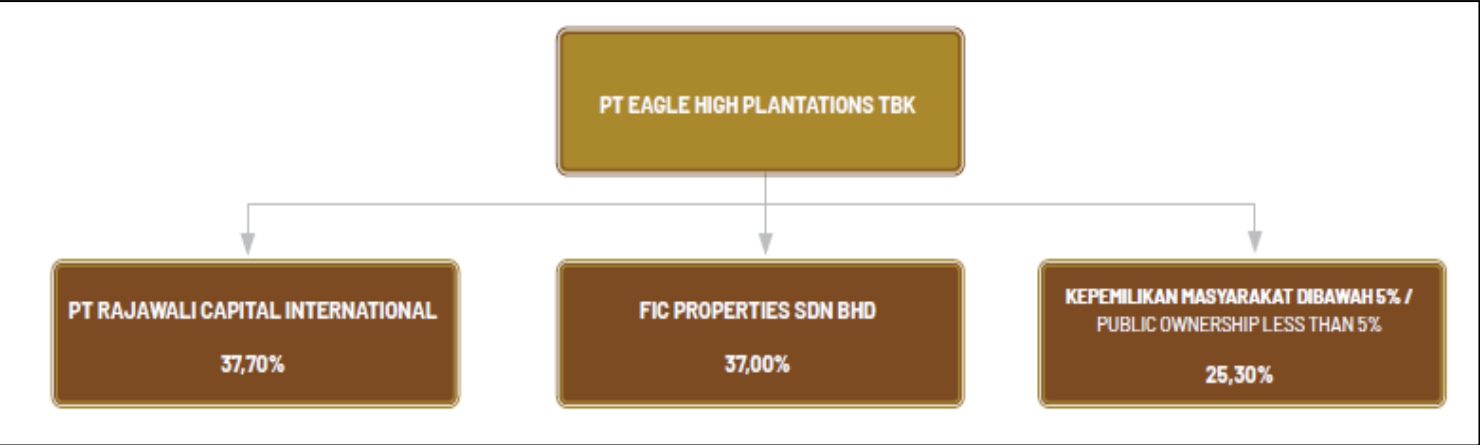
Following the FY-2024 results, we revise our EV/EBITDA target to 4.54x and maintain our BUY recommendation with a target price of IDR 79/share, reflecting a 7.36x PER and offering 41.03% upside potential.

Financial Highlight	2022 A	2023 A	2024 A	2025 F
Net Income Attributable to The Parent (IDR Bn)	17.48	177.03	260.21	334.12
ROE (%)	0.86%	8.42%	11.28%	12.87%
Debt Ratio (x)	0.58	0.50	0.45	0.45
EPS (IDR)	0.55	5.68	8.36	10.74
EV/EBITDA	8.19	6.03	4.41	4.54

Company Profile

PT Eagle High Plantations Tbk (BWPT) was founded on November 6, 2000, initially under the name PT Bumi Perdana Prima Internasional and rebranded as PT BW Plantation Tbk in 2007. It has been listed on the Indonesia Stock Exchange (IDX) since October 27, 2009, under the ticker BWPT. In 2014, the company acquired the Green Eagle Group, evolving into its current identity. BWPT operates in the palm oil sector, producing crude palm oil (CPO) and palm kernel (PK). The company manages approximately 87,000 hectares of plantations across Sumatra, Kalimantan, and Papua, with a focus on sustainable development, aligning economic growth with environmental, social, and governance (ESG) principles.

Structure Ownership



Plantation Profile



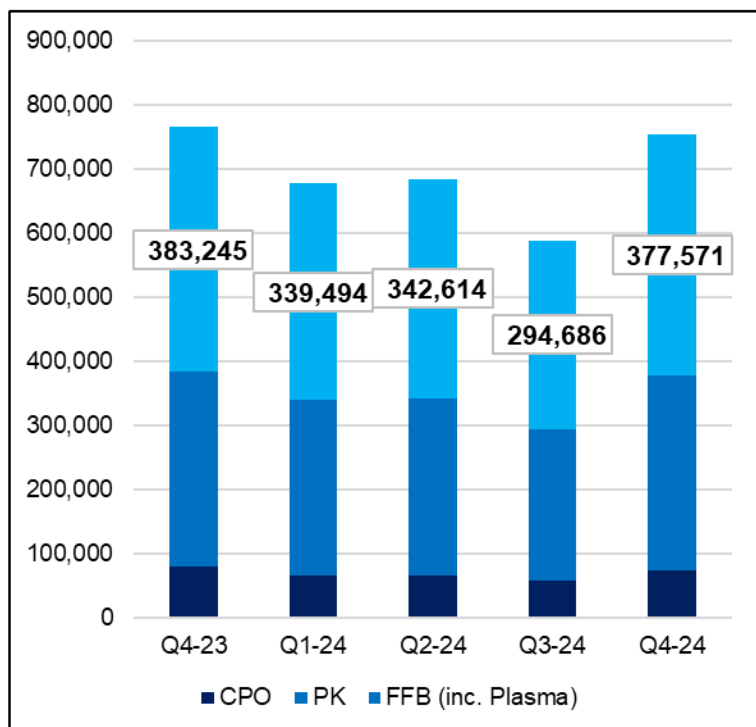
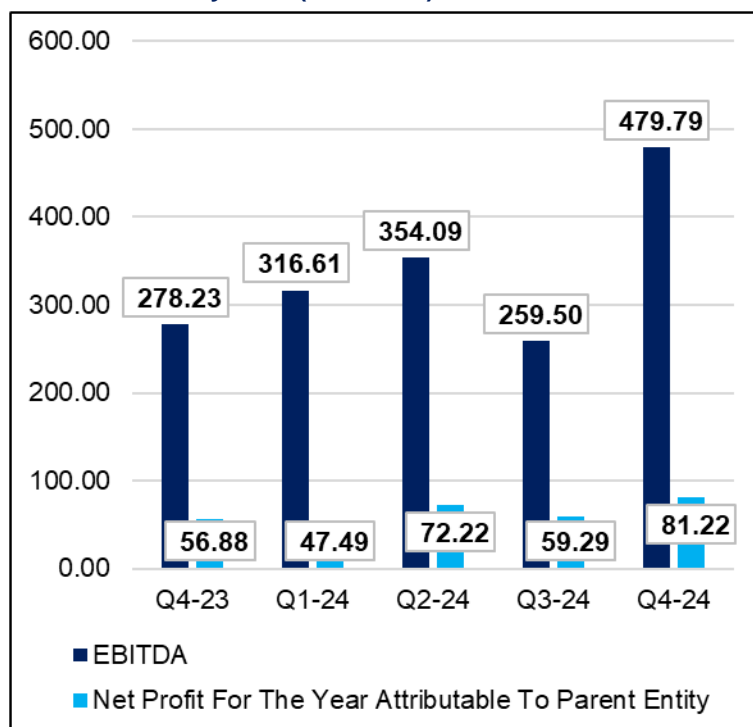
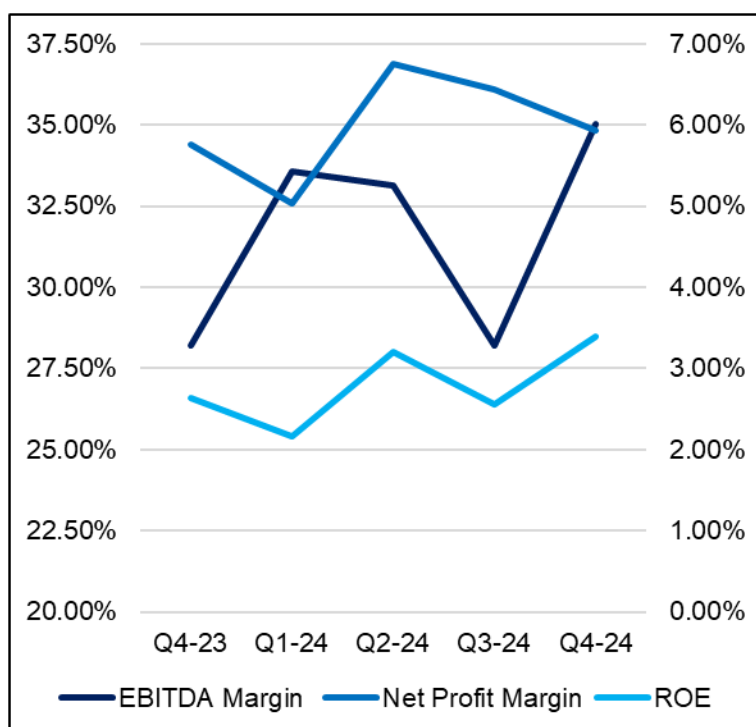
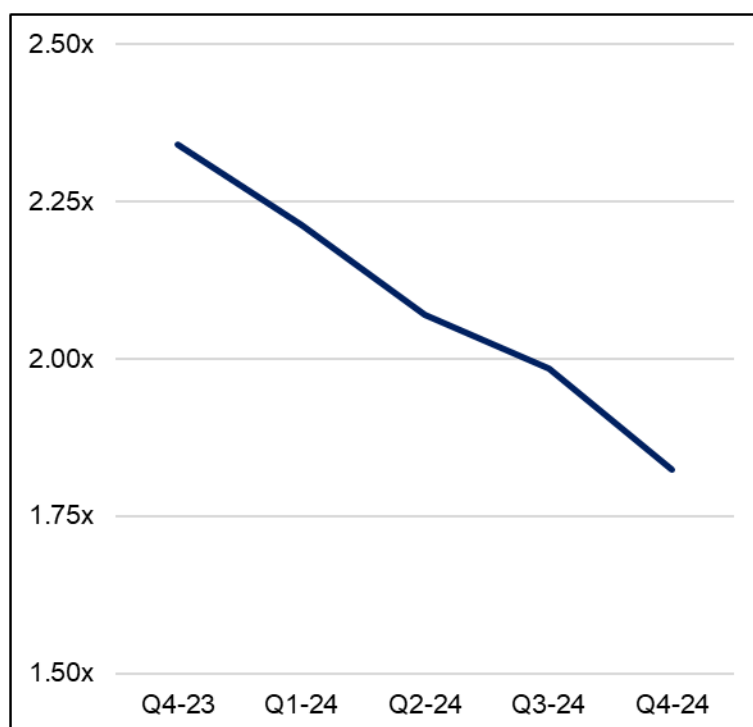
Chart 1: BWPT Production QoQ (in MT)

Chart 2: EBITDA and Net Profit For The Year Attributable To Parent Entity QoQ (in IDR Bn)

Chart 3: BWPT's Profitability Ratio QoQ (in %)

Chart 4: BWPT's Solvency Ratio QoQ (x)


Chart 1: BWPT Production YoY (in MT)

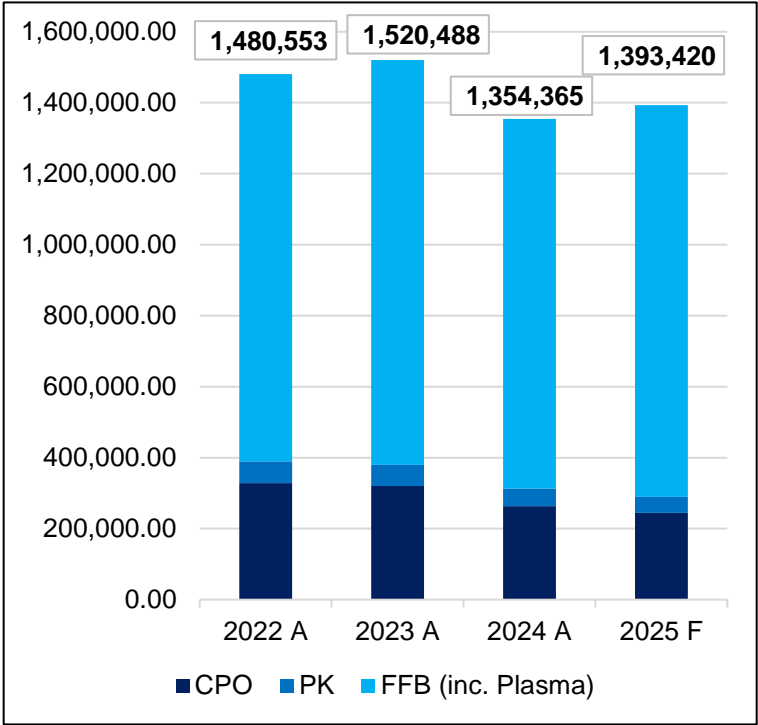


Chart 2: EBITDA and Net Profit For The Year Attributable To Parent Entity YoY (in IDR Bn)

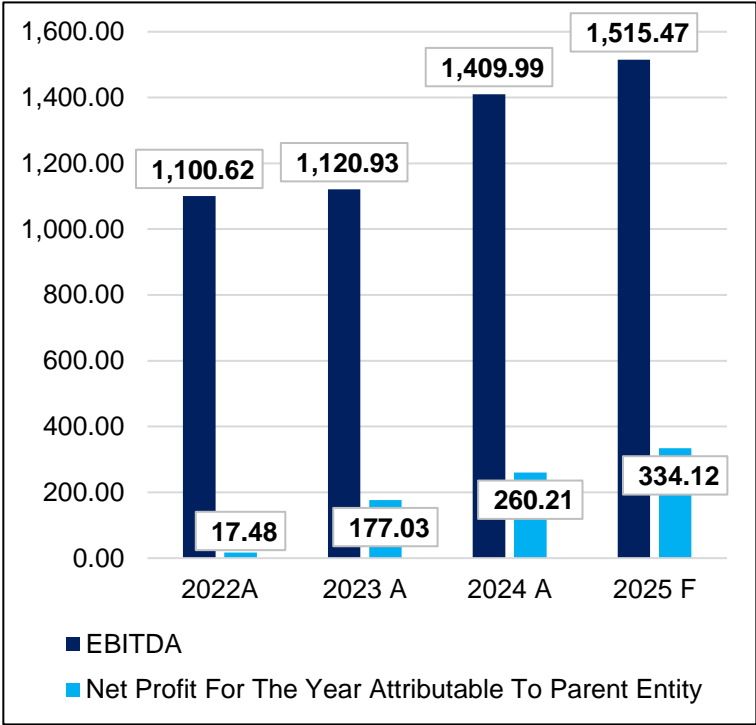


Chart 3: BWPT's Profitability Ratio YoY (in %)

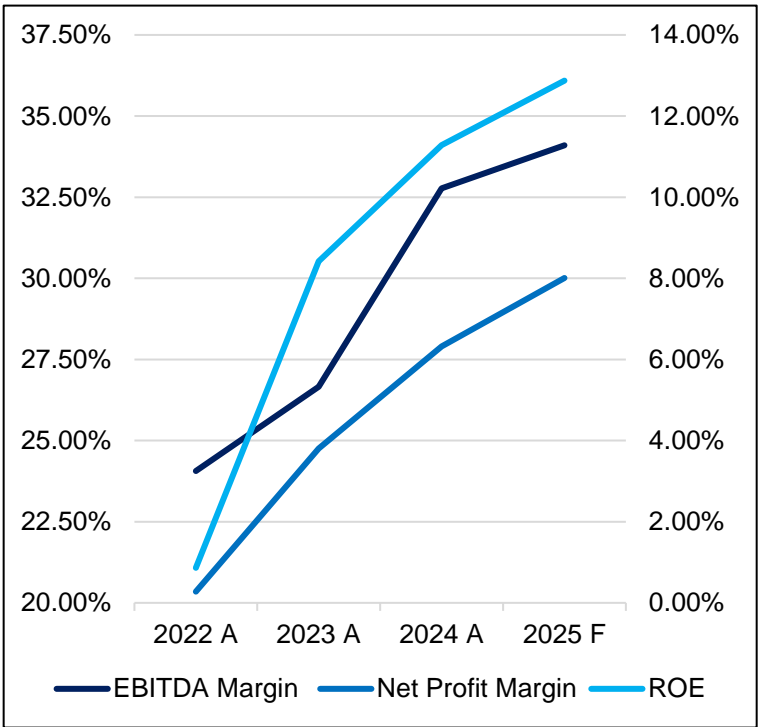
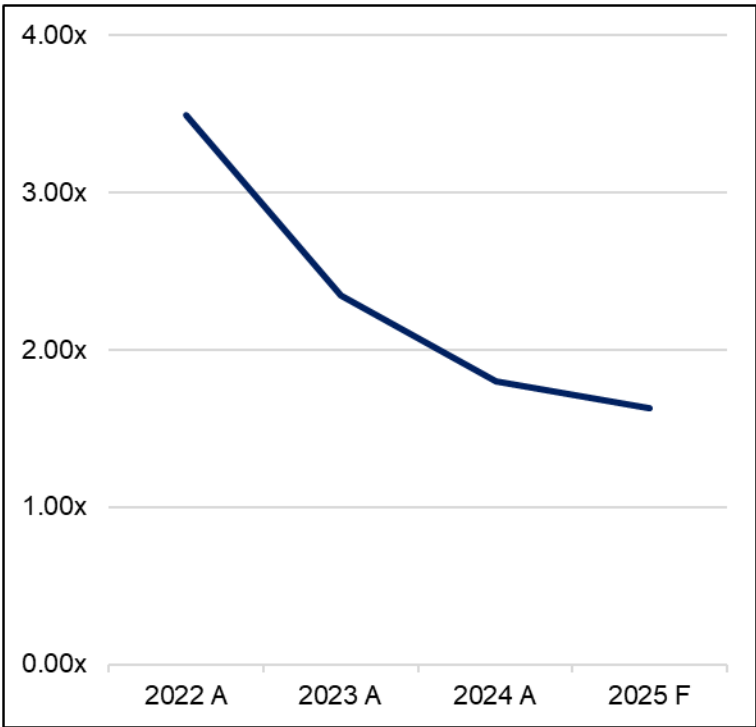


Chart 4: BWPT's Solvency Ratio YoY (x)



Profit or Loss QoQ

Statements of Profit or Loss (IDR Bn)	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024
Net sales	986.21	943.36	1,069.04	920.08	1,370.19
Cost of Goods Sold	(687.54)	(666.17)	(750.17)	(644.10)	(987.81)
Gross Profit	298.67	277.19	318.87	275.98	382.38
Operating Expenses	(81.78)	(94.31)	(93.63)	(81.06)	(58.91)
Operating Profit	216.88	182.88	225.24	194.92	323.47
Other income (Expenses)	(239.15)	(100.70)	(122.30)	(83.21)	(154.19)
Income Before Tax	(22.26)	82.18	102.94	111.71	169.28
Tax	77.94	(31.30)	(28.82)	(51.56)	(82.29)
Net Income	55.67	50.89	74.12	60.14	86.98
Income For The Year Attributable To NCI	(1.21)	3.39	1.91	0.86	5.77
Net Profit For The Year Attributable To Parent Entity	56.88	47.49	72.21	59.29	81.22
EBITDA	278.23	316.61	354.09	259.50	479.79
EPS	1.80	1.52	2.32	1.90	2.61

Financial Position QoQ

Statements of Financial Position (IDR Bn)	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024
Cash on hand and in banks	27.38	63.01	30.86	45.00	58.08
Trade receivables - net	32.14	63.28	94.45	31.30	59.10
Inventories - net	1,131	917	690	479	241
Other current assets	109.70	335.58	706.91	789.15	1,062.28
Total Current Assets	1,300.01	1,378.52	1,521.99	1,344.85	1,420.68
Property, plant and equipment - net	3,198.86	3,156.06	3,107.24	3,238.85	3,166.23
Other non-current assets	5,684.64	5,555.06	5,441.10	5,284.34	5,207.48
Total Non-current Assets	8,883.50	8,711.12	8,548.34	8,523.19	8,373.70
Total Asset	10,183.51	10,089.64	10,070.32	9,868.03	9,794.38
Short-term debt	655.38	703.86	638.45	639.68	495.06
Trade accounts payable	704.90	650.55	687.29	608.17	608.31
Current portion of long-term debt	1,187.79	1,142.43	1,165.66	747.30	814.02
Other current liabilities	965.03	1,082.42	1,123.00	1,013.89	1,027.74
Total Current Liabilities	3,513.09	3,579.26	3,614.40	3,009.04	2,945.12
Long-term debt	3,265	3,067	2,942	3,279	3,123
Other non-current liabilities	1,214.04	1,210.07	1,206.79	1,212.87	1,274.23
Total Non-current Liabilities	4,478.88	4,277.22	4,148.63	4,491.57	4,397.17
Total Liabilities	7,991.96	7,856.48	7,763.03	7,500.61	7,342.29
Total Equity Attributable to Owners of the Company	2,182.32	2,220.54	2,292.76	2,352.04	2,430.93
Non-controlling interests	9.24	12.63	14.54	15.39	21.16
Total Equity	2,191.55	2,233.17	2,307.29	2,367.43	2,452.09
Total Liabilities & Equity	10,183.51	10,089.64	10,070.32	9,868.03	9,794.38

Ratio Analysis (QoQ)

Ratio Analysis (QoQ)	Q4-23	Q1-24	Q2-24	Q3-24	Q4-24
Liquidity					
Current Ratio (x)	0.37	0.39	0.42	0.45	0.48
Quick Ratio (x)	0.05	0.13	0.23	0.29	0.40
Cash Ratio (x)	0.01	0.02	0.01	0.01	0.02
Profitability					
Operating Margin	21.99%	19.39%	21.07%	21.18%	23.61%
Gross Profit Margin	30.28%	29.38%	29.83%	30.00%	27.91%
Net Profit Margin	5.77%	5.03%	6.76%	6.44%	5.93%
EBITDA Margin	28.21%	33.56%	33.12%	28.20%	35.02%
Return on Equity	2.64%	2.16%	3.20%	2.55%	3.40%
Return on Assets	0.56%	0.47%	0.72%	0.59%	0.83%
Efficiency					
Receivable turnover (x)	16.31	19.77	13.56	14.63	30.31
Inventory turnover (x)	1.60	1.51	1.72	1.44	2.06
DSO	5.64	4.60	6.71	6.29	3.03
DIO	29.23	30.55	26.90	32.48	22.62
DPO	90.11	92.58	81.14	92.52	56.65
Solvency					
Debt-to-equity ratio	2.34	2.21	2.07	1.98	1.82
Debt ratio	0.50	0.49	0.47	0.47	0.45
Interest coverage	1.43	1.51	2.10	1.61	2.48
Per Share Ratio (IDR)					
EPS	1.80	1.52	2.32	1.90	2.61
BVPS	69.22	71.22	73.67	75.57	78.11

Profit or Loss YoY

Statements of Profit or Loss (IDR Bn)	2022 A	2023 A	2024 A	2025 F
Net sales	4,574.12	4,204.61	4,302.68	4,444.40
Cost of Goods Sold	(3,542.67)	(3,147.47)	(3,048.25)	(3,008.94)
Gross Profit	1,031.46	1,057.15	1,254.43	1,435.46
Operating Expenses	(370.35)	(353.68)	(327.92)	(340.64)
Operating Profit	661.11	703.47	926.51	1,094.82
Other income (Expenses)	(776.04)	(827.62)	(460.40)	(518.24)
Income Before Tax	(114.93)	(124.15)	466.11	576.58
Tax	127.57	284.12	(193.97)	(220.67)
Net Income	12.63	159.97	272.13	355.91
Income For The Year Attributable To NCI	(4.84)	(17.06)	11.92	21.79
Net Profit For The Year Attributable To Parent Entity	17.48	177.03	260.21	334.12
EBITDA	1,100.62	1,120.93	1,409.99	1,515.47
EPS	0.55	5.68	8.36	10.74

Financial Position YoY

Statements of Financial Position (IDR Bn)	2022 A	2023 A	2024 A	2025 F
Cash on hand and in banks	108.88	27.38	58.08	77.63
Trade receivables - net	41.01	32.14	59.10	55.66
Inventories - net	484.15	214.13	241.22	267.28
Other current assets	1,249.74	1,026.36	1,062.28	1,219.26
Total Current Assets	1,883.77	1,300.01	1,420.68	1,619.83
Fixed Assets	3,487.98	3,198.86	3,166.23	3,199.99
Other non-current assets	6,851.82	5,684.64	5,207.48	5,189.07
Total Non-current Assets	10,339.80	8,883.50	8,373.70	8,389.06
Total Asset	12,223.57	10,183.51	9,794.38	10,008.89
Short-term debt	843.03	655.38	556.61	444.27
Trade accounts payable	715.29	704.90	608.31	632.90
Current portion of long-term debt	688.73	1,187.79	752.47	1,090.45
Other current liabilities	1,147.24	965.03	1,027.74	842.11
Total Current Liabilities	3,394.29	3,513.09	2,945.12	3,009.73
Long-term debt	5,527.37	3,264.84	3,122.94	2,962.71
Other non-current liabilities	1,252.26	1,214.04	1,274.23	1,245.06
Total Non-current Liabilities	6,779.63	4,478.88	4,397.17	4,207.77
Total Liabilities	10,173.93	7,991.96	7,342.29	7,217.50
Total Equity Attributable to Owners of the Company	2,023.35	2,182.32	2,430.93	2,759.87
Non-controlling interests	26.29	9.24	21.16	31.52
Total Equity	2,049.64	2,191.55	2,452.09	2,791.39
Total Liabilities & Equity	12,045.05	12,223.57	10,183.51	9,449.76

Cash Flows

Statements of Cash Flows (IDR Bn)	2022 A	2023 A	2024 A	2025 F
Net Income	12.64	159.97	272.13	355.91
+Depreciation and Amortization	439.51	417.47	483.48	420.65
- Changes in WC	282.34	621.06	(657.93)	(114.99)
Cash From Operating Activities	734.48	1,198.49	97.68	661.57
Changes in Fixed Assets	(631.64)	(128.36)	(450.84)	(454.41)
Changes in Other Long-Term Assets	124.22	1,167.19	477.16	18.40
Cash From Investing Activities	(507.42)	1,038.83	26.32	(436.01)
Changes in Long-Term Liabilities	(319.30)	(2,262.53)	(141.89)	(160.23)
Changes in Long-Term Liabilities	118.36	(38.23)	60.19	(29.17)
Changes in Equity	(20.82)	(18.06)	(11.59)	(16.61)
Cash From Financing Activities	(221.76)	(2,318.82)	(93.30)	(206.00)
Net Changes in Cash	5.30	(81.50)	30.70	19.55
Beginning Balance	103.58	108.88	27.38	58.08
Ending balance	108.88	27.38	58.08	77.63

Ratio Analysis

Ratio Analysis	2022 A	2023 A	2024 A	2025 F
Liquidity				
Current Ratio (x)	0.55	0.37	0.48	0.54
Quick Ratio (x)	0.41	0.31	0.40	0.45
Cash Ratio (x)	0.03	0.01	0.02	0.03
Profitability				
Operating Margin	14.45%	16.73%	21.53%	24.63%
Gross Profit Margin	22.55%	25.14%	29.15%	32.30%
Net Profit Margin	0.28%	3.80%	6.32%	8.01%
EBITDA Margin	24.06%	26.66%	32.77%	34.10%
Return on Equity	0.86%	8.42%	11.28%	12.87%
Return on Assets	0.14%	1.58%	2.60%	3.39%
Efficiency				
Receivable turnover (x)	110.81	114.97	94.32	77.46
Inventory turnover (x)	9.37	9.01	13.39	11.83
DSO	3.29	3.17	3.88	4.71
DIO	38.95	40.49	27.34	30.84
DPO	60.12	82.35	78.84	75.28
Solvency				
Debt-to-equity ratio	3.49	2.34	1.80	1.63
Debt ratio	0.58	0.50	0.45	0.45
Interest coverage	1.14	1.25	1.93	2.31
Per Share Ratio (IDR)				
EPS	0.55	5.68	8.36	10.74
BVPS	64.18	70.00	78.11	88.68

Stock Ratings:

Buy: a recommendation to purchase the security with upside potential of 11.50% or greater

Hold: a recommendation to neither buy nor sell a security with upside potential of 5.75%-11.49%.

Sell: a recommendation to close out a long position in a security with upside potential below 5.75% or negative

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