

NCKL reported a slight 4% YoY dip in revenue for 3M26 to IDR 6.81 trillion as ASP weakened. We also saw gross margins squeezed to 20.1% from 29.5% as COGS ballooned. However, the company's overall bottom line saw a massive improvement of 64% YoY to IDR 2.71 trillion which was caused by higher income from JVs, spearheaded by an increased stake in ONC and higher FeNi production from KPS. We expect further KPS production increases to be the main performance driver for FY26.

**Sales volume spikes, KPS expansion continues**

- NCKL reported elevated sales volumes across all product segments in 3M26. Nickel ore sales increased by 67% YoY to 9.15 million wmt due to higher ore feed for KPS.
- KPS phase 1 and phase 2 production are also both reflected in the 3M26 books, with their combined annual capacity of 120k tons of causing overall NCKL FeNi sales volume to increase by 22% YoY to 53,666 tons.
- MHP sales volume also saw a slight improvement of 8% YoY to 32,613 tons as all HPAL smelters are online and operating at full capacity.

**Government policies shaking the industry**

- The government approved a 2026 RKAB of approximately 270 million wmt — down sharply from 375 million wmt in 2025, and short of an estimated ~345 million wmt of underlying industry demand.
- This was the primary catalyst behind a more than 30% rally in LME nickel prices between late December 2025 and April 2026, as the market priced in a genuine first-half supply squeeze. Prices traded at above USD 19,000/ton in early June as LME inventories continued drawing down and further supply disruptions emerged in the form of rotational high-grade NPI smelter maintenance in Weda Bay.
- Encouragingly, regulatory signaling has turned more constructive in recent weeks. Government confirmation that the controversial 'gross split' fiscal mechanism applies exclusively to oil & gas and not minerals has removed a source of uncertainty that had weighed on mining-sector sentiment.
- We are expecting a move toward a more flexible, price-responsive RKAB framework, under which production quotas could be increased when commodity prices are strong and held back when prices are weak, with scope for supplementary 2H26 quota allocations for select miners.

**BUY recommendation with a TP of IDR 1,000**

- We give NCKL a BUY recommendation with a TP of IDR 1,000. This implies a forward PE of 4.92x, in-line with the company's 3-Yr PE SD-2. Price currently trades at a PE of 5.11x. Our conservative target reflects current market uncertainties surrounding RKAB quota and DSI function, as well as our general careful outlook on the equity market.
- Risk: 1) Regulatory headwinds 2) Decelerating EV expansion 3) Weak Chinese economy

**Trimegah Bangun Persada Tbk.**

| Summary (IDR Billions)

	2025/12A	2026/12E	2027/12F	2028/12F
Revenue	29,633	30,917	32,068	33,220
Growth (%y/y)	9.9%	4.3%	3.7%	3.6%
Net Profit	8,952	12,804	14,543	15,128
Growth (%y/y)	40.3%	43.0%	13.6%	4.0%
Basic EPS (IDR)	142.0	203.3	230.9	240.2
Price / Earnings	7.9x	4.9x	4.3x	4.2x
EV / EBITDA	7.2x	6.0x	5.5x	4.9x
ROE	19.1%	22.1%	21.5%	19.6%
ROA	14.5%	18.5%	19.6%	19.5%

Source : Company Data, Bloomberg, NHKSI Research

**Please consider the rating criteria & important disclaimer**

Company Update | 2<sup>nd</sup> Jul 2026

**Buy**

Target Price (IDR)	1,000
Consensus Price	1,538
TP to Consensus Price	-35.0%
Potential Upside	22.0%

**Shares Data**

Last Price (IDR)	820
Price date as of	1 <sup>st</sup> July 2026
52 wk range (Hi/Lo)	1,595 / 645
Free Float (%)	20.2
Outstanding sh (mn)	62,987
Market Cap (IDR bn)	51,649
Market Cap (USD mn)	2,869
Avg. Trd Vol – 3M (mn)	72.4

**Sector**

**Mining**  
**Sub-Sector**  
**Metals**

Bloomberg	NCKL IJ Equity
Reuters	NCKL JK

**Share Price Performance**



	YTD	1M	3M	12M
Abs. Ret.	-27.1%	-7.9%	-29.9%	24.2%
Rel. Ret.	7.0%	-0.8%	-9.2%	41.9%

**Axell Ebenhaezer**

Senior Research Analyst  
 Mining & Property  
 Axell.Ebenhaezer@nhsec.co.id

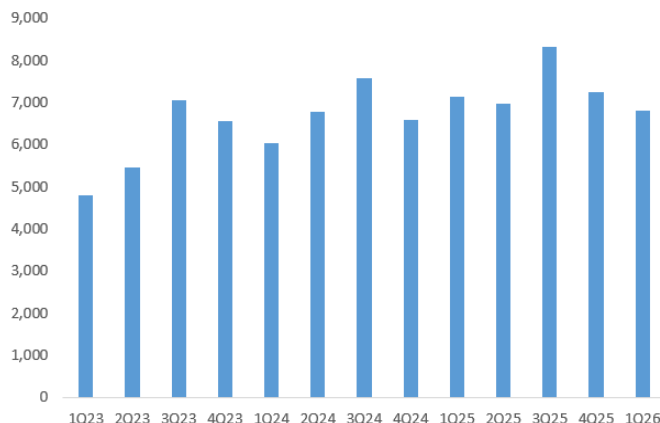
**Performance Highlight**

**Exhibit 1. Quarterly Profit Margins (1Q23 – 1Q26)**



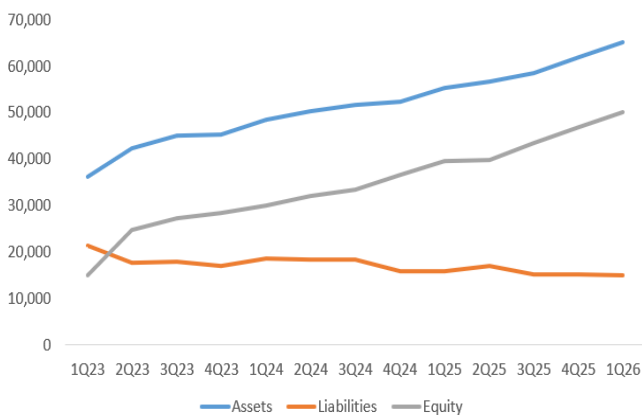
Source : Company, NHKSI Research

**Exhibit 2. Quarterly Revenue (IDR Bn, 1Q23 – 1Q26)**



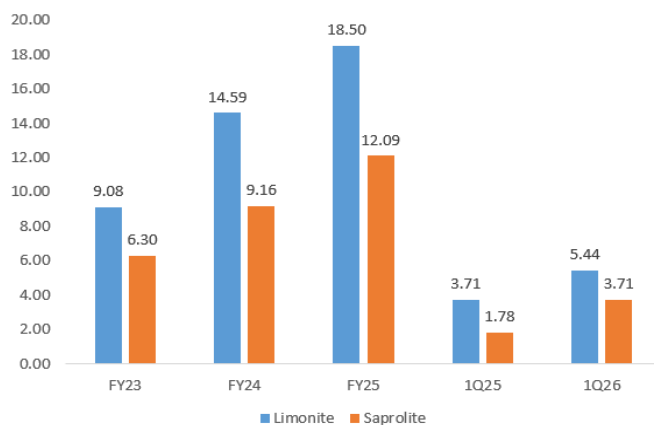
Source : Company, NHKSI Research

**Exhibit 3. Balance Sheet (IDR Bn, 1Q26)**



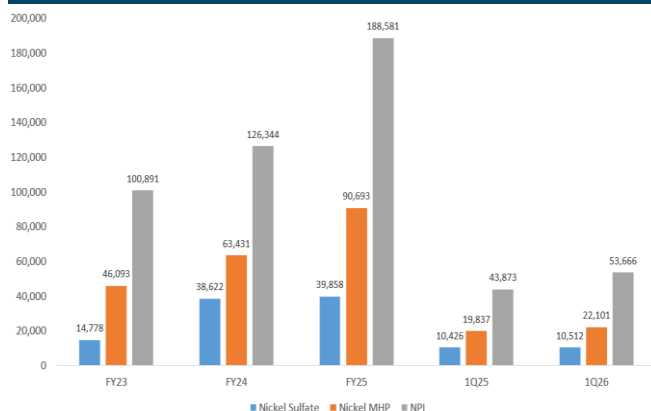
Source : Company, NHKSI Research

**Exhibit 4. Nickel Ore Sales Volume (millions wmt, FY23 – FY26)**



Source : Company, NHKSI Research

**Exhibit 5. Nickel Product Sales Volume (metal tons, FY23 – FY26)**



Source : Company, NHKSI Research

## Summary of Financials

INCOME STATEMENT				
(IDR bn)	2025/12A	2026/12E	2027/12F	2028/12F
Revenue	29,633	30,917	32,068	33,220
Growth (% y/y)	9.9%	4.3%	3.7%	3.6%
Cost of Revenue	(18,142)	(20,865)	(21,466)	(21,665)
<b>Gross Profit</b>	<b>9,691</b>	<b>10,052</b>	<b>10,602</b>	<b>11,555</b>
Gross Margin	32.7%	32.5%	33.1%	34.8%
Operating Expenses	(1,210)	(1,246)	(1,280)	(1,340)
<b>Operating Income</b>	<b>8,481</b>	<b>8,806</b>	<b>9,321</b>	<b>10,215</b>
Operating Margin	28.6%	28.5%	29.1%	30.7%
Depreciation	1,892	1,944	2,090	2,246
<b>EBITDA</b>	<b>10,374</b>	<b>10,750</b>	<b>11,411</b>	<b>12,461</b>
EBITDA Margin	35.0%	34.8%	35.6%	37.5%
<b>EBT</b>	<b>12,155</b>	<b>17,072</b>	<b>19,653</b>	<b>20,443</b>
Income Tax	(1,185)	(1,707)	(2,162)	(2,249)
Minority Interest	(2,019)	(2,561)	(2,948)	(3,066)
<b>Net Profit</b>	<b>8,952</b>	<b>12,804</b>	<b>14,543</b>	<b>15,128</b>
Growth (% y/y)	40.3%	43.0%	13.6%	4.0%
Net Profit Margin	30.2%	41.4%	45.4%	45.5%

BALANCE SHEET				
(IDR bn)	2025/12A	2026/12E	2027/12F	2028/12F
Cash	6,016	7,636	8,754	9,197
Receivables	1,938	2,224	2,538	2,892
Inventories	5,876	7,096	7,665	8,123
<b>Total Current Assets</b>	<b>14,159</b>	<b>17,318</b>	<b>19,410</b>	<b>20,754</b>
Net Fixed Assets	22,808	22,963	23,129	23,307
Other Non Current Assets	24,050	28,945	31,839	33,380
<b>Total Non Current Assets</b>	<b>47,611</b>	<b>51,907</b>	<b>54,968</b>	<b>56,687</b>
<b>Total Assets</b>	<b>61,770</b>	<b>69,226</b>	<b>74,377</b>	<b>77,441</b>
Payables	4,521	5,200	5,617	5,953
ST Debt	1,867	2,000	2,027	1,925
LT Debt	7,514	6,695	6,080	5,775
<b>Total Liabilities</b>	<b>15,014</b>	<b>15,204</b>	<b>15,055</b>	<b>15,055</b>
Capital Stock + APIC	16,677	16,677	16,677	16,677
Retained Earnings	19,126	28,975	37,757	46,340
<b>Shareholders' Equity</b>	<b>46,756</b>	<b>57,964</b>	<b>67,551</b>	<b>76,999</b>

CASH FLOW STATEMENT				
(IDR bn)	2025/12A	2026/12E	2027/12F	2028/12F
Operating Cash Flow	9,932	10,111	13,083	13,244
Investing Cash Flow	(6,772)	(5,052)	(5,815)	(6,050)
Financing Cash Flow	(3,854)	(3,640)	(6,350)	(6,951)
<b>Net Changes in Cash</b>	<b>(470)</b>	<b>1,620</b>	<b>1,118</b>	<b>442</b>

PROFITABILITY & STABILITY				
	2025/12A	2026/12E	2027/12F	2028/12F
ROE	19.1%	22.1%	21.5%	19.6%
ROA	14.5%	18.5%	19.6%	19.5%
Inventory Turnover	3.1x	2.9x	2.8x	2.7x
Receivables Turnover	15.3x	13.9x	12.6x	11.5x
Payables Turnover	4.01x	4.01x	3.82x	3.64x
Dividend Yield	2.9%	4.7%	9.1%	10.4%
Dividend Payout Ratio	32.1%	33.0%	45.0%	45.0%
DER	0.32x	0.26x	0.22x	0.20x
DAR	0.24x	0.22x	0.20x	0.19x
Equity Multiplier	1.32x	1.19x	1.10x	1.01x
Current Ratio	2.13x	2.28x	2.44x	2.54x
Quick Ratio	1.19x	1.30x	1.42x	1.48x
Total Shares (bn)	62.99	62.99	62.99	62.99
Share Price (IDR)	1,125	1,000	1,000	1,000
Market Cap (IDR tn)	70.9	63.0	63.0	63.0

VALUATION INDEX				
	2025/12A	2026/12E	2027/12F	2028/12F
Price / Earnings	7.92x	4.92x	4.33x	4.16x
Price / Book Value	1.52x	1.09x	0.93x	0.82x
EV / EBITDA	7.16x	5.96x	5.46x	4.93x
EV (IDR bn)	74,225	64,046	62,340	61,491
Basic EPS (IDR)	142	203	231	240
BVPS (IDR)	742	920	1,072	1,222

OWNERSHIP	
<b>By Geography*</b>	%
Indonesia	90.01
Hong Kong	7.12
United States	0.92
<b>Shareholders</b>	%
PT Harita Jayaraya	79.79
Glencore International Investments	6.28
Public	13.93

\*based on publicly reported holdings, not total shares outstanding

Source : Bloomberg, NHKSI Research

## NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication
2. Rating system based on a stock's potential upside from the date of publication

- Buy : Greater than 15%
- Overweight : +5% to 15%
- Hold : -5% to +5%
- Underweight : -5% to -15%
- Sell : Less than -15%



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