United Tractors Tbk. (UNTR)

Gold Restart Anchors Recovery

UNTR booked a 94% YoY decline in 2Q26 net income to IDR 313 billion (IDR 4.9 trillion in 2Q25), dragging 1H26 net profit to IDR 956 billion (-88% YoY) as consolidated revenue fell 13% YoY to IDR 29.7 trillion in the quarter and 15% YoY to IDR 58.3 trillion in the half. Stripping out IDR 3.3 trillion of non-recurring charges (the Supreme Energy Rantau Dedap geothermal impairment and the PPKH forest-area settlement at Stargate), core 1H26 earnings were IDR 4.3 trillion (-48% YoY). The Martabe suspension wiped gold sales volume (23k oz vs 125k oz) precisely as bullion peaked, while the 600mn ton national RKAB cut gutted heavy equipment performance (-28% YoY). Mining contracting was the sole grower (+4% YoY) on a weaker rupiah. We adjusted our FY26F net profit by 58% and TP to IDR 27,600 while upgrading to a BUY rating.

RKAB relaxation should reset volumes from 2H26

- The FY26 coal RKAB was approved at roughly 600mn tons versus 817mn tons of actual FY25 output, in-line with the 600-650mn ton range we modelled in March.
- ESDM has since revised the national target upward to approximately 733mn tons following the July revision window, with 1H26 realization already at 367mn tons. This is the single most important swing factor for UNTR's 2H26 and FY27 volumes, and it is not yet reflected in consensus numbers.
- Komatsu sales fell 27% YoY to 1,994 units in 1H26, with heavy mining machines down 55% YoY to 325 units as coal customers deferred fleet replacement.
- Mining absorbed 52% of units (65% in 1H25) while construction rose to 20% from 11%; a mix shift that lowers ASP but broadens the demand base. We forecast FY26F Komatsu volume of 3,750 units, with order intake recovering only from 4Q26 given delivery lead times.
- PAMA Group's overburden removal fell 10% YoY to 481mn bcm as client coal production declined 3% YoY to 67mn tons, with stripping ratio easing to 7.2x from 7.7x. Lower stripping is margin-dilutive per ton, but the segment still grew revenue 4% YoY on USD strength. We forecast FY26F overburden of 981mn bcm before a recovery towards 1,050mn bcm in FY27F.
- Coal pricing has moved decisively in UNTR's favor: HBA (6,322 kcal) is USD 124.44/ton in early August versus a FY25 average near USD 100.81/ton, with Newcastle at roughly USD 130/ton against USD 107.5/ton in FY25.
- Turangga Resources' own coal volume of 6.0mn tons (-10% YoY) was heavily front-loaded (4.0mn tons in 1Q26 against just 2.0mn tons in 2Q26) which is why segment revenue fell 39% QoQ despite firmer prices.

Martabe restart is the swing factor, not the gold price

- Gold sales collapsed 82% YoY to 23k oz in 1H26 after the January permit suspension that followed the November 2025 North Sumatra floods. Agincourt settled with an approximately IDR 200 billion payment and resumed operations in mid-May under tighter environmental oversight.
- The timing was maximally unfortunate. Gold peaked at USD 5,597/oz on in January and now trades near USD 4,330/oz, still 28% above year-ago levels. UNTR was effectively absent from the strongest bullion market on record. We cut our FY26F gold ASP assumption to USD 4,300/oz from USD 6,000/oz, and lower FY26F sales volume to 75k oz from 210–220k oz.
- We see 2H26 gold revenue near IDR 4.5 trillion against IDR 1.8 trillion in the whole of 1H26. a swing worth roughly IDR 2.8 trillion at the gross profit line on its own given Martabe's low cash cost base.
- Stargate's nickel ore sales fell 19% YoY to 886k wmt, reflecting the national nickel RKAB cut to roughly 210–260mn tons from 379mn tons realized in FY25.
- Offsetting this, UNTRs 20.13%-owned Nickel Industries secured a 2026 ore quota of 14.3mn wmt, up from 9.0mn wmt, which should lift associate income from FY27F.
- The February acquisition of Arafura Surya Alam is now consolidated and is the principal reason deferred exploration and development expenditure jumped to IDR 11.2 trillion from IDR 2.8 trillion.
- Gold remains the structural growth story, with group production potentially nearing 400k oz by FY28F, with a heavy investing cash flow year expected in FY26.

BUY recommendation with a TP of IDR 27,600

- We expect FY26F revenue to fall by 7% to IDR 119.6 trillion and net profit by 58% to IDR 6.2 trillion (IDR 9.5 trillion excluding non-recurring items).
- As FY26 is distorted by both the Martabe outage and IDR 3.3 trillion of one-offs, we anchor valuation on FY27F while applying a target PE of 6.5x, below the 5-year mean of roughly 6.9x. This yields a TP of IDR 27,600.
- Risks: 1) further RKAB or DMO tightening 2) renewed permit action against Martabe or Stargate 3) gold price retracement

United Tractors Tbk. | Summary (IDR Billions)

	2025/12A	2026/12E	2027/12F	2028/12F
Revenue	131,301	122,159	140,291	151,769
Growth (%y/y)	*-2.3%*	*-7.0%*	*14.8%*	*8.2%*
Net Profit	14,810	6,199	14,557	16,819
Growth (%y/y)	24.2%	58.1%	134.8%	15.5%
Basic EPS (IDR)	4,082	1,797	4,244	4,976
Price / Earnings	5.79x	15.34x	6.50x	5.54x
EV / EBITDA	2.29x	3.96x	2.90x	2.45x
ROE	14.4%	6.1%	13.4%	14.4%
ROA	8.3%	3.5%	7.9%	8.7%

Source : Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Company Update | 12th August 2026

Buy

Target Price (IDR)	**27,600**
Consensus Price	28,695
TP to Consensus Price	-3.8%
Potential Upside	+16.8%

Shares Data

Last Price (IDR)	23,625
Price date as of	11th Aug 2026
52 wk range (Hi/Lo)	32,825 / 20,125
Free Float (%)	33.6
Outstanding sh (mn)	3,730
Market Cap (IDR bn)	88,124
Market Cap (USD mn)	4,895
Avg. Trd Vol – 3M (mn)	5.23

Sector
Industrials
Sub-Sector
Machinery

Bloomberg	UNTR IJ Equity
Reuters	UNTR JK

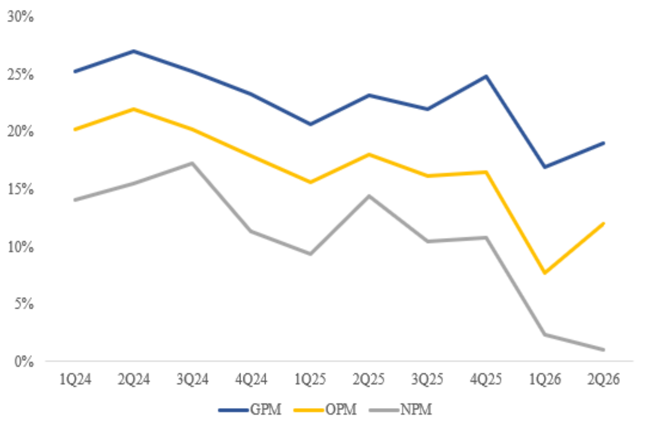
Share Price Performance

	YTD	1M	3M	12M
Abs. Ret.	-19.9%	-3.6%	-13.1%	-2.7%
Rel. Ret.	7.6%	-9.4%	-3.8%	14.9%

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

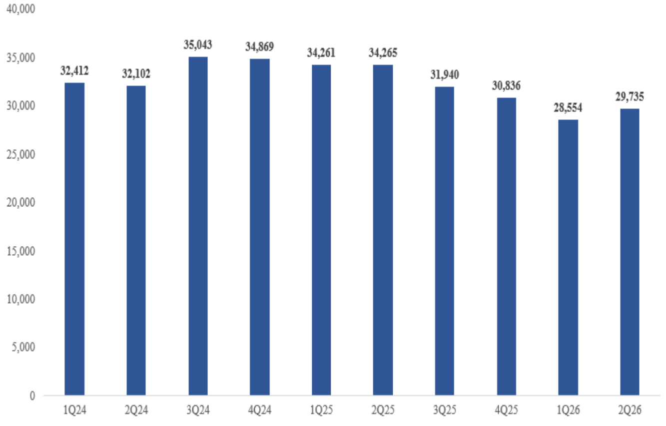
Performance Highlights

Exhibit 1. Quarterly Profit Margins (1Q24 – 2Q26)



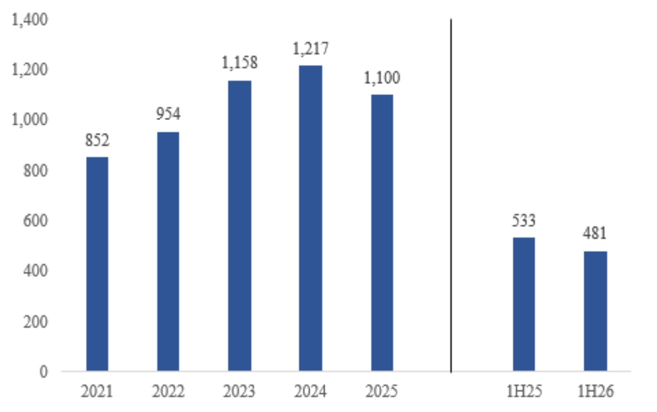
Source : Company, NHKSI Research

Exhibit 2. Quarterly Revenue (IDR Bn, 1Q24 – 2Q26)



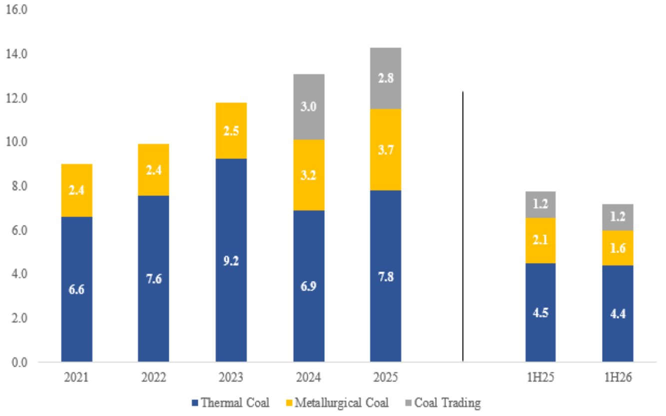
Source : Company, NHKSI Research

Exhibit 3. Overburden Removal Volume (Mn BCM, FY21 – 1H26)



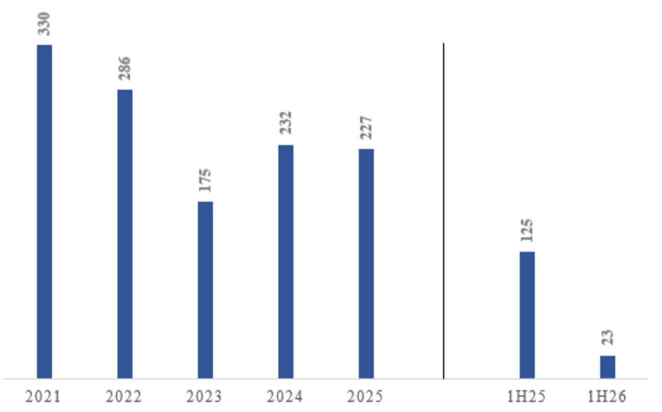
Source : Company, NHKSI Research

Exhibit 4. Coal Sales Volume (Mt, FY21 – 1H26)



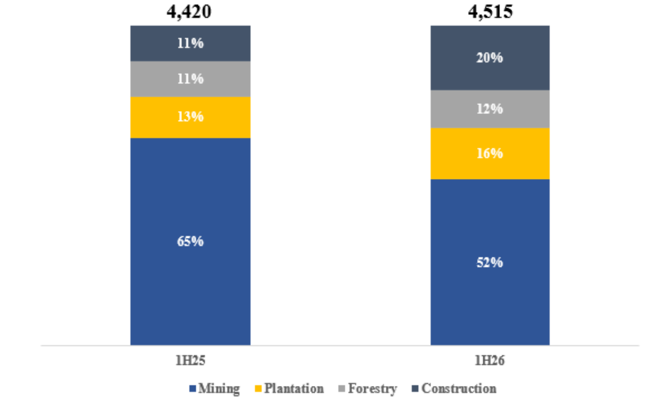
Source : Company, NHKSI Research

Exhibit 5. Gold Sales Volume (Koz, FY21 – 1H26)



Source : Company, NHKSI Research

Exhibit 6. Komatsu Sales Breakdown (1H25 vs 1H26)



Source : Company, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2025/12A	2026/12F	2027/12F	2028/12F
Revenue	**131,301**	**122,159**	**140,291**	**151,769**
Growth (% y/y)	*-2.3%*	*-7.0%*	*14.8%*	*8.2%*
Cost of Revenue	(101,597)	(98,271)	(108,138)	(116,192)
Gross Profit	**29,704**	**23,887**	**32,152**	**35,577**
Gross Margin	*22.6%*	*19.6%*	*22.9%*	*23.4%*
Operating Expenses	(7,903)	(9,708)	(9,543)	(9,994)
EBIT	**21,800**	**14,179**	**22,609**	**25,584**
EBIT Margin	*16.6%*	*11.6%*	*16.1%*	*16.9%*
Depreciation	12,167	11,777	12,380	12,546
EBITDA	**33,967**	**25,956**	**34,989**	**38,129**
EBITDA Margin	*25.9%*	*21.2%*	*24.9%*	*25.1%*
EBT	**20,182**	**9,824**	**21,509**	**24,884**
Income Tax	(5,005)	(3,690)	(6,453)	(7,465)
Minority Interest	(366)	64	(500)	(600)
Net Profit	**14,810**	**6,199**	**14,557**	**16,819**
Growth (% y/y)	*-24.2%*	*-58.1%*	*134.8%*	*15.5%*
Net Profit Margin	*11.3%*	*5.1%*	*10.4%*	*11.1%*

PROFITABILITY & STABILITY

	2025/12A	2026/12F	2027/12F	2028/12F
ROE	14.4%	6.0%	13.1%	14.0%
ROA	8.3%	3.4%	7.5%	8.3%
Inventory Turnover	6.07x	5.98x	6.08x	6.19x
Receivables Turnover	6.98x	5.89x	6.08x	6.19x
Payables Turnover	2.63x	2.85x	2.81x	2.81x
Dividend Yield	6.8%	3.6%	6.6%	7.8%
Dividend Payout Ratio	50.3%	58.1%	45.2%	45.8%
DER	0.72x	0.76x	0.73x	0.69x
DAR	0.42x	0.43x	0.42x	0.41x
Equity Multiplier	1.72x	1.76x	1.73x	1.69x
Current Ratio	1.36x	1.16x	1.25x	1.34x
Quick Ratio	1.04x	0.88x	0.96x	1.04x
Total Shares (bn)	3.73	3.73	3.73	3.73
Share Price (IDR)	29,500	27,600	27,600	27,600
Market Cap (IDR tn)	110.0	103.0	103.0	103.0

BALANCE SHEET

(IDR bn)	2025/12A	2026/12F	2027/12F	2028/12F
Cash	26,571	21,353	26,719	32,221
Receivables	20,255	20,750	23,062	24,533
Inventories	16,730	16,423	17,776	18,782
Total Current Assets	**72,141**	**67,418**	**76,448**	**84,427**
Net Fixed Assets	65,478	65,805	66,612	67,574
Other Non Current Assets	40,018	48,473	49,873	50,973
Total Non Current Assets	**105,496**	**114,278**	**116,485**	**118,547**
Total Assets	**177,637**	**181,696**	**192,934**	**202,974**
Payables	37,222	34,462	38,515	41,383
ST Debt	11,604	15,646	13,546	11,746
LT Debt	7,313	10,430	9,030	7,830
Total Liabilities	**74,501**	**78,251**	**81,433**	**82,662**
Capital Stock + APIC	10,636	10,636	10,636	10,636
Retained Earnings	85,734	86,327	95,882	105,594
Shareholders' Equity	**103,136**	**103,445**	**111,500**	**120,312**

VALUATION INDEX

	2025/12A	2026/12F	2027/12F	2028/12F
Price / Earnings	5.80x	15.36x	6.50x	5.55x
Price / Book Value	0.86x	1.00x	0.92x	0.86x
EV / EBITDA	2.37x	4.1x	2.8x	2.4x
EV (IDR bn)	80,599	107,675	98,809	90,307
Basic EPS (IDR)	4,082	1,797	4,244	4,976
BVPS (IDR)	27,650	27,733	29,893	32,255

CASH FLOW STATEMENT

(IDR bn)	2025/12A	2026/12F	2027/12F	2028/12F
Operating Cash Flow	27,445	20,713	30,455	31,717
Investing Cash Flow	(13,747)	(18,609)	(14,587)	(14,607)
Financing Cash Flow	(12,470)	(2,655)	(10,501)	(11,608)
Net Changes in Cash	**1,478**	**(6,597)**	**3,994**	**4,506**

OWNERSHIP

By Geography*	%
Indonesia	83.3
United States	10.3
Malaysia	1.7

Shareholders	%
PT Astra International Tbk	59.5
Treasury Stocks	6.86
Public	33.64

**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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