Shariah Compliant

Indonesia Company Update

3 March 2025

Industrials | Heavy Equipments

United Tractors (UNTR IJ)

Buy (Maintained)

Navigating Uncertainty; Keep BUY

Target Price (Return):	IDR33,000 (47.7%)
Price (Market Cap):	IDR22,350 (USD5,023m)
ESG score:	2.8 (out of 4)
Avg Daily Turnover (IDR/USD)	74,748m/4.61m

- **Maintain BUY and new IDR33,000 TP (DCF) from IDR36,000, 48% upside, c.10% FY25F yield**. We have revised United Tractor's FY25-26F earnings estimates by -2% and +5% to reflect the ongoing decline in coal prices, but partially offset by several positive factors for the med-term, including: i) Steady demand for heavy equipment (HE), ii) strong mining activities supporting the mining contracting segment, and iii) additional income from gold and mineral assets. Our valuation, which includes a 4% ESG discount, suggests a forward P/E target of 6x, still below its 5-year average.

- **FY24 not too bad considering the challenges; Operational data inline**. UNTR's booked FY24 net earnings of IDR19.5trn (-5% YoY), fairly in line with our and Street's full-year assumptions (both at 99%). The bottomline's negative growth was anticipated (although UNTR came fairly better vs the sector in terms of decline in profit), as it aligns with the downtrend in coal prices (FY24 average: USD136/tonne; -22% YoY). However, the resiliency shown by UNTR's main segments – HE and mining contracting – and the additional volume for gold and nickel ore kept the topline intact (FY24: IDR134.4trn; +4.5% YoY – slightly above estimate), despite slight contraction in net margins (FY24: 14.5% vs FY23: 16%, compared to the 5-year average at c.14%).

- **The sentiment remains weighed down by uptrend in energy prices**. Newcastle coal has recently fallen below its support level of USD100/tonne (-18% YTD, averaging c.USD112/tonne) as other alternative energy sources also experience price declines due to improving supply conditions. However, we still see the possibility of price recovery driven by seasonality factors (as prices may rise in early 2H). For UNTR, the continued strength of mining activities in Indonesia, supported by the country's efforts to boost its export revenues, remains a key driver for profitability. This is coupled with improved growth in gold and nickel ore mining volumes.

- **Still a reasonable choice**. We maintain our BUY recommendation for UNTR, with the current P/E at c.4x, below its 5-year average of c.7x and an undemanding P/E target at c.6x. This is based on a conservative margin scenario, fair cash flow from the existing business, and the inclusion of additional debt for the company's future expansion. Its balance sheet remains strong, with a net cash position retained.

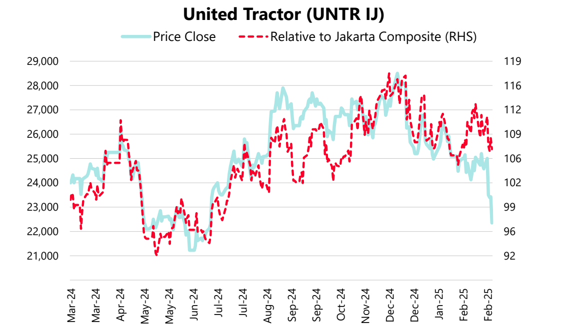
- **Key risks** include softening HE sales, downturn in coal prices, and lower demand for coal.

Analyst

Indonesia Research
+6221 5093 9888
rhb.id.research@rhbgroup.com

Share Performance (%)

	YTD	1m	3m	6m	12m
Absolute	(16.5)	(11.0)	(18.4)	(19.3)	(6.3)
Relative	(5.1)	1.5	(5.5)	(1.2)	8.1
52-wk Price low/high (IDR)					21,225 –28,500



Source: Bloomberg

Forecasts and Valuation	Dec-23	Dec-24	Dec-25F	Dec-26F	Dec-27F
Total turnover (IDRb)	128,585	134,427	133,796	134,380	135,777
Recurring net profit (IDRb)	20,612	19,531	19,656	19,899	19,327
Recurring net profit growth (%)	(1.9)	(5.2)	0.6	1.2	(2.9)
Recurring P/E (x)	4.04	4.27	4.24	4.19	4.31
P/B (x)	1.1	0.9	0.8	0.7	0.7
P/CF (x)	1.48	1.34	1.20	1.28	1.24
Dividend Yield (%)	9.9	9.4	9.5	9.5	9.2
EV/EBITDA (x)	1.84	1.60	1.43	1.33	1.22
Return on average equity (%)	26.7	24.0	20.9	18.8	16.4
Net debt to equity (%)	0.3	net cash	net cash	net cash	net cash

Source: Company data, RHB

Overall ESG Score: 2.8 (out of 4)

E Score: 2.8 (GOOD)
S Score: 2.8 (GOOD)
G Score: 2.8 (GOOD)
Please refer to the ESG analysis on the next page

Emissions And ESG

Trend analysis

Despite fluctuations in recorded emissions in past years (due to higher mining services activities and coal production), management remains positive about achieving a 30% greenhouse gas (GHG) reduction by 2030.

Emissions (tCO2e)	Dec-22	Dec-23	Dec-24	Dec-25
Scope 1	2,940,924	na	na	na
Scope 2	278,615	na	na	na
Scope 3	na	na	na	na
Total emissions	3,219,538	na	na	na

Source: Company data, RHB

Latest ESG-Related Developments

- In 2022, UNTR – via Energia Prima Nusantara (EPN) – secured commitment to install rooftop solar photovoltaic cells. EPN is also developing a mini-hydropower plant in the Lampung Province.
- As part of its move to increase its supply of renewable energy in Indonesia, EPN acquired a 31.49% share of Arkora Hydro (ARKO IJ, NR) which indirectly added to UNTR's renewable energy business portfolio, with two operating hydropower plants at Cikopo and Tomasa.
- UNTR has successfully won the ASEAN Energy Award 2024, which is the highest recognition in Southeast Asia organized by the ASEAN Centre for Energy (ACE). This award is given to companies that have contributed to energy efficiency and the development of renewable energy.

ESG Unbundled

Overall ESG Score: 2.8 (out of 4)

Last Updated: 28 February 2025

E Score: 2.8 (GOOD)

UNTR applies international standard ISO 14001: 2015 for environmental management systems that are certified by an independent certification agency. It also applies the Astra Green Company practices of its parent company as a reference when implementing environmental impact management initiatives.

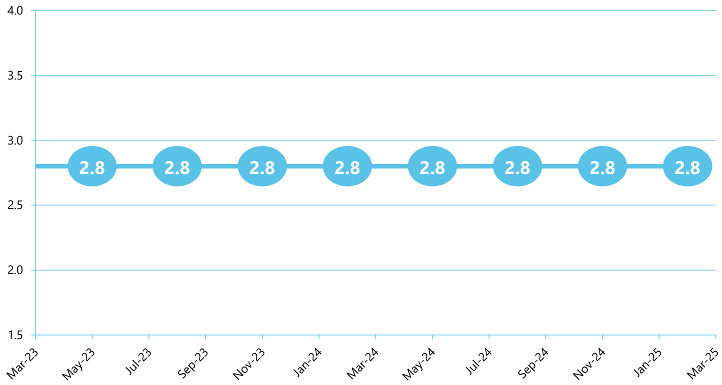
S Score: 2.8 (GOOD)

UNTR is actively engaged in CSR activities. In 2020, it received a Padmamitra Award in the Disaster Fields category from the Ministry of Social Affairs and National Social Welfare CSR Forum.

G Score: 2.8 (GOOD)

UNTR regularly conducts shareholder meetings and ensures equal distribution of public information to all stakeholders. It has received numerous awards on governance practices, one of them being Indonesia 2020 Best Rating on Governance Disclosures of Trading Sector, issued by Investor Magazine.

ESG Rating History



Source: RHB

Financial Exhibits

Asia
Indonesia
Industrials
United Tractors
UNTR IJ
Buy

Valuation basis

DCF, with a medium-term forecast horizon of five years, combined with forward P/E.

Key drivers

i. Increase in coal sales volumes;
ii. Increase in coal prices;
iii. Increase in coal-mining activities;
iv. Surge in gold prices.

Key risks

i. Softening HE sales;
ii. An unprecedented downturn in coal prices;
iii. The probability of lower coal demand from renewable energy plants phasing out thermal-powered ones.

Company Profile

United Tractors distributes and leases construction machinery from brands like Komatsu, Nissan Diesel, Scania, Bomag, Valmet and Tadano. The company also provides mining contracting services, and trades and assembles heavy equipment.

Financial summary (IDR)	Dec-23	Dec-24	Dec-25F	Dec-26F	Dec-27F
Recurring EPS	5,525.74	5,236.06	5,269.49	5,334.68	5,181.38
DPS	2,215.78	2,098.55	2,115.85	2,114.94	2,055.19
BVPS	19,995.32	23,667.27	26,838.21	30,057.04	33,123.48
Return on average equity (%)	26.7	24.0	20.9	18.8	16.4

Valuation metrics	Dec-23	Dec-24	Dec-25F	Dec-26F	Dec-27F
Recurring P/E (x)	4.04	4.27	4.24	4.19	4.31
P/B (x)	1.1	0.9	0.8	0.7	0.7
FCF Yield (%)	45.5	59.4	55.6	50.5	53.2
Dividend Yield (%)	9.9	9.4	9.5	9.5	9.2
EV/EBITDA (x)	1.84	1.60	1.43	1.33	1.22
EV/EBIT (x)	2.41	2.26	2.00	1.95	1.85

Income statement (IDRb)	Dec-23	Dec-24	Dec-25F	Dec-26F	Dec-27F
Total turnover	128,585	134,427	133,796	134,380	135,777
Gross profit	35,788	33,832	33,666	33,356	33,457
EBITDA	38,966	38,457	38,181	39,952	41,467
Depreciation and amortisation	(9,241)	(11,276)	(10,804)	(12,629)	(14,120)
Operating profit	29,725	27,182	27,378	27,322	27,347
Net interest	(752)	(1,500)	(1,501)	(2,264)	(3,025)
Pre-tax profit	28,720	25,897	26,219	25,699	24,980
Taxation	(6,590)	(5,779)	(6,161)	(5,397)	(5,246)
Reported net profit	20,612	19,531	19,656	19,899	19,327
Recurring net profit	20,612	19,531	19,656	19,899	19,327

Cash flow (IDRb)	Dec-23	Dec-24	Dec-25F	Dec-26F	Dec-27F
Change in working capital	(1,721)	826	789	79	39
Cash flow from operations	56,250	62,049	69,670	65,381	67,130
Capex	(18,343)	(12,525)	(23,285)	(23,269)	(22,806)
Cash flow from investing activities	(33,440)	(14,203)	(23,285)	(23,269)	(22,806)
Dividends paid	(25,001)	(8,118)	(7,828)	(7,892)	(7,889)
Cash flow from financing activities	(30,725)	(6,852)	2,572	508	511
Cash at beginning of period	38,282	18,597	25,093	42,741	52,991
Net change in cash	(7,915)	40,994	48,957	42,620	44,835
Ending balance cash	18,597	25,093	42,741	52,991	64,590

Balance sheet (IDRb)	Dec-23	Dec-24	Dec-25F	Dec-26F	Dec-27F
Total cash and equivalents	18,597	25,093	42,741	52,991	64,590
Tangible fixed assets	53,847	56,881	62,949	73,589	82,275
Total investments	16,657	19,827	19,827	19,827	19,827
Total assets	149,363	164,815	193,050	214,166	234,856
Short-term debt	1,287	1,909	1,809	1,709	1,609
Total long-term debt	17,580	15,963	26,463	34,963	43,463
Total liabilities	69,993	71,305	87,011	95,718	104,562
Total equity	79,370	93,510	106,039	118,448	130,294
Total liabilities & equity	149,363	164,815	193,050	214,166	234,856

Key metrics	Dec-23	Dec-24	Dec-25F	Dec-26F	Dec-27F
Revenue growth (%)	4.0	4.5	(0.5)	0.4	1.0
Recurrent EPS growth (%)	(1.9)	(5.2)	0.6	1.2	(2.9)
Gross margin (%)	27.8	25.2	25.2	24.8	24.6
Operating EBITDA margin (%)	30.3	28.6	28.5	29.7	30.5
Net profit margin (%)	16.0	14.5	14.7	14.8	14.2
Dividend payout ratio (%)	40.1	40.1	40.2	39.6	39.7
Capex/sales (%)	14.3	9.3	17.4	17.3	16.8
Interest cover (x)	15.8	10.3	10.2	7.8	6.4

Source: Company data, RHB

Figure 1: RHB vs Street estimates

	RHB (new)			RHB (old)			Change			Street			RHB vs Street		
(IDRbn)	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
Revenue	133,796	134,380	135,777	138,613	137,552	141,311	-3.5%	-2.3%	-3.9%	131,100	127,997	142,751	2.1%	5.0%	-4.9%
Gross profit	33,666	33,356	33,457	34,551	34,201	32,370	-2.6%	-2.5%	3.4%	33,472	31,555	34,680	0.6%	5.7%	-3.5%
Operating profit	27,378	27,322	27,347	27,758	27,186	26,011	-1.4%	0.5%	5.1%	26,892	25,838	25,950	1.8%	5.7%	5.4%
Net profit	19,656	19,899	19,327	20,010	18,892	17,321	-1.8%	5.3%	11.6%	19,177	18,651	18,842	2.5%	6.7%	2.6%
Margin															
Gross	25.2%	24.8%	24.6%	24.9%	24.9%	22.9%				25.5%	24.7%	24.3%			
EBIT	20.5%	20.3%	20.1%	20.0%	19.8%	18.4%				20.5%	20.2%	18.2%			
NPM	14.7%	14.8%	14.2%	14.4%	13.7%	12.3%				14.6%	14.6%	13.2%			

Source: Company data, RHB

Figure 2: Changes in key assumptions

	RHB (new)			RHB (old)			Change		
	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
Komatsu heavy equipment sales (units)	4,600	4,750	5,000	4,500	4,650	5,000	2.2%	2.2%	0.0%
OB removal volume (m bcm)	1,260	1,332	1,383	1,248	1,320	1,383	0.9%	0.9%	0.0%
Coal production volume (m tonnes)	152	157	158	150	155	158	0.9%	0.9%	0.0%
Coal mining - sales volume (m tonnes)	14.0	14.7	15.1	14.0	14.7	15.1	0.0%	0.0%	0.0%
Coal ASP target (USD/tonne)	104.5	99.8	90.3	123.5	104.5	100.0	-15.4%	-4.5%	-9.8%
Gold volume (k oz)	240	243	250	240	243	250	0.0%	0.0%	0.0%
Gold ASP (USD/oz)	2,800	2,750	2,600	2,450	2,350	2,350	14.3%	17.0%	10.6%

Source: Company data, RHB

Figure 3: TP calculation

DCF calculation (IDRbn)	2025F	2026F	2027F	2028F	2029F	2030F
EBIT	27,378	27,322	27,347	27,407	29,044	29,810
EBIT (1-t)	20,260	20,218	20,237	20,282	21,492	22,060
Depreciation & amortisation	10,804	12,629	14,120	15,391	16,429	17,269
Changes in working capital	7,501	79	39	24	(78)	127
Capex	(23,285)	(23,269)	(22,806)	(22,795)	(22,479)	(22,165)
Free cash flow	**15,279**	**9,658**	**11,590**	**12,901**	**15,365**	**17,292**
Discounted FCF	15,279	8,583	9,154	9,056	9,585	9,587
Terminal Value						**99,167**
Terminal growth	3%					
WACC	13%					
Total discounted firm value	116,230					
Debt	28,272					
Cash	42,741					
Minority interest	5,629					
Equity value	125,070					
Issued shares (bn)	3.7					
Equity value per share	33,600					
Multiple valuation						
Consensus P/E target (2025F)	6.3					
25F EPS	5,269					
Fair value (IDR)	34,000					
Average fair value (DCF & P/E)	33,800					
Discount ESG	-4%					
Target price	**33,000**					

- The profit projection implies an expected continued correction in coal prices (full-year average estimates are as follows: FY25F: USD110 per tonne, and FY26F: USD105 per tonne, vs FY24's USD136/tonne – inline), and a conservative target for HE sales (based on management target) in the years ahead. Nevertheless, this scenario still provides decent upside for UNTR's FV from its stable cash flow, although this excludes other potential businesses (eg upcoming nickel smelters)
- We have a medium-term view for our DCF scenario due to fluctuations in commodity prices. The terminal growth represents the projected pace of national coal output going forward (coal sentiment is still the main upside for UNTR's mining contracting business, combined with gold and nickel ore exposures)

Source: Company data, RHB

Figure 4: UNTR's FY24 results highlights

(IDRbn)	4Q23	3Q24	4Q24	QoQ	YoY	FY23	FY24	YoY	% 9M24 RHB	% 9M24 consensus
Net revenue	30,981	35,030	34,899	-0.4%	12.6%	128,584	134,427	4.5%	101%	103%
Gross profit	10,113	8,847	8,115	-8.3%	-19.8%	35,787	33,832	-5.5%	99%	100%
EBIT	8,523	7,146	6,325	-11.5%	-25.8%	29,724	27,182	-8.6%	97%	99%
Net profit	**5,263**	**6,059**	**3,940**	**-35.0%**	**-25.1%**	**20,612**	**19,531**	**-5.2%**	**99%**	**99%**
Margins:										
Gross	32.6%	25.3%	23.3%			27.8%	25.2%			
EBIT	27.5%	20.4%	18.1%			23.1%	20.2%			
Net	17.0%	17.3%	11.3%			16.0%	14.5%			
Revenue breakdown										
Construction machinery	7,953	10,854	10,908	0.5%	37.2%	36,634	37,367	2.0%		
Mining contracting	14,826	15,693	14,668	-6.5%	-1.1%	53,973	58,291	8.0%		
Coal mining	6,543	5,146	5,317	3.3%	-18.7%	30,500	25,925	-15.0%		
Gold and other minerals	936	2,364	3,184	34.7%	240.1%	5,222	9,922	90.0%		
Others	728	986	793	-19.6%	8.9%	2,255	2,923	29.6%		
Revenue contribution										
Construction machinery	25.7%	31.0%	31.3%			28.5%	27.8%			
Mining contracting	47.8%	44.8%	42.1%			42.0%	43.4%			
Coal mining	21.1%	14.7%	15.2%			23.7%	19.3%			
Gold and other minerals	3.0%	6.7%	9.1%			4.1%	7.4%			
Others	2.3%	2.8%	2.3%			1.8%	2.2%			
Profit before tax*										
Construction machinery	1,191	2,148	1,056	-50.9%	-11.4%	5,613	5,004	-10.9%		
Mining contracting	3,598	4,311	3,426	-20.5%	-4.8%	13,079	14,214	8.7%		
Coal mining	3,051	1,292	253	-80.4%	-91.7%	9,658	4,403	-54.4%		
Gold and other minerals	(171)	1,023	242	-76.4%	N.M	1,028	2,256	119.5%		
Others	27	(211)	94	N.M	250.8%	268	1	-99.5%		
PBT contribution (%):*										
Construction machinery	15.5%	25.1%				18.9%	19.3%			
Mining contracting	46.8%	50.3%				44.1%	54.9%			
Coal mining	39.6%	15.1%				32.6%	17.0%			
Gold and other minerals	-2.2%	11.9%				3.5%	8.7%			
Others	0.3%	-2.5%				0.9%	0.0%			

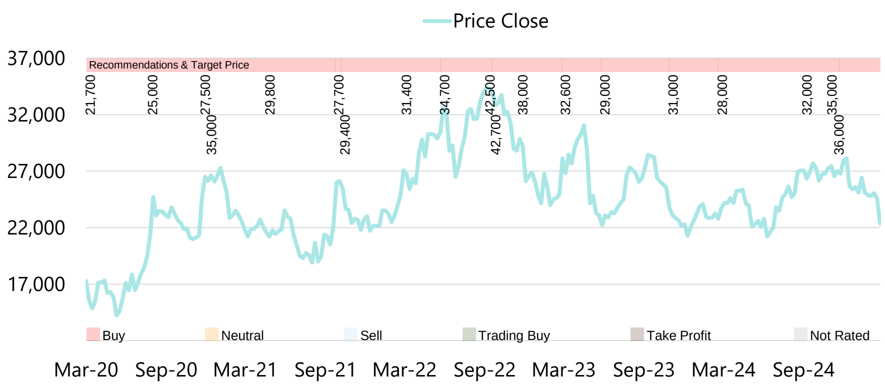
*Note: *Gross figure excluding eliminations*
Source: Company data, RHB

Figure 5: UNTR's operational statistics for Dec 2024 and cumulative FY24 data

	Dec-23	Nov-24	Dec-24	% MoM	% YoY	FY23	FY24	% YoY	% to FY target
UNTR's HE sales (Komatsu):									
Mining	113	266	142	-47%	26%	3,217	2,883	-10%	
Forestry	17	20	10	-50%	-39%	662	353	-47%	
Construction	56	85	66	-22%	17%	899	683	-24%	
Agro	23	40	35	-12%	54%	492	509	3%	
Total	**209**	**403**	**253**	**-37%**	**21%**	**5,270**	**4,420**	**-16%**	**102%**
Contribution per sector									
Mining	54%	66%	56%			61%	65%		
Forestry	8%	5%	4%			13%	8%		
Construction	27%	21%	26%			17%	15%		
Agro	11%	10%	14%			9%	12%		
Industry sales volume	1,302	1,493	1,567	5%	20%	18,172	17,000	-6%	
UNTR's market share	**16%**	**27%**	**16%**			**29%**	**26%**		
Mining contracting (Pama Persada):									
OB removal (m bcm)	**84.1**	**100.9**	**88.9**	**-12%**	**6%**	**1,158.2**	**1,216.9**	**5%**	**101%**
Coal production (m tonnes)	8.2	12.2	11.1	-9%	35%	128.9	147.9	15%	101%
Stripping ratio (x)	10.3	8.3	8.0	-3%	-22%	9.0	8.2	-8%	
Coal-mining:									
Coal sales (m tonnes)	**1.331**	**1.281**	**0.896**	**-30%**	**-33%**	**11.8**	**13.1**	**11%**	**100%**
Newcastle coal prices (USD/tonne)	144.3	141.9	130.9	-8%	-9%	174.7	135.8	-22%	
Gold mining:									
Gold sales ('000oz)	**9**	**22**	**22**	**0%**	**144%**	**176.0**	**232.0**	**32%**	**99%**

Source: Company data, RHB

Recommendation Chart



Source: RHB, Bloomberg

Date	Recommendation	Target Price	Price
2024-11-26	Buy	36,000	27,500
2024-10-31	Buy	35,000	27,450
2024-09-04	Buy	32,000	27,650
2024-02-28	Buy	28,000	23,850
2024-02-22	Buy	28,000	23,125
2023-11-16	Buy	31,000	23,450
2023-11-01	Buy	31,000	24,100
2023-05-30	Buy	29,000	22,500
2023-02-28	Buy	32,600	27,900
2022-11-23	Buy	38,000	29,625
2022-09-22	Buy	42,700	35,100
2022-09-08	Buy	42,500	34,400
2022-05-27	Buy	34,700	30,400
2022-03-01	Buy	31,400	24,850
2021-10-12	Buy	29,400	26,275

Source: RHB, Bloomberg

RHB Guide to Investment Ratings

Buy:	Share price may exceed 10% over the next 12 months
Trading Buy:	Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain
Neutral:	Share price may fall within the range of +/- 10% over the next 12 months
Take Profit:	Target price has been attained. Look to accumulate at lower levels
Sell:	Share price may fall by more than 10% over the next 12 months
Not Rated:	Stock is not within regular research coverage

Investment Research Disclaimers

RHB has issued this report for information purposes only. This report is intended for circulation amongst RHB and its affiliates' clients generally or such persons as may be deemed eligible by RHB to receive this report and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. This report is not intended, and should not under any circumstances be construed as, an offer or a solicitation of an offer to buy or sell the securities referred to herein or any related financial instruments.

This report may further consist of, whether in whole or in part, summaries, research, compilations, extracts or analysis that has been prepared by RHB's strategic, joint venture and/or business partners. No representation or warranty (express or implied) is given as to the accuracy or completeness of such information and accordingly investors should make their own informed decisions before relying on the same.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to the applicable laws or regulations. By accepting this report, the recipient hereof (i) represents and warrants that it is lawfully able to receive this document under the laws and regulations of the jurisdiction in which it is located or other applicable laws and (ii) acknowledges and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of applicable laws.

All the information contained herein is based upon publicly available information and has been obtained from sources that RHB believes to be reliable and correct at the time of issue of this report. However, such sources have not been independently verified by RHB and/or its affiliates and this report does not purport to contain all information that a prospective investor may require. The opinions expressed herein are RHB's present opinions only and are subject to change without prior notice. RHB is not under any obligation to update or keep current the information and opinions expressed herein or to provide the recipient with access to any additional information. Consequently, RHB does not guarantee, represent or warrant, expressly or impliedly, as to the adequacy, accuracy, reliability, fairness or completeness of the information and opinion contained in this report. Neither RHB (including its officers, directors, associates, connected parties, and/or employees) nor does any of its agents accept any liability for any direct, indirect or consequential losses, loss of profits and/or damages that may arise from the use or reliance of this research report and/or further communications given in relation to this report. Any such responsibility or liability is hereby expressly disclaimed.

Whilst every effort is made to ensure that statement of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable and must not be construed as a representation that the matters referred to therein will occur. Different assumptions by RHB or any other source may yield substantially different results and recommendations contained on one type of research product may differ from recommendations contained in other types of research. The performance of currencies may affect the value of, or income from, the securities or any other financial instruments referenced in this report. Holders of depositary receipts backed by the securities discussed in this report assume currency risk. Past performance is not a guide to future performance. Income from investments may fluctuate. The price or value of the investments to which this report relates, either directly or indirectly, may fall or rise against the interest of investors.

This report may contain comments, estimates, projections, forecasts and expressions of opinion relating to macroeconomic research published by RHB economists of which should not be considered as investment ratings/advice and/or a recommendation by such economists on any securities discussed in this report.

This report does not purport to be comprehensive or to contain all the information that a prospective investor may need in order to make an investment decision. The recipient of this report is making its own independent assessment and decisions regarding any securities or financial instruments referenced herein. Any investment discussed or recommended in this report may be unsuitable for an investor depending on the investor's specific investment objectives and financial position. The material in this report is general information intended for recipients who understand the risks of investing in financial instruments. This report does not take into account whether an investment or course of action and any associated risks are suitable for the recipient. Any recommendations contained in this report must therefore not be relied upon as investment advice based on the recipient's personal circumstances. Investors should make their own independent evaluation of the information contained herein, consider their own investment objective, financial situation and particular needs and seek their own financial, business, legal, tax and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to RHB and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. RHB expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

The use of any website to access this report electronically is done at the recipient's own risk, and it is the recipient's sole responsibility to take precautions to ensure that it is free from viruses or other items of a destructive nature. This report may also provide the addresses of, or contain hyperlinks to, websites. RHB takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to RHB own website material) are provided solely for the recipient's convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or RHB website shall be at the recipient's own risk.

This report may contain information obtained from third parties. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of their content.

The research analysts responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. The research analysts that authored this report are precluded by RHB in all circumstances from trading in the securities or other financial instruments referenced in the report, or from having an interest in the company(ies) that they cover.

The contents of this report is strictly confidential and may not be copied, reproduced, published, distributed, transmitted or passed, in whole or in part, to any other person without the prior express written consent of RHB and/or its affiliates. This report has been delivered to RHB and its affiliates' clients for information purposes only and upon the express understanding that such parties will use it only for the purposes set forth above. By electing to view or accepting a copy of this report, the recipients have agreed that they will not print, copy, videotape, record, hyperlink, download, or otherwise attempt to reproduce or re-transmit (in any form including hard copy or electronic distribution format) the contents of this report. RHB and/or its affiliates accepts no liability whatsoever for the actions of third parties in this respect.

The contents of this report are subject to copyright. Please refer to Restrictions on Distribution below for information regarding the distributors of this report. Recipients must not reproduce or disseminate any content or findings of this report without the express permission of RHB and the distributors.

The securities mentioned in this publication may not be eligible for sale in some states or countries or certain categories of investors. The recipient of this report should have regard to the laws of the recipient's place of domicile when contemplating transactions in the securities or other financial instruments referred to herein. The securities discussed in this report may not have been registered in such jurisdiction. Without prejudice to the foregoing, the recipient is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

The term "RHB" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case, RHB Investment Bank Berhad and its affiliates, subsidiaries and related companies.

RESTRICTIONS ON DISTRIBUTION

Malaysia

This report is issued and distributed in Malaysia by RHB Investment Bank Berhad ("RHBIB"). The views and opinions in this report are our own as of the date hereof and is subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. RHBIB has no obligation to update its opinion or the information in this report.

Indonesia

This report is issued and distributed in Indonesia by PT RHB Sekuritas Indonesia. This research does not constitute an offering document and it should not be construed as an offer of securities in Indonesia. Any securities offered or sold, directly or indirectly, in Indonesia or to any Indonesian citizen or corporation (wherever located) or to any

Indonesian resident in a manner which constitutes a public offering under Indonesian laws and regulations must comply with the prevailing Indonesian laws and regulations.

Singapore

This report is issued and distributed in Singapore by RHB Bank Berhad (through its Singapore branch) which is an exempt capital markets services entity and an exempt financial adviser regulated by the Monetary Authority of Singapore. RHB Bank Berhad (through its Singapore branch) may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, RHB Bank Berhad (through its Singapore branch) accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact RHB Bank Berhad (through its Singapore branch) in respect of any matter arising from or in connection with the report.

United States

This report was prepared by RHB is meant for distribution solely and directly to "major" U.S. institutional investors as defined under, and pursuant to, the requirements of Rule 15a-6 under the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act") via a registered U.S. broker-dealer as appointed by RHB from time to time. Accordingly, any access to this report via Bursa Marketplace or any other Electronic Services Provider is not intended for any party other than "major" US institutional investors (via a registered U.S broker-dealer), nor shall be deemed as solicitation by RHB in any manner. RHB is not registered as a broker-dealer in the United States and currently has not appointed a U.S. broker-dealer. Additionally, RHB does not offer brokerage services to U.S. persons. Any order for the purchase or sale of all securities discussed herein must be placed with and through a registered U.S. broker-dealer as appointed by RHB from time to time as required by the Exchange Act Rule 15a-6. For avoidance of doubt, RHB reiterates that it has not appointed any U.S. broker-dealer during the issuance of this report. This report is confidential and not intended for distribution to, or use by, persons other than the recipient and its employees, agents and advisors, as applicable. Additionally, where research is distributed via Electronic Service Provider, the analysts whose names appear in this report are not registered or qualified as research analysts in the United States and are not associated persons of any registered U.S. broker-dealer as appointed by RHB from time to time and therefore may not be subject to any applicable restrictions under Financial Industry Regulatory Authority ("FINRA") rules on communications with a subject company, public appearances and personal trading. Investing in any non-U.S. securities or related financial instruments discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in the United States. The financial instruments discussed in this report may not be suitable for all investors. Transactions in foreign markets may be subject to regulations that differ from or offer less protection than those in the United States.

DISCLOSURE OF CONFLICTS OF INTEREST

RHB Investment Bank Berhad, its subsidiaries (including its regional offices) and associated companies, ("RHBIB Group") form a diversified financial group, undertaking various investment banking activities which include, amongst others, underwriting, securities trading, market making and corporate finance advisory.

As a result of the same, in the ordinary course of its business, any member of the RHBIB Group, may, from time to time, have business relationships with, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants, and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or perform and/or solicit investment, advisory or other services from any of the subject company(ies) covered in this research report.

While the RHBIB Group will ensure that there are sufficient information barriers and internal controls in place where necessary, to prevent/manage any conflicts of interest to ensure the independence of this report, investors should also be aware that such conflict of interest may exist in view of the investment banking activities undertaken by the RHBIB Group as mentioned above and should exercise their own judgement before making any investment decisions.

In Singapore, investment research activities are conducted under RHB Bank Berhad (through its Singapore branch), and the disclaimers above similarly apply.

Malaysia

Save as disclosed in the following link RHB Research Conflict Disclosures - Feb 2025 and to the best of our knowledge, RHBIB hereby declares that:

1. RHBIB does not have a financial interest in the securities or other capital market products of the subject company(ies) covered in this report.
2. RHBIB is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of RHBIB's staff or associated person serve as a director or board member* of the subject company(ies) covered in this report
   **For the avoidance of doubt, the confirmation is only limited to the staff of research department*
4. RHBIB did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. RHBIB did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report.

Indonesia

Save as disclosed in the following link RHB Research Conflict Disclosures - Feb 2025 and to the best of our knowledge, PT RHB Sekuritas Indonesia hereby declares that:

1. PT RHB Sekuritas Indonesia and its investment analysts, does not have any interest in the securities of the subject company(ies) covered in this report.
   For the avoidance of doubt, interest in securities include the following:
   a) Holding directly or indirectly, individually or jointly own/hold securities or entitled for dividends, interest or proceeds from the sale or exercise of the subject company's securities covered in this report*;
   b) Being bound by an agreement to purchase securities or has the right to transfer the securities or has the right to pre subscribe the securities*.
   c) Being bound or required to buy the remaining securities that are not subscribed/placed out pursuant to an Initial Public Offering*.
   d) Managing or jointly with other parties managing such parties as referred to in (a), (b) or (c) above.
2. PT RHB Sekuritas Indonesia is not a market maker in the securities or capital market products of the subject company(ies) covered in this report.
3. None of PT RHB Sekuritas Indonesia's staff** or associated person serve as a director or board member* of the subject company(ies) covered in this report.
4. PT RHB Sekuritas Indonesia did not receive compensation for investment banking or corporate finance services from the subject company in the past 12 months.
5. PT RHB Sekuritas Indonesia** did not receive compensation or benefit (including gift and special cost arrangement e.g. company/issuer-sponsored and paid trip) in relation to the production of this report:

Notes:
**The overall disclosure is limited to information pertaining to PT RHB Sekuritas Indonesia only.*
***The disclosure is limited to Research staff of PT RHB Sekuritas Indonesia only.*

Singapore

Save as disclosed in the following link RHB Research Conflict Disclosures - Feb 2025 and to the best of our knowledge, the Singapore Research department of RHB Bank Berhad (through its Singapore branch) hereby declares that:

1. RHB Bank Berhad, its subsidiaries and/or associated companies do not make a market in any issuer covered by the Singapore research analysts in this report.
2. RHB Bank Berhad, its subsidiaries and/or its associated companies and its analysts do not have a financial interest (including a shareholding of 1% or more) in the issuer covered by the Singapore research analysts in this report.
3. RHB Bank Berhad's Singapore research staff or connected persons do not serve on the board or trustee positions of the issuer covered by the Singapore research analysts in this report.
4. RHB Bank Berhad, its subsidiaries and/or its associated companies do not have and have not within the last 12 months had any corporate finance advisory relationship with the issuer covered by the Singapore research analysts in this report or any other relationship that may create a potential conflict of interest.
5. RHB Bank Berhad's Singapore research analysts, or person associated or connected to it do not have any interest in the acquisition or disposal of, the securities, specified securities based derivatives contracts or units in a collective investment scheme covered by the Singapore research analysts in this report.
6. RHB Bank Berhad's Singapore research analysts do not receive any compensation or benefit in connection with the production of this research report or recommendation on the issuer covered by the Singapore research analysts.

Analyst Certification

The analyst(s) who prepared this report, and their associates hereby, certify that:
(1) they do not have any financial interest in the securities or other capital market products of the subject companies mentioned in this report, except for:

Analyst	Company
-	-

(2) no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

KUALA LUMPUR

RHB Investment Bank Bhd
Level 3A, Tower One, RHB Centre
Jalan Tun Razak
Kuala Lumpur 50400
Malaysia
Tel : +603 2302 8100
Fax : +603 2302 8134

JAKARTA

PT RHB Sekuritas Indonesia
Revenue Tower, 11th Floor, District 8 - SCBD
Jl. Jendral Sudirman Kav 52-53
Jakarta 12190
Indonesia
Tel : +6221 5093 9888
Fax : +6221 5093 9777

SINGAPORE

RHB Bank Berhad (Singapore branch)
90 Cecil Street
#04-00 RHB Bank Building
Singapore 069531
Fax: +65 6509 0470