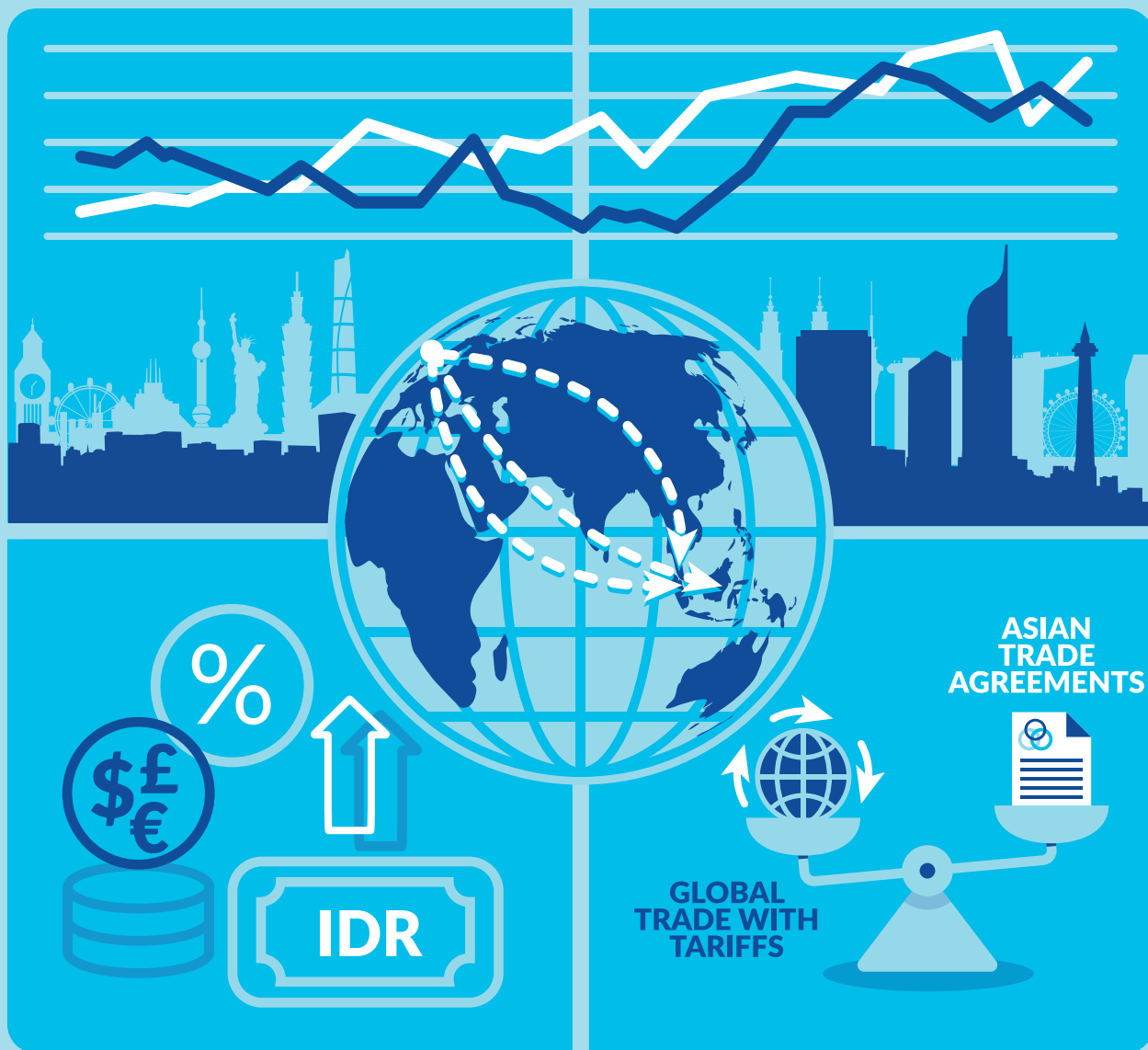


20 Jewels 2025 Edition



TOP INDONESIA SMALL CAP COMPANIES

20 JEWELS

2025 EDITION

INDONESIA

Andrey Wijaya	andrey.wijaya@rhbgroup.com	(6221) 5093 9846
Vanessa Karmajaya	vanessa@rhbgroup.com	(6221) 5093 9888 Ext 985
Wendy Chandra	wendy@rhbgroup.com	(6221) 5093 0989
Research Indonesia	rhb.id.research@rhbgroup.com	(6221) 5093 9888

<See important disclaimer and disclosures at the end of this report>

CONTENTS

List Of Companies By Alphabetical Order

Arkora Hydro	1
Blue Bird	3
Central Omega Resources	5
Hartadinata Abadi	7
Indonesia Fibreboard Industry	9
Integra Indocabinet	11
Infra Golfink Resorts	13
Jayamas Medica Industri	15
Malindo Feedmill	17
Mark Dynamics Indonesia	19
Mastersystem Infotama	21
Media Nusantara Citra	23
Metrodata Electronics	25
Penta Valent	27
Sinar Eka Selaras	29
Superior Prima Sukses	31
Timah	33
Uni-Charm Indonesia	35
Wintermar Offshore Marine	37
Wismilak Inti Makmur	39

List Of Companies By Industry Classification

Consumer Discretionary

Hartadinata Abadi	7
Integra Indocabinet	11
Intra Golfink Resorts	13
Sinar Eka Selaras	29

Consumer Staples

Malindo Feedmill	17
Uni-Charm Indonesia	35
Wismilak Inti Makmur	39

Energy

Wintermar Offshore Marine	37
---------------------------	----

Health Care

Jayamas Medica Industri	15
Penta Valent	27

Industrials

Mark Dynamics Indonesia	19
-------------------------	----

Information Technology

Mastersystem Infotama	21
Metrodata Electronics	25

Materials

Central Omega Resources	5
Indonesia Fibreboard Industry	9
Superior Prima Sukses	31
Timah	33

Media

Media Nusantara Citra	23
-----------------------	----

Transportation

Blue Bird	3
-----------	---

Utilities

Arkora Hydro	1
--------------	---

Foreword

Dear valued investors,

2024 was marked by several events that signalled significant shifts both economically and globally. The challenges that emerged put considerable pressure on investors, particularly impacting sentiment in the capital market. The anticipation of political impact during the presidential transition period briefly removed uncertainty (with the JCI up to its record point at c.7,900pts at end-Sep 2024) before external factors – namely market fears over tariff warnings – triggered another round of corrections (the index dropped 10% from the record point towards the end of FY24), which was worsened by foreign outflows.

From an economic standpoint, Indonesia remained resilient – at c.5% (GDP +5.03% for 2024), the slowest pace in three years but supported by campaign-driven spending and record-high investments (+4.6% YoY; the strongest in six years). Thanks to benign inflation (headline Consumer Price Index reading was near 1.7%, ie at the low end of the 1.5-3.5% target), Bank Indonesia was able to cut its policy rate by 50bps from Sep 2024 onwards to bolster demand. On the fiscal side, the Government introduced pro-growth measures (eg property tax cuts, higher minimum wage rates, and planned subsidies for food, schools, and utilities). At the same time, the new administration reaffirmed fiscal discipline, respecting the statutory 3% of GDP deficit cap. These domestic factors continued to underpin broadly resilient sentiment.

We are proud to present the 15th edition of the RHB Indonesia Small Cap Jewels – a testament to our commitment to uncovering hidden gems in turbulent markets. 2025 represents a significant milestone too, as we commemorate the 21st anniversary overall of our regional annual small-cap investment series. Since then, this publication has established itself as a cornerstone of RHB Research's dedication to uncovering valuable opportunities within the small-cap space. In this 2025 edition, we showcase 20 companies – representing a diverse array of sectors – from gold and fintech solutions to green energy and transportation services. Our picks stem from both top-down and bottom-up methodologies.

Previously, our selection of the 2024 Top 20 Indonesia Small Cap Jewels managed to remain resilient, delivering a better performance than the broader market (at -1.8% YoY vs the JCI's -2.2% YoY and IDX Small-Mid Cap Liquid Index's -10.1%) despite mounting external challenges. These results reaffirm the effectiveness of our selection methodology and highlight the potential for substantial returns within the small-cap segment, even amidst a turbulent market environment.

As RHB's research division, we remain committed to strengthening our small-cap expertise to deliver valuable insights to our clients. With this 15th edition for Indonesia, we reaffirm our dedication to small-cap research and our market position. Identifying exceptional opportunities in this segment continues to be our core mission, and we look forward to building on this tradition. We are confident that our 2025 Top 20 Indonesia small-cap selections will demonstrate resilient growth amidst evolving political dynamics and global macroeconomic challenges. With a focus on adaptability and value creation, these companies are positioned to thrive even in uncertain conditions. We extend our best wishes for your sustained success and continued well-being as we navigate these opportunities together.

Andrey Wijaya

Head of Indonesia Research

RHB Sekuritas Indonesia

Jakarta, 14 May 2025

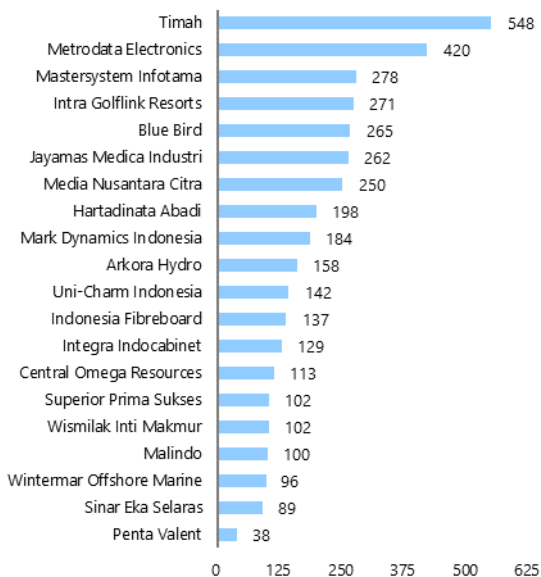
20 Jewels – at a glance

Company name	Rating	Fair Value	Current Price	Potential Upside	Mkt Cap (USDm)	P/E (x)		P/BV (x)		Div Yield (%)		ROE (%)	
		(IDR)	(IDR)	(%)		FY24	FY25F	FY24	FY25F	FY24	FY25F	FY24	FY25F
Arkora Hydro	Not Rated	1,300	900	44	158	62.9	34.4	5.9	5.0	N/A	N/A	9.3	14.6
Blue Bird	Not Rated	2,200	1,750	26	265	7.5	6.8	0.7	0.7	5.2	4.4	10.3	10.4
Central Omega Resources	Not Rated	480	330	45	113	7.8	6.3	2.1	1.5	N/A	N/A	43.6	45.0
Hartadinata Abadi	Not Rated	860	710	21	198	7.4	5.1	1.4	1.2	2.1	2.4	20.5	23.2
Indonesia Fibreboard Industry	Not Rated	320	240	33	137	12.6	N/A	1.7	N/A	4.2	N/A	14.2	N/A
Integra Indocabinet	Not Rated	420	330	27	129	13.2	10.3	0.5	0.4	N/A	N/A	3.7	4.0
Intra Golfink Resorts	Not Rated	280	230	22	271	63.9	59.0	0.6	0.6	N/A	N/A	0.9	0.9
Jayamas Medica Industri	Not Rated	200	160	25	262	13.3	N/A	1.8	N/A	1.9	N/A	13.7	N/A
Malindo Feedmill	Not Rated	1,235	740	67	100	3.5	N/A	0.5	N/A	N/A	N/A	20.4	N/A
Mark Dynamics Indonesia	Not Rated	1,000	800	25	184	11.0	N/A	3.5	N/A	8.8	N/A	33.8	N/A
Mastersystem Infotama	Buy	1,800	1,460	23	278	8.6	7.6	2.1	1.9	6.8	7.9	24.5	25.2
Media Nusantara Citra	Buy	380	274	39	250	3.9	3.0	0.2	0.2	N/A	N/A	5.2	6.2
Metrodata Electronics	Not Rated	640	555	15	420	13.5	8.7	1.6	1.6	5.9	N/A	12.0	18.2
Penta Valent	Not Rated	430	356	21	38	13.7	N/A	2.2	N/A	N/A	N/A	18.5	N/A
Sinar Eka Selaras	Not Rated	350	282	24	89	8.3	N/A	0.9	N/A	3.5	N/A	13.1	N/A
Superior Prima Sukses	Not Rated	270	189	43	102	24.5	19.7	3.7	3.6	N/A	N/A	17.7	18.3
Timah	Not Rated	1,320	1,215	9	548	7.6	6.8	1.2	1.1	N/A	3.7	17.3	15.8
Uni-Charm Indonesia	Not Rated	700	565	24	142	6.7	N/A	0.4	N/A	3.7	N/A	6.1	N/A
Wintermar Offshore Marine	Not Rated	540	364	48	96	4.2	4.7	0.6	0.6	2.2	N/A	15.5	13.1
Wisnilak Inti Makmur	Buy	1,380	800	73	102	5.6	5.0	0.9	0.8	13.3	14.4	15.9	15.6

Note: All prices are as at 7 May 2025. Non-rated stocks' FY25F P/E are using Bloomberg estimate EPS. na = not available; company booked negative earnings or insufficient data

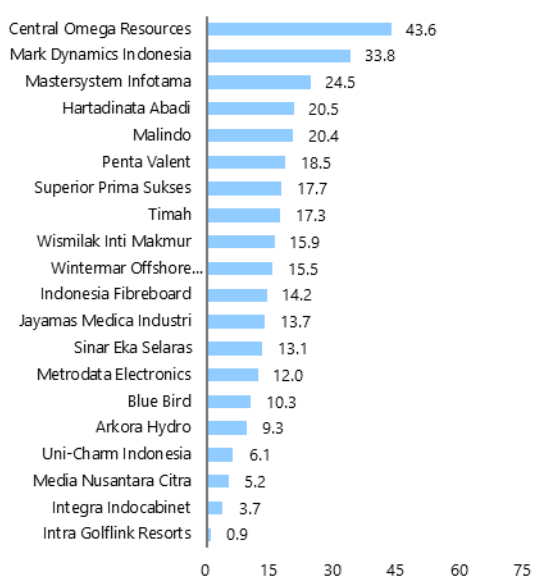
Source: Bloomberg, RHB

Market capitalisation (USDm) of the Top 20 Jewels



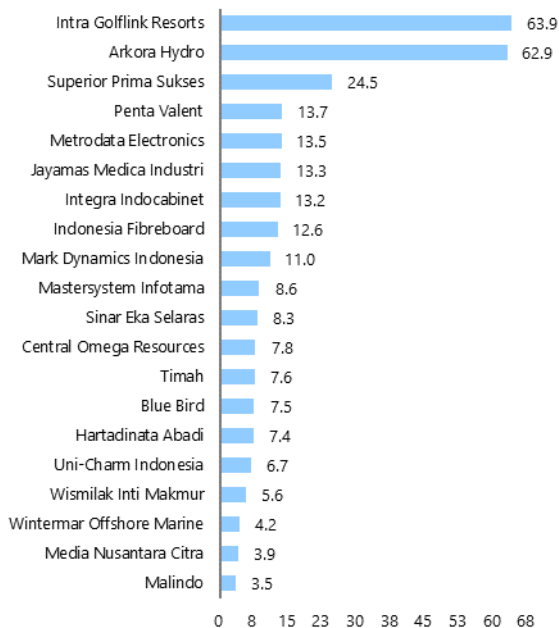
Source: Bloomberg, RHB

FY24 ROE (%) of the Top 20 Jewels



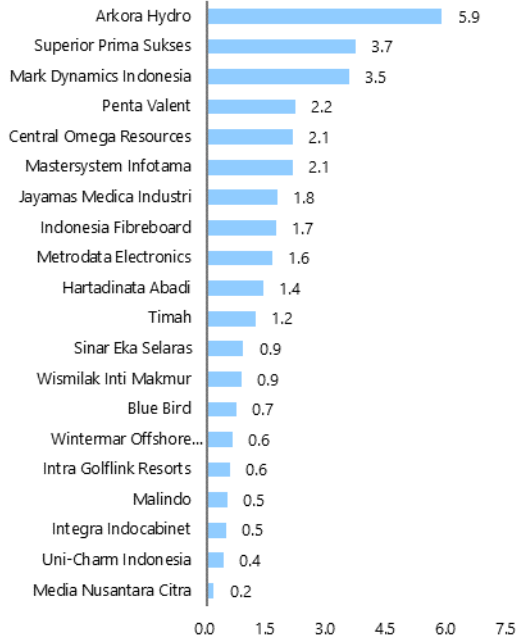
Source: Bloomberg, RHB

FY24 P/Es (x) of the Top 20 Jewels



Source: Bloomberg, RHB

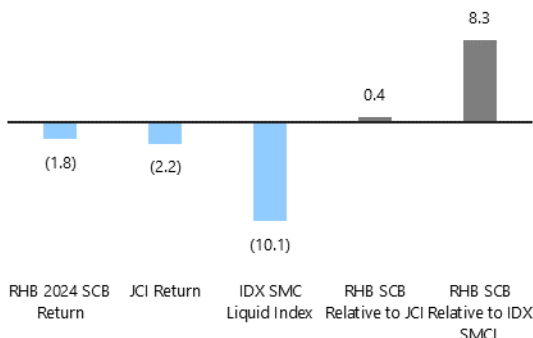
FY24 P/BVs (x) of the Top 20 Jewels



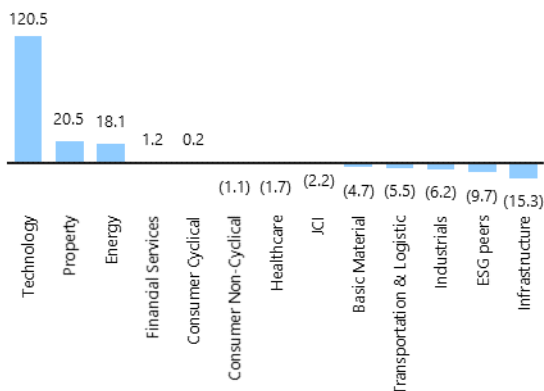
Source: Bloomberg, RHB

Recap of RHB Indonesia's 2024 Small Cap Jewels performance

RHB 2024 Top 20 small-cap stocks' performances vs JCI and IDX SMC Liquid Index (%)



Breakdown of JCI's performance by sector in 2024 (%)

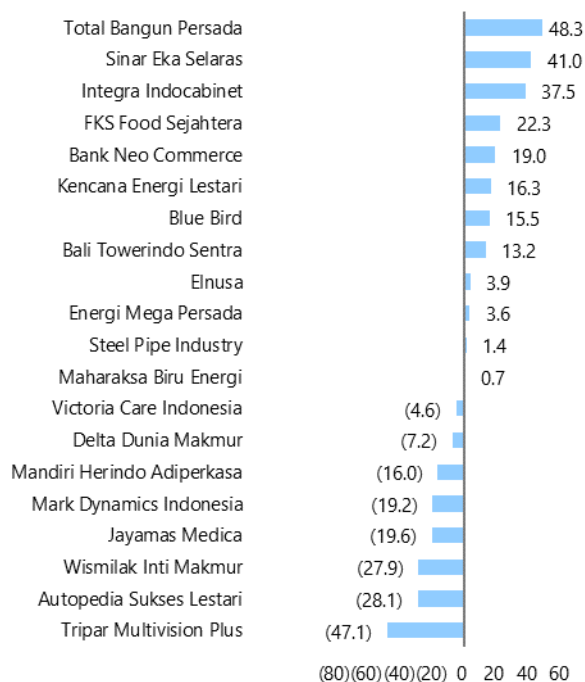


Note: RHB's 2024 Small Cap Jewels returns are based on weighted average return (from 14 May 2024 to 7 May 2025). For acronyms: JCI = Jakarta Composite Index, IDX SMCL: Indonesia Stock Exchange Small Mid Cap Liquid Index

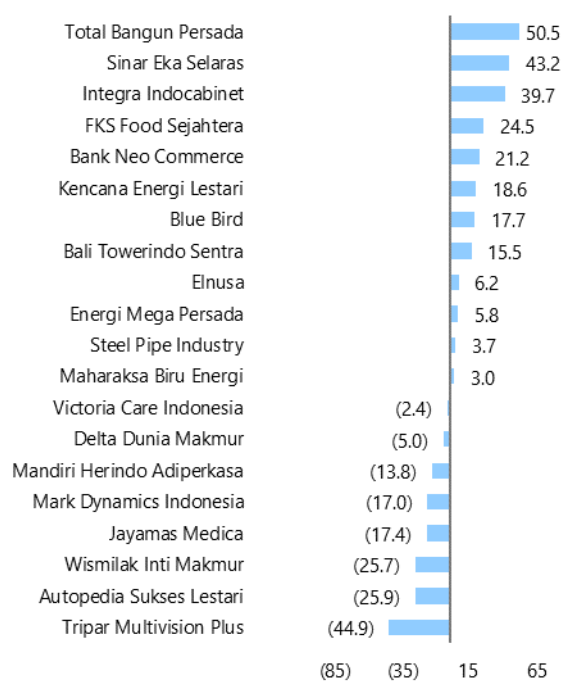
Source: Bloomberg, RHB

Source: Bloomberg, RHB

Breakdown of RHB Indonesia's 2024 Top 20 small-cap stocks' absolute performance (%)



Breakdown of RHB Indonesia's 2024 Top 20 small-cap stocks' relative performance net of JCI (%)

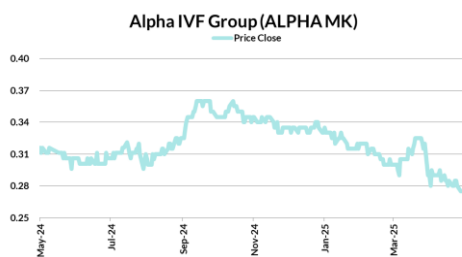


Source: Bloomberg, RHB

Source: Bloomberg, RHB



Targeting 20MW New Capacity In 2025



Source: Bloomberg

Stock Profile

Bloomberg Ticker	ARKO IJ
Avg Turnover (IDR/USD)	303.8m/0.02m
Net Gearing (%)	156
Market Cap (IDRbn)	2,679
Beta (x)	0.9
BVPS (IDR)	154
52-wk Price low/high (IDR)	675 – 1,250
Free float (%)	16

Major Shareholders (%)

Arkora Bakti	47.5
Energia Prima	26.6

Share Performance (%)

	1m	3m	6m	12m
Absolute	(0.5)	(10.2)	(0.6)	(11.2)
Relative	(3.1)	(14.4)	(1.8)	(5.8)

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

Investment Merits

- Decent business trajectory, with positive social and environmental impact
- Synergies with large conglomerates to ensure expansion
- Potential projects from the Government’s renewable energy (RE) push

Company Profile

Established in 2010, Arkora Hydro (ARKO) focuses on generating hydropower via run-of-river means. It has a total contracted capacity of 42.8MW presently. Looking forward, it targets to have over 260MW generated from the plants in its portfolio. Its first power purchase agreement (PPA) was with the state-owned electricity company, Perusahaan Listrik Negara (PLN) in 2012, for the Cikopo project in West Java with a 7.4MW capacity. Two years later, ARKO signed another PPA on the 10MW Tomasa project in South Sulawesi. The company is 31.5%-owned by United Tractors (UNTR IJ) – which strengthens its balance sheet and fundamentals, uplifts its ESG practices, and bolsters its business prospects. For 2025, ARKO targets to achieve 20MW in new capacity.

Highlights

Targets to secure a 20MW new contract by 2025. With President Prabowo Subianto’s aim to make Indonesia self-sufficient in energy, this is a good opportunity for ARKO to bid for and win more PPAs, which would boost its income. Its focus on RE is in line with the Indonesian president’s aims. Hydropower accounts for 51.6% of Indonesia’s RE mix. As of 2023, Indonesia has an installed hydropower capacity of approximately 6,784MW, which comes up to around 7% of the national energy mix. Indonesia’s current National Electricity Supply Business Plan, RUPTL (2021-2030), targets to have hydropower accounting for 51.6% of 40,575MW in new energy generated. We think ARKO may have new projects on the horizon, given its target to secure 20MW of new capacity this year. It has conducted feasibility studies for over c.200MW run-of-river hydropower plants and is waiting for PLN to open tenders for supplying energy. In our discussions with management, we learned that ARKO intends to expand its capacity by at least 10MW each year.

We expect its electricity production to grow by 72% YoY to 168GWh in 2025F, ie 5% lower than management’s target of 176.6GWh. In 2024, it generated 97.2GWh. The increase in its production capacity would be driven by the completion of the Yaentu and Kukusan projects. The production capacity of existing plants is expected to increase by 49% YoY to 176.7GWh in 2025, driven by the realisation of the Yaentu project. This growth is expected to continue, reaching 257GWh by 2027, as new plants such as Kukusan and Tomoni are developed and commercialised.

Company Report Card

FY24 earnings fell 24% YoY to IDR42bn, primarily from finance expenses that surged by 34% YoY to IDR64bn. This was despite the substantial increase in revenue, which jumped 31% YoY to IDR239bn. ARKO's EBIT contracted IDR1bn, as GPM narrowed to 25% (FY23: 51%) – it was pushing to complete the Kukusan Phase II project on schedule. If ARKO's FY25 topline grows by 57% YoY, its EBIT should improve significantly. For 4Q24, ARKO reported a net profit of IDR2bn – down by 83% QoQ from higher finance expenses, which skyrocketed by 141% QoQ. Revenue grew by 61% QoQ, and COGS jumped 286% QoQ. Higher expenses vs revenue growth led to its net margin deteriorating to 2% in 4Q24 (3Q24: 18%).

Net gearing of 156% as at FY24. ARKO booked a net gearing of 156% in FY24, with a major portion attributed to bonds that amounted to IDR333bn. It closed FY24 with cash and cash equivalents totalling IDR37.3bn, and total interest-bearing debt of IDR703bn. The significant cash outflow in FY24 was done to make cash payments to suppliers, which totalled IDR216.7bn, and acquire an entity under common control for IDR31.6bn. Only cash flow from financing was booked as an inflow, generating IDR78bn from IDR144bn in term loans.

Dividends. The company has decided not to distribute dividends for the year, to focus on its expansion.

Management. The company is led by President Director and founder Aldo Artoko, who started the company in 2009. The company's senior management team consists of four directors who have backgrounds in engineering and business, and a combined 25 years of experience.

Investment Case

FV of IDR1,300, based on our DCF valuation of a 5-year forecast on our cash flow from operations calculation, assuming an 8.3% WACC. Compared with its peers, we also took into account management's guidance on the newest 20MW PPA. ARKO's EV/MW for 2025 equals USD3.2m/MW, 22% below the peer average of USD4.2m/MW. On financials, due to four out of six projects still being under construction and/or in the early phase of operations, ARKO is trading at a premium to the global peer average. This, though, is common for developing hydropower companies. To illustrate, in 2019, prior to the Air Putih hydropower plant commencing commercial operations in Jan 2020, ARKO's closest peer Kencana Energy Lestari (KEEN IJ) was trading at 25-45x P/E. Thereafter, the multiple declined to reflect just its core business.

Key risks. ARKO is vulnerable to negative changes in macroeconomic, ie downturn. It is also subject to risks of changes in laws and regulations related to the sectors it is involved in.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover	248	182	179
Reported net profit	53	55	42
Recurring net profit	53	55	42
Recurring net profit growth (%)	7.6	4.9	(24.4)
Recurring EPS (IDR)	18.0	18.9	14.3
DPS (IDR)	-	-	-
Dividend Yield (%)	-	-	-
Recurring P/E (x)	50.1	47.7	63.1
Return on average equity (%)	18.5	13.0	9.3
P/B (x)	6.6	5.8	5.9
P/CF (x)	28.4	38.9	120.9

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	183	156	162
Total assets	948	1,158	1,319
Total current liabilities	161	55	87
Total non-current liabilities	387	649	781
Total liabilities	548	704	868
Shareholder's equity	399	453	450
Minority interest	1	1	1
Other equity	-	-	-
Total liabilities & equity	948	1,158	1,319
Total debt	452	569	724
Net debt	359	501	703

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	(41)	(14)	(95)
Cash flow from investing activities	(15)	(77)	(29)
Cash flow from financing activities	132	66	78
Cash at beginning of period	16	93	68
Net change in cash	77	(25)	(46)
Ending balance cash	93	68	22

Source: Company data, RHB

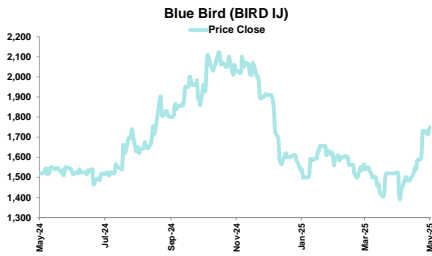


Blue Bird

Staying Strong Despite New Competition

Fair Value: IDR2,200

Price: IDR1,750



Source: Bloomberg

Stock Profile

Bloomberg Ticker	BIRD IJ
Avg Turnover (IDR/USD)	2.6bn/0.16m
Net Gearing (%)	3.3
Market Cap (IDRbn)	4,354
Beta (x)	0.92
BVPS (IDR)	2,396
52-wk Price low/high (IDR)	1,375 - 2,210
Free float (%)	26

Major Shareholders (%)

Pustaka Citra Djokosoetono	28.4
Purnomo Prawiro	12.1
Kresna Priawan Djokosoetono	6.2
Sigit Priawan Djokosoetono	6.1
Indra Priawan Djokosoetono	5.9
Adrianto Djokosoetono	5.3

Share Performance (%)

	1m	3m	6m	12m
Absolute	14.47	9.78	(14.29)	13.36
Relative	7.51	6.49	(10.42)	15.60

Indonesia Research +6221 5093 9888

rhb.id.research@rhbgroup.com

Investment Merits

- Steadily high taxi revenue despite a new competitor entering the fray
- Non-taxi segment to keep growing
- Attractive valuation compared to regional peers

Company Profile

Blue Bird (BIRD) is the leading transportation company in Indonesia, and has a major focus in the taxi business. It caters to transport needs nationwide, with more than 20,000 vehicles available in Jakarta, Surabaya, Bandung, Bali, Lombok, Semarang, Medan, Pekanbaru, Palembang, Bangka Belitung, Batam, Banten, Manado, Makassar, and Yogyakarta. Aside from the taxi business, it has extended services to vehicle rental (Goldenbird), bus services (Bigbird), intracity transportation (Cititrans), logistics (Iron Bird Logistic), and others.

Highlights

Steadily high taxi revenue despite new competitor. We expect revenue from the regular taxi business to stay at c.IDR800bn in 1Q25 (-7.4% QoQ, +14% YoY) and onwards. The lower QoQ reading would stem from seasonal factors, while the YoY growth is due to the higher base for fares the company implemented since 2024, coupled with additional platform fees that were implemented late last year. We expect it to sustain the level of quarterly regular taxi services revenue to the year-end. Despite new competitor Green SM (which originated in Vietnam) entering the domestic market quite aggressively in 2024, BIRD continued to do well. In fact, it grew its regular taxi fleet to 16k units in 1Q25 (+1.6% QoQ, +5% YoY), while maintaining the utilisation rate at 80.6% in 1Q25 (vs 78.7% in 1Q24).

Contributions from non-taxi segments are growing. Cititrans Busline expanded its service network due to higher demand, by adding three new routes: Bandung-Malang, Malang-Yogyakarta and Jakarta-Solo-Wonogiri, bringing the total to six routes. Furthermore, BIRD's airport shuttle service introduced a third route, Juanda International Airport-Malang, driven by strong potential demand. 30.2% of the group's FY24 revenue came from the non-taxi segment (FY23: 29%) – and this number is expected to keep growing in FY25, mainly driven by its Golden Bird Retail, bus rapid transit or BRT, and shuttle services.

Attractive valuation. BIRD is trading at 6.2x FY25F P/E and 0.6x FY25F P/BV. Its valuation remains appealing compared to regional peers such as Dubai Taxi (DTC UH, NR) which has a market valuation of 16x FY25F PE.



Company Report Card

Results highlights. Net profit in 4Q24 was at IDR148.89bn (-14.1% QoQ, +60.8% YoY), which took FY24 net profit to IDR585bn (+29% YoY). 4Q24 revenue totalled IDR1.39trn (+3.2% QoQ, +15.3% YoY), supported by the taxi segment (turnover: IDR980bn, +9.4% QoQ or +26.2% YoY) and non-taxi segment (turnover: IDR414bn, -9.4% QoQ or -4.3% YoY). FY24 revenue came up to IDR5.04trn (+13.9% YoY).

Balance sheet. The company maintained a healthy balance sheet in FY24, with a net gearing of 3.3%.

Dividend. Assuming a 30% dividend payout ratio, BIRD may be able to distribute IDR77 in DPS, implying a 4-5% FY25F dividend yield.

Management. Adrianto Djokosoetono, BIRD's President Director, is a member of the company's founding family along with Sigit Djokosoetono who also serves as its Vice President Director. CFO Irawaty Salim has been with the company since 2013, and has over 20 years of experience in the finance industry.

Investment Case

BIRD expects to achieve 10-15% YoY growth in FY25, in terms of topline and bottomline. This would be supported by improving efficiency and a larger operating fleet (it aims to add at least 1k units this year) while maintaining its current ASP in the regular taxi business.

We believe the company benefits from higher demand for mobility, on top of its ability to increase fares while optimising its utilisation rate. The stock is trading at 6.2x FY25F P/E, but it deserves a premium – based on easing competition in online taxi services. Our FV of IDR2,200 implies 8.5x FY25F P/E, which is still below that of international peer DTC's 16x FY25F P/E, and lower than BIRD's own P/E mean before severe competition from online taxi services entered the fray.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover	3,590	4,422	5,040
Reported net profit	358	453	585
Recurring net profit	358	453	585
Recurring net profit growth (%)	(4,546)	(26.4)	(29.2)
Recurring EPS (IDR)	143	181	234
DPS (IDR)	60	72	91
Recurring P/E (x)	12.2	9.7	7.5
Return on average equity (%)	7.0	8.4	10.3
P/B (x)	0.8	0.8	0.7
P/CF (x)	4.8	4.2	4.1

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	1,380	1,497	1,792
Total assets	6,893	7,580	8,441
Total current liabilities	908	876	1,086
Total non-current liabilities	634	1,073	1,360
Total liabilities	1,542	1,949	2,446
Shareholder's equity	5,248	5,520	5,881
Minority interest	102	111	114
Other equity	-	-	-
Total liabilities & equity	6,893	7,580	8,441
Total debt	678	1,016	1,360
Net debt	(213)	33	198

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	909	1,035	1,059
Cash flow from investing activities	(649)	(1,093)	(913)
Cash flow from financing activities	(315)	149	33
Cash at beginning of period	946	891	983
Net change in cash	(55)	92	179
Ending balance cash	891	983	1,162

Source: Company data, RHB



Central Omega Resources

Boosted By The Growth In Demand For Nickel Ore

Fair Value: IDR480

Price: IDR330

Central Omega Resources (DKFT IJ)



Investment Merits

- Benefiting from higher domestic demand for nickel ore and premium pricing for high-grade nickel ore
- Healthy balance sheet with solid cash reserves
- Attractive valuation

Company Profile

Central Omega Resources (DKFT), established in 1985, is an Indonesian mining company specialising in nickel ore extraction and processing. Formerly a financial services firm, DKFT pivoted into the mineral resources space in 2008, and is now a subsidiary of Jinsheng Mining. The company operates in North Morowali and North Konawe, holding a business permit for mining activities (IUP) for nickel production through its subsidiaries Mulia Pacific Resources, Itamatra Nusantara, and Bumi Konawe Utara, producing c.3m tonnes of nickel ore per year. To strengthen its downstream integration, DKFT operates a nickel smelter using blast furnace technology in North Morowali and plans to expand its hydrometallurgy high pressure acid leaching (HPAL) smelter for the processing of limonite (low nickel content).

Highlights

Strategic domestic opportunities. DKFT, with its high-grade nickel ore (1.6-1.7% Ni content, up to 2.1%), is poised to benefit from premium pricing in Indonesia's domestic market, where demand from sapolite-fed smelters continues to surge – driven by the 49 rotary kiln electric furnace (RKEF) smelters in Indonesia, which currently require over c.230m tonnes of nickel ore input in total. The smelters remain focussed on optimising utilisation despite concerns about oversupply in the ferronickel and nickel pig iron (NPI) market, especially in China (as the final hub of processed nickel products). Last year, licensing delays at Indonesia's nickel ore mines constrained local supply, forcing several domestic smelters to import 10.4m tonnes from the Philippines. With a more supportive licensing environment this year, DKFT is well-positioned to meet the demand, underpinned by its rapid production (FY24: 2.95m tonnes, +130% YoY) and its plans to increase its output gradually to over c.7m tonnes per year in the medium term.

Diversifying its business. DKFT halted its USD500m expansion plan for its smelter segment (it currently owns c.60% of its RKEF subsidiary, with c.100k tonnes of annual output of NPI) and is now seeking opportunities in HPAL smelters, where the output product (mixed nickel cobalt hydroxide precipitate or MHP) serves as an essential feedstock in the EV battery supply chain. This shift aligns with Indonesia's ambition to rank among the top three global EV battery producers, targeting a capacity of 140 GWh per year (4-9% of global demand) by 2030.

Source: Bloomberg

Stock Profile

Bloomberg Ticker	DKFT IJ
Avg Turnover (IDR/USD)	15.9bn/0.96m
Net Gearing (%)	0.5
Market Cap	1,860
Beta (x)	1.2
BVPS (MYR)	150
52-wk Price	88 – 342
Free float (%)	33

Major Shareholders (%)

Jinsheng Mining	61.6
Kiki Hamidjaja	2.5

Share Performance (%)

	1m	3m	6m	12m
Absolute	48.6	18.7	32.0	223.5
Relative	33.1	16.0	37.0	225.8

Research Indonesia +6221 5093 9888

rhb.id.research@rhbgroup.com

Moving into the HPAL space would gradually reduce DKFT's reliance on saprolite ore sales to third-party buyers, and allow it to capitalise on Indonesia's underutilised limonite reserves.

Company Report Card

FY24 results highlights. DKFT's FY24 topline surged to IDR1.5trn (+80% YoY), mainly driven by increased nickel sales volumes (FY24: 2.6m tonnes, +105% YoY) and favourable commodity prices. GPM remained flat at 43.2% (FY23 GPM: 43.4%), while FY24 EBITDA rose to IDR480bn (+128% YoY). Net earnings surged to IDR366bn (+484% YoY; FY24 NPM: 25% vs FY23: 7%), supported by (in addition to its stellar operational performance) a one-off gain on payable write offs (IDR187.54bn).

Healthy balance sheet. Cash reserves were primarily allocated to debt securities investments in FY24, with bond holdings surging to IDR612bn (+197 YoY). Net gearing ratio improved to 0.26x (FY23: 0.92x), ie a sharp decline from the 0.9-1.35x range maintained over the past five years. This was mainly due to constant increases in operational cash flow and lower total debt.

Management team. President Director Kiki Hamidjaja has been managing the company since 2011, with over 30 years of experience under his belt. He also serves as President Director of property development company Menara Prambanan.

Investment Case

With Indonesia's robust production activities and the more supportive domestic licensing environment, national nickel ore output is projected to reach more than c.250m tonnes pa this year.

We expect DKFT's nickel ore sales to climb to c.3.5m tonnes this year (+35% YoY; not guided by management), which could lift topline to c.IDR2trn (+25% YoY). However, factoring in risks from rising cash costs (driven by higher fuel prices following the shift to non-subsidised biodiesel), increased government royalty rates, and softer benchmark nickel prices (FY25 ASP expected to decrease by 8-10% YoY), we expect its FY25 bottomline to be at c.IDR450bn (including recurring non-operational items such as investment gains and FX; NPM base assumption: c.23%). This would translate to a fair value of IDR480, based on a c.6x P/E target for its closest peers that focus more on the upstream nickel business.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	777	812	1,461
Reported net profit (IDRbn)	59	63	366
Recurring net profit (IDRbn)	71	53	233
Recurring net profit growth (%)	(165.7)	(24.5)	336.7
Recurring EPS (IDR)	12.8	9.7	42.3
DPS (IDR)	-	-	-
Dividend Yield (%)	-	-	-
Recurring P/E (x)	25.7	34.1	7.8
Return on average equity (%)	31.4	23.7	43.6
P/B (x)	8.1	8.0	2.2
P/CF (x)	6.9	9.0	2.8

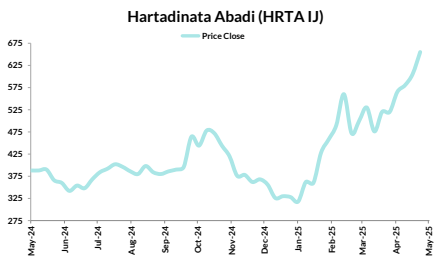
Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	1,038	1,120	1,005
Total assets	2,378	2,568	2,541
Total current liabilities	1,076	1,169	645
Total non-current liabilities	916	980	1,048
Total liabilities	1,992	2,149	1,693
Shareholder's equity	225	226	845
Minority interest	161	193	3
Other equity	-	-	-
Total liabilities & equity	2,378	2,568	2,541
Total debt	789	826	736
Net debt	407	386	219

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	264	203	646
Cash flow from investing activities	(154)	(169)	(438)
Cash flow from financing activities	(42)	25	(130)
Cash at beginning of period	314	382	440
Net change in cash	68	59	78
Ending balance cash	382	440	518

Source: Company data, RHB



Source: Bloomberg

Stock Profile

	HRTA IJ
Bloomberg Ticker	HRTA IJ
Avg Turnover (IDR/USD)	24.2bn/1.47m
Net Gearing (%)	136
Market Cap (IDRbn)	3,085
Beta (x)	0.89
BVPS (IDR)	507
52-wk Price low/high (IDR)	312 – 790
Free float (%)	28

Major Shareholders (%)

Terang Anugerah Abadi	71.0
-----------------------	------

Share Performance (%)

	1m	3m	6m	12m
Absolute	18.6	46.9	68.3	72.7
Relative	11.3	44.0	73.6	76.2

Indonesia Research +6221 5093 9888

rhb.id.research@rhbgroup.com

Investment Merits

- Strong revenue growth driven by gold demand and retail network expansion
- Solid financial performance, with growing margins and a resilient domestic market base
- Conservative balance sheet with low gearing, supporting growth and inventory flexibility

Company Profile

Hartadinata Abadi (HRTA), established in 1989, is a leading Indonesian gold jewellery manufacturer and retailer headquartered in Bandung. Specialising in *shariah*-compliant gold bars and jewellery under its internationally recognised EMASKU brand, HRTA operates a vertically integrated supply chain, combining manufacturing, distribution, and retail with over 80 wholesalers and 900 retail stores nationwide. While Indonesia remains its primary market, HRTA began exporting its 22k gold jewellery in 2023, primarily to India and the United Arab Emirates.

Highlights

To strengthen its branding. HRTA is pursuing London Bullion Market Association (LBMA) certification by end-2025 or early 2026, to narrow its pricing gap with competitor Aneka Tambang (ANTM IJ), whose rates are currently at a 3-4% premium. This may widen HRTA's bullion margin by 1-2%. The company has secured supply agreements with miners including Agincourt (Astra Group) and Bumi Resources Minerals (BMRS IJ, NR). HRTA's raw material sourcing strategy lends it a competitive advantage, with 60% coming from gold scrap (largely from accounts receivable when wholesalers pay in gold) and 40% from miners, with occasional imports when domestic supply is insufficient. Management is actively seeking strategic investors for two business segments: i) The pawn business, currently the third largest in Indonesia with IDR450bn in outstanding loans, to accelerate growth without burdening HRTA's balance sheet; and ii) the retail business, which is open to forming potential partnerships with regional players looking to enter Indonesia.

Nurtured by future prospects in additional domestic demand. The company began global distribution efforts in 2023, including exports to partners in India and more recently, Vietnam. HRTA has established strategic relationships with bullion banks in Indonesia – contributing 20-30% to consolidated revenue (as per 1Q25), with minimum expected sales of 500kg per month. HRTA is receiving inquiries from Indonesian financial institutions interested in purchasing bullion for investment purposes. HRTA is positioning to benefit from the broader formalisation of Indonesia's gold ecosystem, which it estimates at IDR400trn per year in gold transactions. The company's research indicates that the proper implementation of the bullion bank system could increase Indonesia's GDP by 1.3% and create 800,000+ new jobs annually. Bank Indonesia's gold reserves (78 tonnes) represent only 4% of total FX reserves, far below the global central bank average of c.20%, implying the potential for significant future gold purchases by the central bank.

Company Report Card

FY24 results highlights. FY24 topline surged to IDR18.2trn (+42% YoY), mainly driven by the increase in pure gold sales volumes (FY24's 15.1 tonnes vs FY23's 12.9 tonnes) and a higher ASP (FY24's IDR1.2m/gram vs FY23's IDR988k/gram). Production volume rose (FY24: 19.2 tonnes of jewellery and gold bar; +16.45% YoY), supported by the new refinery casting facility that added c.12 tonnes of capacity, lifting utilisation rates. The stronger volume sold alleviated the rising cost from raw materials purchased – FY24's GPM contracted a bit to 6% (vs FY23's c.7%). All in, the reported bottomline grew by 45% YoY to IDR442bn (with NPM at 2.4%, relatively similar to last year).

Manageable balance sheet; good ROE intact. HRTA's FY24 net debt level rose (FY24's IDR3.2trn vs FY23's IDR2.5trn), mainly from increased bank loans – which subsequently pushed the net gearing ratio upwards (FY24's 1.4x vs FY23's 1.3x). 93% of the company's current assets consisted of gold inventory. The reading on ROE shows a significant improvement – the ratio stood at 20.5% compared to the 5-year average of c.16%.

Management team. President Commissioner Ferriyady Hartadinata, founder of HRTA, brings over 22 years of experience in gold jewellery production and marketing. President Director Sandra Sunanto held leadership roles at Kurnia Asta Surya, YOGYA Group, and Indomobil Multi Jasa before leading HRTA in 2017. Director of Business and Operations Yudho Jatmiko previously held roles in Kawan Lama Sejahtera and YOGYA Retail Group, before transitioning to his current role in 2021.

Investment Case

Global economic uncertainty and the initial weakness in equity indices early this year continue to support the gold price sentiment. This keeps the demand for gold level, as it is an alternative investment that is firmly in the public's favour, even as prices hit record highs (at c.USD3,400 per oz in early May, +47% YoY). HRTA's core sentiment will remain underpinned by domestic demand, further enhanced by long-term prospects created by the gold bullion banks in Indonesia. Management is targeting close to 50% YoY growth in net profit for FY25, on the back of higher gold sales volumes (+30-35% YoY target) and the expectation of a higher ASP. This is a fully plausible assumption, given the excellent start to the year, which looks set to persist through to the year-end. This will indicate a moderate FV of IDR860 (P/E target at c.6x vs 4.5x), which is at a slight premium to its 5-year historical average, but justified by the strong momentum in earnings growth, a sturdy ROE, and the inevitable sentiment towards gold.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	6,918	12,857	18,229
Reported net profit (IDRbn)	254	306	442
Recurring net profit (IDRbn)	254	306	442
Recurring net profit growth (%)	30.7	20.6	44.6
Recurring EPS (IDR)	55.0	66.4	96.0
DPS (IDR)	10.0	12.0	15.0
Dividend Yield (%)	1.4	1.7	2.1
Recurring P/E (x)	12.9	10.7	7.4
Return on average equity (%)	14.8	16.6	20.5
P/B (x)	1.9	1.7	1.4
P/CF (x)	582.9	(6.4)	(5.8)

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	3,574	4,720	5,534
Total assets	3,849	5,029	5,960
Total current liabilities	951	2,136	2,699
Total non-current liabilities	1,175	921	911
Total liabilities	2,127	3,057	3,610
Shareholder's equity	1,717	1,967	2,339
Minority interest	5	6	10
Other equity	1	1	1
Total liabilities & equity	3,849	5,029	5,960
Total debt	2,043	2,787	3,415
Net debt	1,937	2,494	3,201

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	6	(509)	(561)
Cash flow from investing activities	(112)	(53)	(141)
Cash flow from financing activities	150	749	623
Cash at beginning of period	62	106	293
Net change in cash	44	187	(79)
Ending balance cash	106	293	214

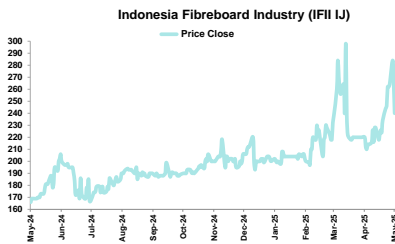
Source: Company data, RHB



Indonesia Fibreboard Industry

Expanding Market Share

Fair Value: IDR320
Price: IDR240



Source: Bloomberg

Stock Profile

	IFII IJ
Bloomberg Ticker	IFII IJ
Avg Turnover (IDR/USD)	227m/0.01m
Net Gearing (%)	26.1
Market Cap (IDRbn)	2,259
Beta (x)	0.43
BVPS (IDR)	139
52-wk Price low/high (IDR)	160 - 330
Free float (%)	10.6

Major Shareholders (%)

Adrindo Intiperkasa	51
SMB Kenzai Co	25
Heffy Hartono	5,98

Share Performance (%)

	1m	3m	6m	12m
Absolute	9.1	20.0	20.0	44.6
Relative	2.1	16.7	23.9	46.8

Wendy Chandra +6221 5094 0989
wendy@rhbgroup.com

Investment Merits

- Export-oriented, and a beneficiary of the USD strengthening
- Expanding market share in the Middle East, one of the largest medium density fibreboard (MDF) importers.
- Consistent growth in sales and net profit for six consecutive years (2019-2024)

Company Profile

Indonesia Fibreboard Industry (IFII) was established in 2007 and began its commercial operations in 2012, specialising in manufacturing and selling MDF. Its IPO exercise was done in 2019. The company primarily exports products to multiple countries and regions, with the majority going to Japan and the Middle East. Its products are categorised into three main types: i) MDF, ii) veneer, and iii) plywood.

Highlights

Ample growth potential from the Middle East market. The Middle East region imports c.USD8.5-10bn worth of MDF annually. Meanwhile, IFII's market share is only c.0.5% of the total Middle East market – so the growing Middle East market for MDF provides IFII ample room to expand its market share. Therefore, despite the slowdown in the Japanese market, IFII would still be able to continue the consistent growth that it has achieved over the last five years. Additionally, the domestic market still shows sufficient growth on the back of the growing demand for housing as well as the development of semi-furnished units, which require MDF.

Significant margin improvement on capacity ramp-up. In FY24, IFII expanded its EBIT margin to 20.7%, from 13.5% in FY23. The margin expansion was supported by a capacity ramp-up in 2024, so revenue expanded by 26% YoY while costs remained manageable. Note that IFII's capacity expansion led to its commercial production in Apr 2023. In 2024, it was able to record full operations of its new capacity for the whole year.

Undervalued. The stock is trading at 10.5x FY25F P/E, which is at a 30% discount to the peer average. Our FV of IDR320 is based on 14x FY25 P/E, given the company's consistent historical growth and strong growth potential from the Middle East market, while other export-oriented companies face uncertainties following the recent revisions in US import tariff rates.

Company Report Card

Results highlights. In FY24, IFII's revenue increased by 26% YoY, driven by a 68.2% YoY surge in export sales of MDF to the Middle East, from IDR421.2bn to IDR708.6bn.

Solid balance sheet. IFII maintained its net gearing ratio of 25% and a current ratio of 2.29x, reflecting a solid balance sheet and prudent debt management.

ROE. FY24 ROE reached an impressive 14.2% from 8.75% in FY23.

Management. CEO Heffy Hartono, along with the founding Hartono family, has helmed IFII since its inception. Together, they bring over 18 years of industry experience and have been instrumental in overseeing the company's operations.

Investment Case

Extensive market growth potential from the Middle East, with an annual import value of c.USD8.5-10bn, allows IFII to expand its market share in this region. Utilising the abundant supply of raw materials – timber in Indonesia – and relatively stable prices, IFII could further expand its profit margin. This counter is trading at around 10.5x FY25F P/E. We determined IFII's FV at IDR320, reflecting 14x P/E, which is at a 17% discount to the global peer average.

Key risks. Aggressive expansion in demand from countries like China and Thailand, and a weakening USD.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	867	987	1,244
Reported net profit (IDRbn)	97	101	179
Recurring net profit (IDRbn)	97	101	179
Recurring net profit growth (%)	17.9	3.9	77.4
Recurring EPS (IDR)	10	11	19
DPS (IDR)	4	2	10
Dividend Yield (%)	1.7	0.8	4.2
Recurring P/E (x)	23.3	22.4	12.6
Return on average equity (%)	8.7	8.5	14.2
P/B (x)	2.0	1.9	1.7
P/CF (x)	25.2	18.0	5.8

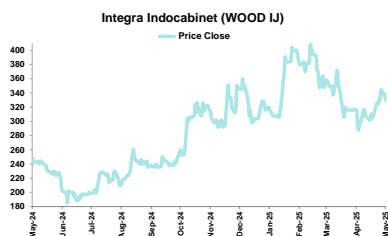
Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	409	488	440
Total assets	1,747	1,894	1,753
Total current liabilities	146	328	192
Total non-current liabilities	458	346	256
Total liabilities	604	673	447
Shareholder's equity	1,142	1,221	1,306
Minority interest	-	-	-
Other equity	-	-	-
Total liabilities & equity	1,747	1,894	1,753
Total debt	525	562	345
Net debt	513	560	341

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	89	126	390
Cash flow from investing activities	(570)	(177)	(75)
Cash flow from financing activities	478	41	(312)
Cash at beginning of period	15	12	1
Net change in cash	(3)	(10)	2
Ending balance cash	12	1	4

Source: Company data, RHB



Investment Merits

- Diversifying target market to Europe, product range to expand to include outdoor furniture
- Operational efficiency through cooperation with its China partner
- Export revenue remains resilient as its largest revenue contributor, building components, is exempted from reciprocal tariffs
- Potential carbon revenue on the back of the Government's eagerness to materialise the forestry segment's carbon trading

Company Profile

Integra Indocabinet (WOOD) is involved in forest concessions, manufacturing wood furniture, and building components. It is the biggest vertically integrated manufacturer of furniture and building component products in Indonesia. The company's key competitive advantage lies in its: i) Extensive experience (over 30 years) in the industry, and ii) strategic location, as it has access to an abundant supply of raw materials. Its product line-up includes fully assembled furniture, knockdown furniture, and building components.

Highlights

The US' hefty tariffs on China exports should benefit WOOD. China's share of furniture exports to the US market eroded to 10.5% in 2024, or c.USD1.5bn. With the hefty tariffs from the US that were recently announced, we believe WOOD will be one of the main beneficiaries of this measure – given Indonesia's lower tariff rate (vs that of China) and the company's long presence in the US market. Should the US proceed to implement the 32% reciprocal tariff on Indonesia, it would still be lower than what was levied on the largest exporter, ie Vietnam, at 46%.

WOOD's revenue growth remains steady despite tariff implementation. Should the temporary tariff pause resume, WOOD's revenue should be less impacted, as its furniture segment revenue only accounts for c.30% of total revenue. Additionally, WOOD is aiming at: i) Expanding to the Middle East market, with a USD1.2bn import market value, and ii) expansion towards outdoor furniture in collaboration with China counterparties. We believe this will well offset the tariff impact. On the building component segment, reciprocal tariffs are exempted. Without disruption, WOOD's revenue should grow robustly.

Direct-to-retail distribution strategy to support margin expansion and increase market penetration. Strengthening its US market penetration through direct marketing arms such as e-commerce and wholesales should remove middleman costs and, hence, offset the tariff cost for US buyers.

Source: Bloomberg

Stock Profile

Bloomberg Ticker	WOOD IJ
Avg Turnover (IDR/USD)	1.6bn/0.10m
Net Gearing (%)	59.5
Market Cap (IDRbn)	2,124
Beta (x)	1.1
BVPS (IDR)	682
52-wk Price low/high (IDR)	166 – 420
Free float (%)	24.7

Major Shareholders (%)

Integra Indo Lestari	71.1
----------------------	------

Share Performance (%)

	1m	3m	6m	12m
Absolute	4.43	(13.16)	5.77	33.06
Relative	(2.53)	(16.44)	9.63	35.30

Wendy Chandra +6221-5094 0989
rhb.id.research@rhbgroup.com

Multiple potential revenue streams from carbon trading and property. As Indonesia aims to finalise the Mutual Recognition Agreement (MRA) with the Gold Standard and Verra in May and June for international carbon trading in the forest segment, WOOD would have the opportunity to monetise its forests' carbon credits. Also, WOOD's JV with Ciputra Development (CTRA IJ) in the property segment should provide the company with an additional revenue stream.

Company Report Card

Results highlights. FY24 revenue rose by 27.7% YoY, as export sales of the building component segment and fully assembled furniture segment rose by 66.9% and 2% YoY. Concurrently, its net profit grew by 66.1% despite a lower EBIT margin of 13.6% vs 15.7% in FY23, due to lower interest expenses and FX gains.

Balance sheet. As of 2024, WOOD's net gearing ratio stood at 59.4% (current ratio: 1.76x), indicating a relatively healthy balance sheet and prudently managed debt levels.

Management. CEO Halim Rusli and Chief Marketing Officer Widjaja Karli are the founders of WOOD. Both have overseen the entire operations since its establishment, and have over 30 years of experience in the industry.

Investment Case

Management anticipates a c.25% YoY surge in revenue for 2025. The primary growth driver is expected to be the building component segment, resilient furniture sales to the US market, and expansion into Europe. Monetising its forest concession and leveraging the voluntary carbon market, as well as its JV with CTRA in property development could open up additional revenue streams for WOOD, and further strengthen earnings. The counter is trading at c.9.4x FY25 earnings – WOOD's FV is at IDR420, reflecting 12x P/E on 2025F IDR35 EPS and on par with the global peer average.

Key risks. A weakening US housing market, and Vietnam expanding its wood furniture exports more aggressively.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	4,527	2,186	2,792
Reported net profit (IDRbn)	178	97	161
Recurring net profit (IDRbn)	178	97	161
Recurring net profit growth (%)	(66.9)	(45.4)	66.1
Recurring EPS (IDR)	28	15	25
DPS (IDR)	6	-	-
Dividend Yield (%)	1.9	-	-
Recurring P/E (x)	12.0	21.9	13.2
Return on average equity (%)	4.8	2.4	3.7
P/B (x)	0.6	0.5	0.5
P/CF (x)	24.1	(6.7)	11.1

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	4,442	4,755	4,989
Total assets	6,956	7,663	7,841
Total current liabilities	1,826	2,554	2,829
Total non-current liabilities	1,370	797	535
Total liabilities	3,196	3,351	3,364
Shareholder's equity	3,750	4,227	4,392
Minority interest	10	85	85
Other equity	-	-	-
Total liabilities & equity	6,956	7,663	7,841
Total debt	2,936	3,054	2,763
Net debt	2,669	2,853	2,613

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	88	(317)	191
Cash flow from investing activities	(40)	(148)	(35)
Cash flow from financing activities	96	367	(251)
Cash at beginning of period	90	226	130
Net change in cash	144	(98)	(95)
Ending balance cash	266	130	40

Source: Company data, RHB

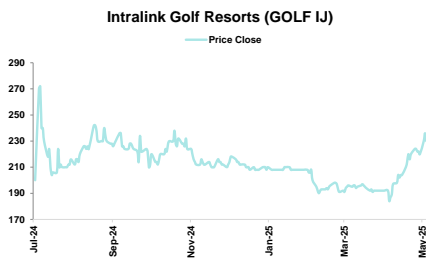


Intra GolfLink Resorts

Unlocking Value As a Property Developer

Fair Value: IDR280

Price: IDR230



Source: Bloomberg

Stock Profile

Bloomberg Ticker	GOLF IJ
Avg Turnover (IDR/USD)	1.86bn/0.11m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	4,482
Beta (x)	0.7
BVPS (IDR)	410
52-wk Price low/high (IDR)	181 – 302
Free float (%)	10

Major Shareholders (%)

Bali Pecatu Graha	88.5
Handalaprata	1.5

Share Performance (%)

	1m	3m	6m	12m
Absolute	19.79	15.00	7.48	(N/A)
Relative	12.83	11.72	11.34	(N/A)

Indonesia Research +6221 5093 9888

rhb.id.research@rhbgroup.com

Investment Merits

- Growth to stem from property development
- Steady recurring income from demand for golf course services
- Unlocking the value of property development

Company Profile

Intra GolfLink Resorts (GOLF), established in 2005, specialises in managing golf courses and operating in the hospitality industry. Through its subsidiaries, the company provides golf course management and consultancy services, while also developing properties and supporting facilities. It owns and operates three premier golf courses: Palm Hill Golf in Bogor, New Kuta Golf in Bali, and Black Rocks Golf in Belitung. It focuses on offering a high-end golf resort experience, particularly in top tourist destinations like Bali, where it has integrated world-class golf facilities with luxury hotel accommodations.

Highlights

Turning fairways to front yards... The company has transformed one of its golfing areas in Bogor into a residential area with supportive facilities. Together with JV partner Trinitiland, GOLF is converting 95ha of land into a residential project badged as Sequoia Hill – three residential clusters have been introduced so far. It targets to book ~IDR150bn in revenue from real estate in FY25. This will mainly be from the deliveries of a cluster, Leroy, as well as its highly anticipated housing project in Bali, The Links Golf, featuring villas with direct access to its golf course.

...while maintaining steady recurring income from the golf arm. This company has been booking a quarterly revenue of at least IDR20bn from its golf courses, with a steady GPM of ~60%. We believe it should also benefit from the relatively steady demand for a golfing lifestyle, as well as golf tourism. It also expects IDR140bn (+50% YoY) to be recorded in revenue related to golf courses in FY25, largely from New Kuta Golf, as a result of a drop in competition (a nearby competing golf resort is about to close temporarily for renovation works this year). Meanwhile, the New Palm Hill Golf in Bogor is targeted to be operational by FY26, which should further boost recurring income thereafter.

Valuation. In peak periods, property developers can be valued at 30-40% discounts to their NAV. We believe GOLF is about to enter into a new growth phase via property development. As such, using a 30% discount to NAV, we derive a fair value of IDR280 for the stock.

Company Report Card

Results highlights. 4Q24 revenue came from the: i) Golf business, which accounted for IDR21bn (-17% QoQ, -5% YoY), ii) real estate segment, which contributed IDR68bn (+52% YoY), iii) restaurant division, which booked IDR8bn (+20% QoQ, +35% YoY), while iv) the others segment recorded IDR1bn (-71% QoQ, -62% YoY) in turnover. Altogether, total revenue for 4Q24 stood at IDR99bn (+176% QoQ, +30% YoY). FY24 revenue amounted to IDR198bn (+11% YoY). Net profit for 4Q24 surged to IDR52.2bn (+208% QoQ, +59%), bringing net profit for the full year to IDR67.6bn (+12% YoY).

Balance sheet. As of FY24, the company is still in a strong financial position, with a net cash of IDR111bn as of FY24 (vs net cash of IDR75bn as of FY23), which is very commendable for a property development firm.

Management. The Board of Directors includes President Director Dwi Febri Astuti and Director Andy Nuryadmanto, who both have over 20 years of experience in the industry.

Investment Case

GOLF's growth ahead would revolve around it being a property developer. It turned one of its golfing areas in Bogor into a residential project. Together with JV partner Trinitiland, GOLF is converting 95ha of land into a residential area that is currently marketed as Sequoia Hill. This project has already seen three residential clusters launched so far. GOLF targets to book ~IDR150bn in revenue from the real estate business in FY25.

Meanwhile, recurring income from the golf course segment is relatively stable, as the company manages to book a quarterly revenue of at least IDR20bn from this arm, with a stable GPM of ~60%.

In all, IDR300-400bn in total revenue can be achieved by FY25 (+50-100% YoY), with a targeted net profit of IDR75-100bn (+12-49% YoY).

In peak times, property developers can be valued at 30-40% discounts to their NAV. As we believe GOLF's new growth – stemming from it being a property developer – will be realised looking forward, we use a 30% discount to NAV to arrive at a fair value of IDR280 for the stock.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover	112	178	198
Reported net profit	26	60	68
Recurring net profit	26	60	68
Recurring net profit growth (%)	79,790	136	12
Recurring EPS (IDR)	1	3	3
DPS (IDR)	-	-	-
Recurring P/E (x)	175.5	74.5	66.3
Return on average equity (%)	6.2	1.5	0.9
P/B (x)	10.7	0.6	0.6
P/CF (x)	119.9	51.2	252.9

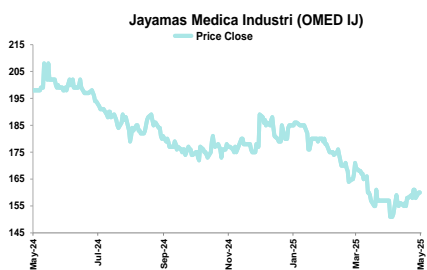
Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	196	256	1,426
Total assets	626	7,765	8,637
Total current liabilities	175	153	161
Total non-current liabilities	30	30	495
Total liabilities	204	183	657
Shareholder's equity	421	7,581	7,980
Minority interest	0	0	0
Other equity	-	-	-
Total liabilities & equity	626	7,765	8,637
Total debt	0	0	443
Net debt	(39)	(75)	(111)

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	37	88	18
Cash flow from investing activities	57	51	353
Cash flow from financing activities	44	(1)	815
Cash at beginning of period	15	39	75
Net change in cash	24	36	479
Ending balance cash	39	75	554

Source: Company data, RHB



Investment Merits

- Capitalising on the current regulatory landscape
- Multiple business fortes
- Continuous business improvement
- Multiple growth initiatives on the cards

Company Profile

Jayamas Medica Industri (OMED) manufactures medical products. It has a strong track record of operating for more than 30 years, and now has integrated operations and multiple products ranging from disposable medical items to hospital furniture. The company serves customers nationwide and overseas through one national distribution centre, as well as 23 branch offices and warehouses in Indonesia. It also serves a variety of consumers ranging from governments to private institutions.

Highlights

Capitalising on the current regulatory landscape... OMED has benefitted from the healthcare industry being under-penetrated, as well as the Government's preference for products with high local content. We think such favourable regulations will remain put, and should benefit the company. Despite concerns on recent public budget cuts, the impact of such a decline in funding may still be manageable for OMED, since the bulk of its revenue comes from the sales of single-use products like medical consumables, wound care items, etc. OMED has also benefitted from government programmes related to large-scale free medical check-ups for the public, which have been offered lately.

...with the number of its business fortes. Although consumer purchasing power remains tepid, OMED has navigated this situation by offering a wide range of products, while banking on its strong track record. Additionally, it has benefitted from consumer downtrading, as its products are of comparable quality to that of competitors – but with friendlier prices. Its extensive distribution network also underpins its high responsiveness to customer demand. These strengths also position the company to withstand potential competition from China firms that are eyeing the Indonesian market.

Continuous business improvements. The company aims to continue growing the portion of its own-brand products, to maintain quality and enhance margins. Own-brand sales accounted for c.91% of revenue in 2024 (2023: 89%). This was also supported by its three manufacturing facilities. The company has also undertaken various initiatives to boost operations, eg automation, and implementing cost-saving technologies – which should strengthen margins.

Source: Bloomberg

Stock Profile

Bloomberg Ticker	OMED IJ
Avg Turnover (IDR/USD)	0.39bn/0.02m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	4,302
Beta (x)	0.58
BVPS (IDR)	91
52-wk Price low/high (IDR)	143 – 212
Free float (%)	14.9

Major Shareholders (%)

Intisumber Hasil Sempurna	83.3
Yacobus Jemmy Hartanto	0.9
Siane Soetanto	0.9

Share Performance (%)

	1m	3m	6m	12m
Absolute	5.30	(10.67)	(10.17)	(19.70)
Relative	(9.18)	(12.48)	(4.37)	(16.53)

Vanessa Karmajaya +6221 5093 9888 Ext 985

vanessa@rhbgrou.com

Multiple growth initiatives. The retail segment accounted for 9% of 2024 revenue, and OMED intends to raise this figure to 12-15% by adding 3-5 stores a year (from 28 currently). The company also aims to strengthen online sales channels. Altogether, these initiatives should help to drive revenue, enhance brand awareness, and improve consumer accessibility. Additionally, it is forging partnerships with international companies from Japan, Germany and India to enhance its competitive edge and diversify revenue streams.

Company Report Card

Results highlights. The worst was over in 2023. OMED's earnings surged by 24% YoY in 2024 (vs a 9.2% YoY decrease in 2023). This was due to a 8.5% topline growth in 2024 – largely driven by sales volume growth – coupled with greater profitability and prudent operating cost controls.

Balance sheet/cash flow. OMED has a healthy balance sheet, and has remained in a net cash position over the last three years. Its current ratio remained at a sturdy 7.7x in 2024, indicating strong liquidity. Cash flow from operations also remained positive over the last few years.

Dividend. The company paid c.IDR78bn in cash dividends in 2024, representing c.30% of 2023 income and translating to a DPS of c.IDR3 – largely stable vs the payout chalked in 2023. This translates to a c.1.8% dividend yield

Management. Dr Herlien Sri Ariani has been OMED's president director since 2018. She has been with the company since 2001, and has a deep understanding of its operations. She also has a solid work track record, with over 30 years of experience in the medical industry.

Investment Case

The company expects to continue the solid performance recorded in 2024 – YTD numbers are encouraging. OMED guided for c.10-15% YoY revenue growth this year, along with a c.50bps net margin expansion. The stock is trading at c.11-12 2025F P/E. We think it should be trading at c.15x, or around a 20% discount to Kalbe Farma (KLBF IJ). We believe our valuation is relatively conservative, given OMED's stronger growth profile – which helps to underpin our FV of IDR200. Downside risks: Intensifying competition, and unfavourable government regulations.

Profit & Loss	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	1,739	1,737	1,886
Reported net profit (IDRbn)	286	259	322
Recurring net profit (IDRbn)	275	259	314
Recurring net profit growth (%)	(51.3)	(5.6)	21.2
Recurring EPS (IDR)	10	10	12
DPS (IDR)	9	3	3
Dividend Yield (%)	5.8	2.0	1.8
Recurring P/E (x)	15.8	16.7	13.8
Return on average equity (%)	17.5	12.2	13.7
P/B (x)	2.1	2.0	1.8
P/CF (x)	46.7	32.2	12.3

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	2,113	2,047	2,261
Total assets	2,507	2,584	2,825
Total current liabilities	231	136	295
Total non-current liabilities	207	202	34
Total liabilities	438	338	330
Shareholder's equity	2,044	2,218	2,461
Minority interest	25	27	34
Other equity	-	-	-
Total liabilities & equity	2,507	2,584	2,825
Total debt	160	160	160
Net debt	(671)	(961)	(1,065)

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	93	134	352
Cash flow from investing activities	(495)	265	(164)
Cash flow from financing activities	500	(109)	(83)
Cash at beginning of period	733	831	1,121
Net change in cash	98	290	104
Ending balance cash	831	1,121	1,225

Source: Company data, RHB

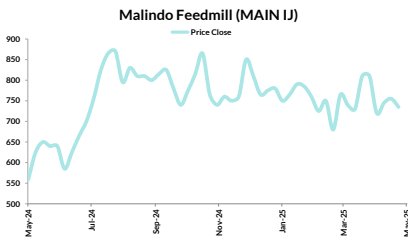


Malindo Feedmill

Expecting More Stable Dynamics

Fair Value: IDR1,235

Price: IDR740



Investment Merits

- Ample long-term growth opportunities in Indonesia's poultry industry
- Anticipating more stable supply and demand dynamics
- Expansion opportunities in feed mills...
- ...and downstream expansion for additional income streams

Company Profile

Established in 1997, Malindo Feedmill (MAIN) is one of Indonesia's largest fully integrated poultry firms. Its business segments are divided into animal feed production, breeding farm, broiler farm, and food processing. The main topline contributors are animal feed production, as part of the company's upstream operations. Topline mid-stream contributions come from grandparent stock (GPS) and parent stock breeding farms and broiler farms. Topline downstream contributors are MAIN's processed food offerings and F&B retail store, ie Sunny Chick. The company is a subsidiary of Malaysia-based Leong Hup International (LHB MK).

Highlights

It is set to capitalise on the ample long-term growth opportunities in Indonesia's poultry industry, underpinned by its status as a provider of a staple protein source, with consumption supported by a large and growing population. The Government's free meal programme could provide a further catalyst to boost chicken meat consumption. Moreover, Indonesia's per capita poultry meat consumption remains below that of regional peers – at just 8.2kg in 2023, vs 17.6kg in Vietnam and 50.5kg in Malaysia. This highlights the potential headroom for future growth. This consumption gap underscores the sector's structural potential, as purchasing power improves and dietary habits continue to shift towards protein-rich foods.

Anticipating more stable supply and demand dynamics. A 15-20% estimated reduction in the 2024 GPS import quota means a likely reduction in day-old chicks (DOC) oversupply in 2025. The Government has lowered the GPS import quota, and 2024F GPS import quota only hit 530,000 birds vs 660,000 birds in 2023. Since there is usually around a 1.5-year lag for the lower GPS import quota to start making an impact, we expect a 15-20% natural decline in DOC supply. With the poultry sector previously facing an oversupply, these measures are likely to positively impact the sector, in our view, reducing the reliance on culling in FY25 to stabilise and maintain healthy prices to support margins.

Additionally, stable soybean meal and corn prices are expected to support feed margins.

Source: Bloomberg

Stock Profile

	MAIN IJ
Bloomberg Ticker	MAIN IJ
Avg Turnover (IDR/USD)	2.5bn/0.15m
Net Gearing (%)	32
Market Cap (IDRbn)	1,634
Beta (x)	1.35
BVPS (IDR)	1,440
52-wk Price low/high (MYR)	550 - 920
Free float (%)	41

Major Shareholders (%)

Dragon Amity	57.27
--------------	-------

Share Performance (%)

	1m	3m	6m	12m
Absolute	1.39	(3.95)	(1.35)	30.36
Relative	14.90	2.18	(5.45)	(2.81)

Indonesia Research +6221 5093 9888

rhb.id.research@rhbgroup.com

Expansion opportunities in feed mills...The recently installed corn dryer in Lampung is already up and running, and the company plans to further enhance its post-harvest infrastructure, with the construction of a silo in 2025. We believe this expanded storage capacity will allow MAIN to better manage corn supply during the harvest season, improving cost efficiency and raw material availability. Looking ahead, the company is also evaluating the construction of an additional feed mill in Lampung to accommodate potential future demand. In our view, this proactive approach to capacity expansion positions MAIN well to capture volume growth opportunities in line with the sector's long-term potential.

...and downstream expansion for additional income streams. MAIN continues to strengthen its downstream portfolio through the growth of its processed food brand, Sunny Gold, and its quick-service restaurant chain, Sunny Chick. The processed food business aims to drive volume growth, supported by eight production lines – of which only two are currently operational and running below full capacity, thereby providing ample room for future scale-up. Meanwhile, Sunny Chick targets the mid-to low-income segment with an affordable pricing strategy, leveraging online sales channels and partnerships to expand its footprint efficiently. We view this 2-pronged downstream strategy as a positive step towards business diversification, which should enhance MAIN's long-term profitability and resilience.

Company Report Card

Latest financial statement review. MAIN posted a strong FY24 net profit of IDR488bn (+675% YoY). Topline sales remained strong at IDR12.5trn (+3.7% YoY) in FY24. We saw the DOC/day-old ducklings or DOD and boiler segments become the key revenue growth driver last year, posting a turnover increase of 21.9% and 13.3% YoY.

Balance sheet/cash flow. MAIN recorded a net debt of IDR851bn in FY24. As such, its net gearing stood at c.32%. This shows an improvement from net gearing of c.107% in FY22. Its current ratio was c.1.7x in 2024.

ROE/margin analysis. MAIN's ROAE improved significantly, reaching c.20.4% in FY24 compared with c.3.0% in FY23.

Management. MAIN's President Director is Tan Sri Lau Tuang Nguang, who has over 40 years of experience and expertise in the integrated livestock industry.

Investment Case

Valuation. Based on Street estimates, MAIN is trading at 3.8x forward P/E, or c. -1.7SD from its 5-year mean. If the stock is valued at 6.4x P/E, this will translate to a FV of IDR1,235.

Key risks. MAIN is exposed to several downside risks. First, volatility in raw material prices, particularly soybean meal and corn, could pressure margins. Second, the risk of soft consumer purchasing power may lead to lower demand for chicken meat, which could in turn lead to higher-than-expected oversupply conditions.

Profit & Loss	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	11,102	12,058	12,503
Reported net profit (IDRbn)	26	63	488
Recurring net profit (IDRbn)	(22)	81	477
Recurring net profit growth (%)	N/A	N/A	486.8
Recurring EPS (IDR)	(10)	36	213
DPS (IDR)	-	-	-
Dividend Yield (%)	-	-	-
Recurring P/E (x)	N/A	20.4	3.5
Return on average equity (%)	N/A	3.8	19.9
P/B (x)	0.8	0.8	0.6
P/CF (x)	6.2	3.6	1.8

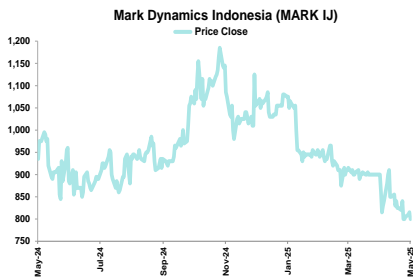
Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	2,952	2,821	2,848
Total assets	5,747	5,517	5,380
Total current liabilities	2,525	2,383	1,725
Total non-current liabilities	828	638	434
Total liabilities	3,353	3,021	2,159
Shareholder's equity	2,077	2,143	2,635
Minority interest	(2)	(2)	(2)
Other equity	319	356	588
Total liabilities & equity	5,747	5,517	5,380
Total debt	2,707	2,117	1,180
Net debt	2,229	1,829	851

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	269	462	902
Cash flow from investing activities	(276)	(100)	(155)
Cash flow from financing activities	305	(551)	(705)
Cash at beginning of period	180	477	288
Net change in cash	298	(190)	42
Ending balance cash	477	288	329

Source: Company data, RHB



Source: Bloomberg

Stock Profile

Bloomberg Ticker	MARK IJ
Avg Turnover (IDR/USD)	14.8bn/0.9m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	3,040
Beta (x)	0.65
BVPS (IDR)	227
52-wk Price low/high (IDR)	735 – 1,210
Free float (%)	35.1

Major Shareholders (%)

Tecable (HK) Co	42.4
Mark Capital Indo	15.4
Dyna Capital Indo	20.7

Share Performance (%)

	1m	3m	6m	12m
Absolute	(6.98)	(14.89)	(25.58)	(17.95)
Relative	(21.45)	(16.70)	(19.78)	(14.78)

Vanessa Karmajaya +6221 5093 9888 Ext 985
vanessa@rhbgroup.com

Investment Merits

- Staying defensive amidst recent changes in recent geopolitical dynamics
- Monetising growth potential
- Efforts taken to bolster margin profile
- Continuously in search of various growth avenues

Company Profile

Mark Dynamics Indonesia (MARK) mainly produces nitrile and latex glove formers, with three manufacturing plants located in north Sumatra. The company's key competitive advantages are product quality (high durability) and its specialty in nitrile component gloves. MARK has a strong track record, and has forged longstanding relationships with customers – resulting in a dominant c.40% share of the global glove formers market.

Highlights

Staying defensive amidst recent changes in recent geopolitical dynamics. The US-China tariff war has led Chinese manufacturers to consider relocating to Indonesia, boosting local industry prospects. MARK should continue to be the preferred choice of supplier for China glove manufacturers, given its quality and location choice. Note that China glove companies have continued to gain market share on the global glove front.

Monetising growth potential. Global demand for gloves is expected to expand by 10% YoY in 2025, with 31% of the demand coming from the US. The growth is due to widening applications in the use of glove beyond the healthcare industry. MARK noted there have been rising new applications for gloves, including in art and electronics assembly. For instance, the planned expansion of one EV producer into Indonesia has regulations requiring single-use gloves, creating an opportunity for demand to spike up, particularly in the industrial and manufacturing sectors. The company has targeted c.16-17% sales volume growth for 2025.

Efforts to bolster margin profile. We expect margins to improve in 2024 due to efficiencies from a better raw material mix, continued product innovations, and stronger sales volumes. Raw material prices have remained stable, with minimal supply disruptions. The recent reallocation exercise at its factory should improve production flow and efficiency. MARK is also investing in a LPG storage tank to manage industrial gas costs and potential disruptions in electricity source – ensuring a smoother operation process.

Continuously in search of various growth avenues. MARK is developing a pilot project for thin lightweight former gloves – 40% lighter, requires less energy, and offers higher margins given the higher selling price vs normal products. On the consumer front, it should help accelerate the production process along with a lower energy requirement. MARK is waiting to obtain patent approval in Malaysia, with mass production expected by late 2025. Moreover, it is revamping its sanitaryware products as well as agriculture-supporting chemicals and equipment production, thereby enabling the diversification of its business.

Company Report Card

Results highlights. Net income soared 83.7% YoY to IDR287bn in 2024, mainly from a 62.7% YoY surge in revenue due to stellar sales volume growth. MARK's net margin came at 31.5% in 2024 (vs 27.9% in 2023) – its second-highest in the last six years.

Ample liquidity. The company maintained its solid current ratio of 5.3x in 2024 (vs 2023: 5.1x). It recorded a net cash position in 2024 (vs 0.3% net gearing in 2023). We note that MARK has recorded positive cash flow from operations over the last few years.

Dividends. The company has continuously distributed dividends over the past three years. Around 93% of its earnings were disbursed as dividends in 2024 – much higher than the 63% ratio in 2023.

Management. Ridwan Goh is currently MARK's President Director. He was first appointed to the board in 2018. He oversees the entire company, and has more than a decade of experience in its business and operations. He joined MARK as a marketing manager in 2008.

Investment Case

MARK guided for c.20% YoY revenue growth in 2025, with its net margin expected to expand by c.10-20bps, underpinned by the abovementioned initiatives. This counter is trading at c.8-9x 2025F P/E. We derive our FV of IDR1,000 from its guidance on 2025F EPS, with 11x P/E – representing a c.40% discount to the average P/E of other healthcare players. Key downside risks include worsening geopolitical tensions, adverse effects of changes in regulations, and intensifying competition.

Profit & Loss	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	824	559	910
Reported net profit (IDRbn)	243	156	287
Recurring net profit (IDRbn)	247	146	278
Recurring net profit growth (%)	(37.5)	(40.6)	89.5
Recurring EPS (IDR)	65	39	73
DPS (IDR)	50.0	40.0	70.0
Dividend Yield (%)	6.2	5.0	8.7
Recurring P/E (x)	12.3	20.8	11.0
Return on average equity (%)	30.7	18.6	33.8
P/B (x)	3.6	3.6	3.5
P/CF (x)	14.8	13.0	8.9

Source: Company data, RHB

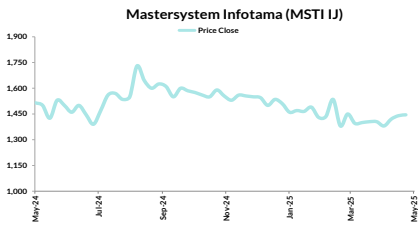
Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	436	423	430
Total assets	1,005	952	956
Total current liabilities	112	83	81
Total non-current liabilities	50	28	14
Total liabilities	162	111	95
Shareholder's equity	841	837	858
Minority interest	3	3	3
Other equity	-	-	-
Total liabilities & equity	1,005	952	956
Total debt	122	57	31
Net debt	70	2	(45)

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	205	234	341
Cash flow from investing activities	(44)	(11)	(26)
Cash flow from financing activities	(215)	(219)	(294)
Cash at beginning of period	104	51	55
Net change in cash	(53)	4	21
Ending balance cash	51	55	76

Source: Company data, RHB

Growth Driven By Data Centres And Services



Source: Bloomberg

Stock Profile

Bloomberg Ticker	MSTI IJ
Avg Turnover (IDR/USD)	1.0bn/0.06m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	4,520
Beta (x)	0.6
BVPS (IDR)	688
52-wk Price low/high (IDR)	1,275 – 1,925
Free float (%)	15

Major Shareholders (%)

Eddy Anthony	28.8
Jupri Wijaya	28.8
Joko Gunawan	27.5

Share Performance (%)

	1m	3m	6m	12m
Absolute	10.6	2.1	(6.1)	(3.6)
Relative	14.3	1.7	(5.8)	(3.2)

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

Investment Merits

- Increasing national awareness of cybersecurity and proper IT infrastructure should propel the solution and consulting segments
- Top Indonesia supplier for Cisco Systems and, recently, Nvidia – a leading artificial intelligence (AI) developer
- Implementation of personal data protection (PDP) regulations should boost the demand for well-fortified IT infrastructure

Company Profile

Mastersystem Infotama (MSTI), established in Jakarta in 1994, has become an information and communication technology (ICT) infrastructure provider for the banking, oil & gas, and telecommunications industries. The company provides data centres and cloud infrastructure, digital business management, big data and analytics services, as well as adaptive security architecture among others.

Highlights

Orderbook to expand by at least 10% YoY in 2025F; net margin to be maintained at 9-10%. Management expects its orderbook to expand at a minimum of 10%, ie its historical growth rate. This would take its orderbook value to IDR5.7trn by end-2025. While MSTI plans to pursue more Nvidia projects in 2025, it also hopes to expand its cloud and managed services business this year. Note: Managed services is the segment that delivers the highest margins, which can reach 60%.

Implementation of PDP laws should boost growth prospects. Following the implementation of PDP regulations and the push to upgrade IT infrastructure, Indonesia's financial services sector is allocating a larger budget for IT spending. Furthermore, MSTI's collaborations with Lintasarta and Nvidia on the GPU Merdeka project (sovereign AI cloud) would bring about a new revenue stream that we believe will continue for years to come.

Strong after-sales services become a key competitive advantage. While management acknowledged MSTI's rivalry with Metrodata Electronics (MTDL IJ, NR) and Multipolar Technology (MLPT IJ, NR), it is also convinced that its target market, after-sales services, and long-term relationships with clients would grant it a competitive edge.

Prominent suppliers backing IT services business. Currently, MSTI is the main partner for several principal names like Cisco, Hewlett Packard Enterprise, and F5 Inc. It also recently became an authorised partner of Nvidia, in delivering the latest AI technology. As a partner, MSTI is ready to help clients utilise the power of AI from Nvidia, with solutions that include hardware and software for various industries.

Company Report Card

2024 net profit grew by 18.5% YoY to IDR530bn, driven by a 33% YoY increase in revenue from the hardware business (59% of total revenue). MSTI's FY24 gross margin was at 18% (FY23: 21%), due to lower margins booked by the hardware segment. Among the segments, hardware yielded a 13% gross margin (FY23: 21%), while that of software was at 10% (FY23: 10%) and the services unit, 61% (FY23: 58%). Bank Syariah Indonesia (BRIS IJ) accounted for 37% of MSTI's total revenue, followed by Lintasarta (34%), and Bank Central Asia (BBCA IJ, 29%).

4Q24 net profit was driven by two segments: i) Software, where earnings grew 22% QoQ to IDR569bn; and ii) service and maintenance, where net profit grew 11% QoQ to IDR253bn. Meanwhile, the hardware segment's performance was in line with management's guidance, with revenue peaking in 3Q24, before declining by 12% QoQ a quarter later to IDR986bn. Continuing its historical trend, 4Q24 once again brought MSTI's best quarterly net profit for the year, at IDR218bn (+47% QoQ), or about 41% of FY24 net income

Net cash position. In FY24, MSTI remained in a net cash position. The group has a healthy balance sheet, with net cash of IDR1.3trn – and will likely maintain a net cash position in 2025F. As it is a service provider, MSTI does not have substantial capex to ensure business continuity. Notable operating cash inflows in FY24 amounted to IDR905bn, driven by IDR5.6trn in receipts from a customer vs IDR4.3trn in cash payments made to suppliers. The significant cash outflow in 2024 was to repay a IDR300bn short-term bank loan, while its dividend payments amounted to IDR313bn.

Dividends. Management intends to maintain a high dividend payout ratio, which may result in a 8% dividend yield. MSTI distributed 70% of 2023 net income as dividends in 2024. Consequently, our analysis indicates that 2024 net income totalled IDR530bn, or IDR169 in EPS. If the dividend payout ratio is maintained at 70%, DPS for 2024 earnings would be approximately IDR118 (+18% YoY, 8% dividend yield assuming a share price of IDR1,440).

Management. The company is still led by its original founders – Jupri Wijaya, Eddy Anthony, and Joko Gunawan. The founders are supported by a group of directors with backgrounds in IT, and a combined total of over 25 years of working experience.

Investment Case

The digitalisation trend has propelled IT spending, which is estimated to grow by 6% pa. According to Euromonitor, Indonesia's IT solutions market may chalk a CAGR of 18% over 2023-2027. Meanwhile, IDC estimates that Indonesia's IT spending will grow by 6% pa through to 2027, with IT services and software leading the growth, at 13% pa and 12% pa.

Valuation: We use the 2025F peer average P/E of 9.2x with EPS of IDR192/share, to value the stock, which leads to a TP of IDR1,800. The stock is trading at 7.6x 2025F P/E.

Key risks: Longer-than-expected ICT developments in Indonesia.

<u>Profit & Loss (IDRbn)</u>	<u>Dec-23</u>	<u>Dec-24</u>	<u>Dec-25F</u>
Total turnover	4,201	5,362	5,830
Reported net profit	448	530	603
Recurring net profit	448	530	603
Recurring net profit growth (%)	12.2	18.5	13.7
Recurring EPS (IDR)	142.6	168.9	192.0
DPS (IDR)	111.5	99.8	114.8
Dividend Yield (%)	7.5	6.7	7.8
Recurring P/E (x)	10.4	8.8	7.7
Return on average equity (%)	28.1	25.8	26.5
P/B (x)	2.4	2.2	1.9
P/CF (x)	19.1	5.1	8.2

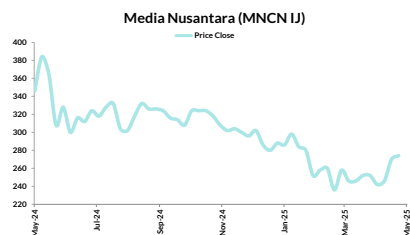
Source: Company data, RHB

<u>Balance Sheet (IDRbn)</u>	<u>Dec-23</u>	<u>Dec-24</u>	<u>Dec-25F</u>
Total current assets	2,859	2,873	3,427
Total assets	3,083	3,112	3,654
Total current liabilities	1,038	825	1,158
Total non-current liabilities	99	126	106
Total liabilities	1,138	951	1,264
Shareholder's equity	1,945	2,161	2,389
Minority interest	-	-	-
Other equity	-	-	-
Total liabilities & equity	3,083	3,112	3,654
Total debt	220	102	52
Net debt	(782)	(1,319)	(1,461)

Source: Company data, RHB

<u>Cash Flow (IDRbn)</u>	<u>Dec-23</u>	<u>Dec-24</u>	<u>Dec-25F</u>
Cash flow from operations	243	905	569
Cash flow from investing activities	(21)	(10)	(81)
Cash flow from financing activities	349	(471)	(396)
Cash at beginning of period	431	1,002	1,421
Net change in cash	572	424	92
Forex effects	(1)	(5)	-
Ending balance cash	1,002	1,421	1,513

Source: Company data, RHB



Investment Merits

- Anticipating a recovery in the free-to-air (FTA) segment albeit slowly...
- ...supported by more compelling content
- Downstream expansion for additional income streams

Company Profile

Founded in 1997, Media Nusantara Citra (MNCN) conducts business activities in advertising-based media, as well as produces and distributes content on television and other platforms. As a parent company, it owns and operates four FTA TV stations, namely RCTI, MNC TV, GTV, and iNews. The company also produces content spanning numerous genres for all generations. It is consistently focused on digital business development through the advertising-based video on demand (AVOD) superapp RCTI+, as well as the subscription-based video on demand (SVOD) superapp Vision+ - which are owned and operated by one of its business units.

Highlights

Anticipating a recovery in the FTA segment, albeit slowly... We anticipate a gradual recovery in the FTA segment, but the pace may remain slow amid ongoing structural challenges. The completion of the Indonesian Government’s analogue switch-off (ASO) programme in Aug 2023 marked a significant shift in the broadcasting landscape, but it also coincided with intensifying competition from digital advertising platforms, putting continued pressure on traditional TV advertising. Despite the headwinds, we believe that FTA television remains a key advertising channel, particularly for broad-based consumer outreach. According to Nielsen’s 1Q24 report, digital TV penetration has reached 97% across 11 major cities in Indonesia, suggesting a substantial and still-relevant audience base. This should support a measured recovery in FTA advertising revenue in FY25, although advertisers’ growing preference for multi-platform strategies may moderate the pace of growth.

...supported through more compelling content. MNCN's FTA segment should be further supported by its increasingly compelling content portfolio, which continues to resonate well with mass-market audiences. Based on our ground checks, several of its flagship soap operas – such as *Premans Pensiun 9*, *Entong*, *Terbelenggu Rindu*, and *Mencintaimu Sekali Lagi* – have been ranked among the top daily TV programmes. In addition, MNCN is poised to benefit from the broadcast of high-profile events such as the FIFA World Cup football qualifiers featuring the Indonesian national team, which have attracted significant viewer interest.

Source: Bloomberg

Stock Profile

Bloomberg Ticker	MNCN IJ
Avg Turnover (IDR/USD)	6.5bn/0.39m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	4,033
Beta (x)	1.15
BVPS (IDR)	1,627
52-wk Price low/high (IDR)	220 - 404
Free float (%)	42

Major Shareholders (%)

Global Mediacom	52.67
-----------------	-------

Share Performance (%)

	1m	3m	6m	12m
Absolute	12.61	6.35	(12.99)	(22.54)
Relative	14.90	2.18	(5.45)	(2.81)

Indonesia Research +6221 5093 9888

rhb.id.research@rhbgroupp.com

These content strengths not only enhance the competitiveness of its traditional FTA platform but also create synergies with its digital ecosystem, particularly its over-the-top (OTT) platform RCTI+, where popular soap operas are well-positioned to drive on-demand viewership among increasingly mobile subscribers.

Downstream expansion for additional income streams. MNCN's Movieland outdoor studio facility is expected to enhance cost management. The facility, slated for completion in 1Q25, is anticipated to reduce production costs by 10-15%. Note: Some production activities were conducted at Movieland in FY24, partly contributing to cost savings. This measure is likely to support MNCN's cost efficiency as it continues to navigate a competitive media landscape.

Company Report Card

Results highlights. MNCN posted a net profit of c.IDR1.1trn (+3.9% YoY) in FY24. Gross margin for FY24 stood at 46% (-0.4ppts YoY). Revenue in FY24 increased by 2.2% to c.IDR7.95trn, mainly driven by the increase in the content, and intellectual property and subscription segments, where revenue grew c. 38% and c. 44% YoY.

Balance sheet. MNCN booked a net debt of IDR298bn in 2024 compared to a net cash position in 2023. However, net gearing was at 1.2% in 2024. Its current ratio was at c.8x in 2024.

Dividend. The company did not pay dividends in 2024. The last dividend was paid in 2023, amounting c.IDR71bn – translating to a dividend payout ratio of c.3.5%.

Management. Noersing has served as President Director of MNCN since 2021. Currently, he also serves as President Director of MNC Digital Asia Media Productions, and Managing Director at RCTI. Since 2017, he has also served as Production Director at RCTI, MNCTV, GTV, and Digital.

Investment Case

Valuation. Using our proprietary methodology, we assigned an ESG score of 2.8 to this stock, applying a 4% discount to its intrinsic value (4.4x FY25F P/E) to determine our TP. We expect FY25 net profit to be c.IDR1.36trn. While the stock is currently trading at an attractive 2.8x FY25F P/E or 0.2x FY25F P/BV, MNCN's improved performance in the FTA segment may drive positive sentiment on the stock.

Key risks. Lower-than-expected performance and ratings for its soap operas may result in a decline of audience share and potentially slow down recovery in the FTA segment. Shrinking FTA market pool amidst competition with digital platforms may also pose a threat, as well as slower advertising expenditure by its clients.

Profit & Loss	Dec-23	Dec-24	Dec-25F
Total turnover (IDRbn)	7,783	7,954	8,227
Reported net profit (IDRbn)	1,033	1,073	1,355
Recurring net profit (IDRbn)	1,053	1,057	1,364
Recurring net profit growth (%)	(49.1)	0.4	29.0
Recurring EPS (IDR)	70	70	91
DPS (IDR)	5	-	-
Dividend Yield (%)	1.7	0.0	0.0
Recurring P/E (x)	3.9	3.9	3.0
Return on average equity (%)	5.4	5.1	6.2
P/B (x)	0.2	0.2	0.2
P/CF (x)	3.6	3.9	1.9

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-23	Dec-24	Dec-25F
Total current assets	9,855	10,679	10,788
Total assets	22,766	24,643	25,483
Total current liabilities	1,227	1,337	1,412
Total non-current liabilities	618	724	781
Total liabilities	1,844	2,061	2,193
Shareholder's equity	20,066	21,519	22,434
Minority interest	0.86	1.06	0.86
Other equity	855	1,061	855
Total liabilities & equity	22,766	24,643	25,483
Total debt	1,457	1,659	1,550
Net debt	(31)	298	(359)

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-23	Dec-24	Dec-25F
Cash flow from operations	1,151	1,044	2,158
Cash flow from investing activities	(1,022)	(1,914)	(1,294)
Cash flow from financing activities	50	744	(420)
Cash at beginning of period	1,308	1,487	1,361
Net change in cash	179	(126)	548
Ending balance cash	1,487	1,361	1,909

Source: Company data, RHB

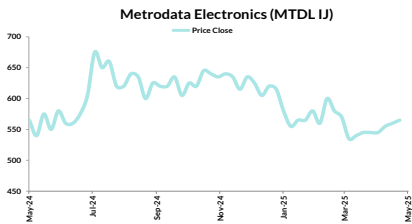


Metrodata Electronics

Storage Expansion Supports Growth

Fair Value: IDR640

Price: IDR555



Source: Bloomberg

Stock Profile

	MTDL IJ
Bloomberg Ticker	MTDL IJ
Avg Turnover (IDR/USD)	6.2bn/0.38m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	6,880
Beta (x)	0.5
BVPS (IDR)	341
52-wk Price low/high (IDR)	464 – 690
Free float (%)	42

Major Shareholders (%)

Ciputra Corp	36.2
DRA Medya Lengkey	16.6

Share Performance (%)

	1m	3m	6m	12m
Absolute	(9.7)	12.9	(3.5)	(11.8)
Relative	(3.1)	14.4	1.8	(5.9)

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

Investment Merits

- Increasing national awareness of cybersecurity and proper IT infrastructure propels the solutions and consulting business
- Infinix brand gaining market share in the low-end smartphone segment
- Strong principals, ie ASUS, Hewlett Packard, and IBM

Company Profile

Metrodata Electronics (MTDL) is owned and controlled by Ciputra Group (36% stake). It is engaged in information and communication technology (ICT). Business segments are: i) Distribution, which includes selling hardware and software, basic peripherals eg data storage devices, terminals, and memory; ii) Solutions and consultation (S&C) which offers services like maintenance, hardware and software rental, selling hardware and software, system management software, middleware, serverware and system-level software, as well as professional services for consultation, implementation, and training.

Highlights

Urgent need for proper IT infrastructure drives high-margin S&C segment. Through its 8-pillar digital solutions campaign, the growth of MTDL's S&C segment is mainly supported by growth in cloud solutions (54% YoY), the digital business platform (61% YoY), and data & artificial intelligence (AI) (56% YoY). In 2024, recurring income made up c.53% of total S&C revenue, or c.13% of group revenue. MTDL has partnerships with Huawei Cloud, Cisco and Oracle and, in late 2023, was appointed as an authorised distributor by IBM to provide IT solutions for various sectors ie financial, telecommunications, and oil & gas. Note: S&C contributed 24% of group revenue in 2024, but accounted for 56% of earnings. About 43% of its FY24 S&C revenue of IDR6.2trn stemmed from financial services clients. In FY24, its S&C net margin was 6.7%.

In 2024, Transsion had a 18% market share of the Indonesia smartphone market, with sales up by 62% YoY. MTDL's distribution unit (73% of 2024 revenue) clocked a 19% YoY increase in sales to IDR19.7trn that year, mainly on the sales of items from Transsion brands, ie Infinix, Itel and Tecno. This increase expanded its market share in smartphone sales to 18.3% in 2024, from 13.1% in 2023. In 2024, its distribution net margin was 3.3% (2023: 3.5%). The massive growth in its telco product (+79% YoY), personal computer and notebook sales accounted for 41% of revenue from the distribution business.

MTDL recently completed the expansion of its central warehouse (+82% storage capacity) to support the growth of Synnex Metrodata Indonesia. Management expects total revenue to reach IDR50trn by end-2029 or double from the 2024 level, while net income is projected to hit IDR1.5trn in the same year.

Company Report Card

2024 net profit increased by 14% YoY to IDR740bn, driven by a 14% YoY growth in revenue. Total turnover growth, meanwhile, was driven by a 19% YoY revenue increase from the distribution segment to IDR19.7trn, while the S&C unit posted flat revenue growth (IDR6.2trn). As the distribution segment has lower margins than that of the S&C division, MTDL's gross margin declined to 8.5% in 2024 from 8.7% in 2023. ROE remained strong at 17.6%. On net income, S&C contributed 56%, while the distribution segment accounted for 44%.

Financial services customers remain MTDL's largest revenue contributor (58% in 2024) for the S&C segment, with cloud services as the key driver generating recurring income (53% of total segmental revenue).

4Q24 net profit soared 59% QoQ, driven by the completion of projects that were accelerated in 2H24, especially in the service segment.

Net cash. In FY24, MTDL remained in a net cash position. The group has a healthy balance sheet with net cash – and its net cash position may remain put in 2025. Notable operating cash inflows in FY24 amounted to IDR273.3bn, driven by IDR25.5trn in receipts from a customer vs IDR24.1trn in cash payments made to suppliers. Significant cash outflows in 2024 were for repaying bank loans amounting to IDR5.3trn.

Dividends. Last year, MTDL distributed 39.6% of 2023 net income as dividends (DPS: IDR21). If management maintains its 40% dividend payout ratio, MTDL is likely to distribute IDR24 in DPS, up 14% YoY and reflecting a 4.2% dividend yield (at the share price of IDR560).

Management. The company is led by President Director Susanto Djaja, who has been running it since 2010. Three other company directors assist Susanto, and come with over 25 years of experience.

Investment Case

A recent IT security issue sparked the urgency to invest in proper IT infrastructure. As such, MTDL has emerged as a leading IT solutions provider and consultant in the country. Meanwhile, the growth of Infinix's (one of the brands it sells products for) market share in Indonesia's low-end smartphone segment should also alleviate cash flow concerns for the fast-growing S&C segment.

We value the stock with the 3-year peer average P/E for 2025F, ie 10x, together with a consensus estimate on EPS, of IDR64. This translates to a FV of IDR640. MTDL is trading at 8.8x 2025F P/E.

Key risks: Longer-than-expected ICT development in Indonesia.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover	20,988	22,086	12,564
Reported net profit	580	651	503
Recurring net profit	573	636	503
Recurring net profit growth (%)	13.5	11.0	(20.8)
Recurring EPS (IDR)	46.7	51.8	41.0
DPS (IDR)	14.5	21.0	33.0
Dividend Yield (%)	2.6	3.8	5.9
Recurring P/E (x)	11.9	10.7	13.5
Return on average equity (%)	19.4	18.8	12.8
P/B (x)	2.1	1.8	1.6
P/CF (x)	53.7	(92.0)	24.9

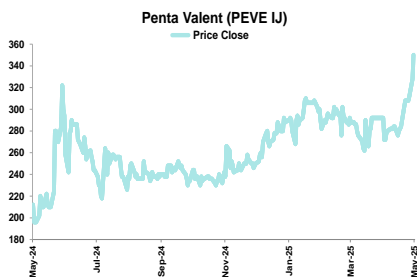
Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	7,898	9,314	10,686
Total assets	8,583	10,147	11,652
Total current liabilities	4,029	4,849	5,755
Total non-current liabilities	137	260	235
Total liabilities	4,166	5,109	5,990
Shareholder's equity	3,223	3,698	4,192
Minority interest	1,194	1,340	1,470
Other equity	-	-	-
Total liabilities & equity	8,583	10,147	11,652
Total debt	-	394	831
Net debt	(1,384)	(989)	(729)

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	127	(74)	273
Cash flow from investing activities	(19)	1	(74)
Cash flow from financing activities	(381)	73	(23)
Cash at beginning of period	1,657	1,384	1,384
Net change in cash	(273)	0	177
Ending balance cash	1,384	1,384	1,560

Source: Company data, RHB



Source: Bloomberg

Stock Profile

Bloomberg Ticker	PEVE IJ
Avg Turnover (IDR/USD)	0.17bn/0.01m
Net Gearing (%)	60.6
Market Cap (IDRbn)	611
Beta (x)	0.17
BVPS (IDR)	163
52-wk Price low/high (IDR)	183 - 370
Free float (%)	13.5

Major Shareholders (%)

Tancorp Mega Buana	80.0
Mulia Prima Tunggal	4.93
Franxiscus Afat Adinata Nursalim	1.6

Share Performance (%)

	1m	3m	6m	12m
Absolute	27.21	22.70	30.08	76.53
Relative	12.73	20.89	35.88	79.70

Vanessa Karmajaya +6221 5093 9888 Ext 985

vanessa@rhbgroup.com

Investment Merits

- Pharmaceutical business presents a solid business moat
- Digging deep for opportunities in consumer goods
- A healthy dose of growth levers on the horizon
- Leveraging a key partnership with its shareholder

Company Profile

Penta Valent (PEVE) is a leading distributor of pharmaceutical and consumer goods. Its ability to secure the necessary legal permits, strong track record, and extensive distribution network are key factors in building a long-term relationship with its principals. The company plans to expand its portfolio by adding new principals and strengthening collaborations with existing ones to drive sales growth. Backed by its major shareholder, Tancorp – one of Indonesia’s leading conglomerates – it has a solid foundation for continued expansion.

Highlights

Pharmaceutical business presents a solid business moat. The company’s pharmaceutical segment, which contributes approximately 80% of its revenue, helps maintain its defensive qualities – particularly amid the current challenging economic conditions. Despite not being affiliated with any pharmaceutical manufacturers, PEVE has established a strong presence in the pharmaceutical distribution sector, thanks to regulatory barriers and its solid track record. A extensive nationwide network enhances its ability to respond to consumer demand, making PEVE a preferred distributor for its principals.

Digging deep for opportunities in consumer goods. Despite recent challenges in purchasing power, the company remains optimistic about the long-term growth potential of Indonesia’s consumer sector. Currently contributing around 20% of revenue, this segment is a key focus for expansion. The company sees opportunities in the growing number of new entrants in the consumer market, including beauty, personal care, and other categories – positioning PEVE to capitalise on this trend. Additionally, it plans to develop its own branded products through toll manufacturing to strengthen its brand presence and improve margins.

A healthy dose of growth levers is on the horizon. The company remains aggressive in attracting new principals while maintaining a prudent selection process. It is actively strengthening collaborations with existing customers. One of its key principals has agreed to expand its distribution coverage, which could significantly boost revenue in 2025. The company anticipates similar agreements with other principals.

Additionally, the opening of new branches in 2025 will further solidify its market presence. To enhance margins, it also plans to improve productivity and streamline business operations.

Leveraging a key partnership with its shareholder. The investment from Tancorp since 2022 has yielded positive results through providing stronger financial backing along with increasing its company's reputation to entice more principals and boost synergy with other Tancorp businesses. Note that Tancorp remains as one of Indonesia's key conglomerates, with business units that range from building materials to mineral water products.

Profit & Loss	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	2,147	2,485	3,013
Reported net profit (IDRbn)	24	36	48
Recurring net profit (IDRbn)	23	35	46
Recurring net profit growth (%)	20.8	49.5	30.3
Recurring EPS (IDR)	13	20	26
DPS (IDR)	45	-	-
Dividend Yield (%)	12.5	-	-
Recurring P/E (x)	26.8	17.9	13.8
Return on average equity (%)	18.0	19.1	18.5
P/B (x)	4.3	2.7	2.2
P/CF (x)	(34.9)	(10.6)	(6.7)

Source: Company data, RHB

Company Report Card

Results highlights. It recorded a robust 32.7% YoY spike in net profit in 2024, underpinned by a 21.2% YoY rise in revenue. This brought its net margin to 1.6% in 2024 (vs 1.5% a year ago). The additional new principals, stronger cooperation with existing principals, and distribution network expansion should support earnings ahead.

Balance sheet/cash flow. In 2024, the company's net gearing stood at 60.6%, up from 31.4% in 2023, primarily driven by increased working capital needs in line with revenue growth. Despite this rise, its current ratio remains solid at 1.3x, maintaining stability on a YoY basis.

Dividend. The company has not distributed dividends over the past two years as it remains in a growth phase. Instead, it has prioritised reinvesting profits to expand operations and strengthen its foothold, which eventually ought to drive long-term value for stakeholders.

Management. Sukismo has served as PEVE's president director since 2017, and has been with the company since 2009. With nearly three decades in the distribution industry, he brings a strong track record of success.

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	716	874	1,122
Total assets	744	907	1,164
Total current liabilities	560	637	844
Total non-current liabilities	37	37	32
Total liabilities	597	675	877
Shareholder's equity	147	232	287
Minority interest	-	0	0
Other equity	-	-	-
Total liabilities & equity	744	907	1,164
Total debt	58	77	182
Net debt	53	73	174

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	(18)	(59)	(93)
Cash flow from investing activities	(9)	(10)	(12)
Cash flow from financing activities	30	68	109
Cash at beginning of period	3	6	4
Net change in cash	2	(1)	3
Ending balance cash	6	4	8

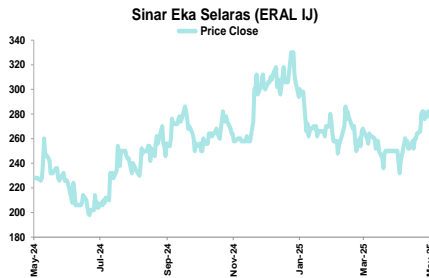
Source: Company data, RHB

Investment Case

PEVE expects its strong performance to continue in 2025, supported by the aforementioned growth drivers. We project approximately 15% revenue growth and a c.50bps margin expansion in 2025, in line with the company's guidance of double-digit revenue growth to drive net margin improvement. The stock is trading at about 8-9x 2025F P/E. We believe it should be valued at around 10x P/E, reflecting a 30% discount to the average of the consumer staples stocks, resulting in a FV of IDR430. Downside risks for the company include its relatively short IPO track record (having been listed in 2023), increasing competition, and potentially unfavourable government regulations.



On The Cusp Of Growth



Source: Bloomberg

Stock Profile

Bloomberg Ticker	ERAL IJ
Avg Turnover (IDR/USD)	1.19bn/0.07m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	1,453
Beta (x)	0.90
BVPS (IDR)	311
52-wk Price low/high (MYR)	197 – 388
Free float (%)	20

Major Shareholders (%)

Erajaya Swasembada	80.0
--------------------	------

Share Performance (%)

	1m	3m	6m	12m
Absolute	16.67	8.53	8.53	22.81
Relative	2.19	6.72	14.33	25.98

Vanessa Karmajaya +6221 5093 9888 Ext 985
vanessa@rhbgroup.com

Investment Merits

- Going from strength to strength
- Leveraging on the vast growth headroom in the active segment
- Fuelling growth in the smart appliance products segment
- Remaining prudent in its plans

Company Profile

Sinar Eka Selaras (ERAL) is a fast-growing retailer in Indonesia. It provides innovative solutions and services, as well as a compelling customer journey through a high-quality portfolio of active lifestyle products that include accessories (ecosystem), IoT items, sportswear, apparel, and outdoor products. ERAL also has popular international brands in its portfolio, such as Garmin, DJI, Asics, JD Sports, Under Armour, and MST Golf. As of 2024, the company operates 171 outlets that sell these brands across Indonesia.

Highlights

Going from strength to strength. The company plans to open 60-70 new stores in 2025 (with mainly the existing brands) and expand into second- and third-tier cities, leveraging on its strong brand recognition. It also aims to introduce 6-8 new brands to enhance its ecosystem and business synergies. However, ERAL remains selective, focusing on brands with clear target markets and unique value propositions to strengthen its overall business.

Leveraging on the vast growth headroom in the active segment. Post COVID-19, the company sees strong growth in the active segment, driven by rising healthcare awareness and athleisure trends. Leveraging on brands like JD Sports, ASICS, Under Armour, and MST Golf, ERAL continues to grow, with more brand names expected to be added. Its efforts in community engagement, especially with running groups, have been fruitful. The restructuring of JD Sports has enabled expansion into smaller-tier cities with compact stores, boosting productivity. Meanwhile, ERAL is revamping its Under Armour stores following the acquisition from the previous distributor of the brand.

Fuelling growth in the smart appliance products segment. ERAL has seen strong revenue growth in this segment, with DJI benefiting from social media trends and Garmin capitalising on the rising interest in sports activities. Synergies with the growing active lifestyle market have boosted Garmin sales, supported by community engagement. The recent launch of affordable Garmin products has been well-received, with more budget-friendly items in the pipeline.

Proceeding prudently. While there are market concerns over ERAL's acquisition of Xpeng, an EV brand outside of its core focus, Xpeng's offerings may complement ERAL's portfolio. Investment into this area remains modest compared to other business segments, with limited sales impact expected over the next three years. Note that the company aims to start selling the EVs in 2H25. On the other hand, ERAL remains vigilant on fashion products amid the challenging consumer spending situation and regulatory risks. The impact of the IDR's depreciation is minimal, due to ERAL's significant exposure to the CNY.

Profit & Loss	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	3,037	3,730	4,843
Reported net profit (IDRbn)	184	211	201
Recurring net profit (IDRbn)	160	165	174
Recurring net profit growth (%)	3.0	3.2	5.2
Recurring EPS (IDR)	31	32	34
DPS (IDR)	-	10	10
Dividend Yield (%)	-	3.4	3.5
Recurring P/E (x)	9.1	8.9	8.4
Return on average equity (%)	22.4	17.7	13.1
P/B (x)	1.6	1.0	0.9
P/CF (x)	14.5	9.8	4.5

Source: Company data, RHB

Company Report Card

Results highlights. FY24 revenue increased by c.29.8% YoY, with GPM holding steady at 13.6%. ERAL's ongoing expansions via new brand partnerships and store openings are expected to drive further growth.

Healthy liquidity profile. The company has sustained a net cash position in recent years, maintaining a strong 2.4x current ratio in 2024. It has also consistently generated positive operating cash flow.

Dividends. After two years without dividends during its growth phase, ERAL resumed distribution in 2023 with IDR50bn (27% payout ratio). This continued in 2024, with IDR51.8bn paid out (24.5% payout ratio). In line with its prospectus, ERAL aims to distribute up to 30% of net profits as dividends.

Management. Djohan Sutanto joined ERAL's holding company Erajaya Swasembada (ERAA IJ) in 2014, and became ERAL's CEO in 2021. Before joining ERAA, he had extensive working experience in other businesses.

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	1,084	1,525	1,904
Total assets	1,382	2,000	2,565
Total current liabilities	394	448	778
Total non-current liabilities	73	86	154
Total liabilities	467	534	931
Shareholder's equity	915	1,465	1,615
Minority interest	1	1	18
Other equity	0	-	-
Total liabilities & equity	1,382	2,000	2,565
Total debt	9	-	-
Net debt	(177)	(493)	(540)

Source: Company data, RHB

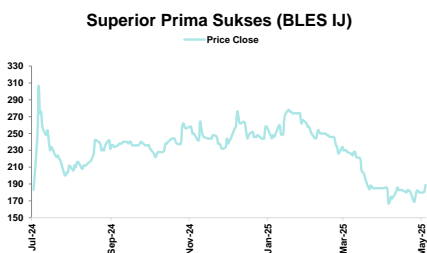
Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	101	149	326
Cash flow from investing activities	(75)	(121)	(145)
Cash flow from financing activities	163	279	(134)
Cash at beginning of period	(3)	187	493
Net change in cash	190	307	47
Ending balance cash	187	493	540

Source: Company data, RHB

Investment Case

We expect ERAL's revenue to grow by c.20% YoY in 2025 (2020-2024: c.25% CAGR) with steady net margins, as the company is in an expansionary phase. This should translate to c.6x 2025F P/E. We believe ERAL should be trading at c.7-8x 2025F P/E, at a c.40% discount to local peer MAP Aktif Adiperkasa (MAPA IJ), resulting in a IDR350 FV. Downside risks include slower-than-expected new store network expansion, intensifying competition, and regulatory issues dampening growth.

The Cheaper Option



Investment Merits

- To benefit from higher demand from the lower- to middle-income segments
- As a market leader, the company targets significant growth
- Its valuation is below that of building materials peers

Company Profile

Superior Prima Sukses (BLES) operates in the lightweight bricks industry, producing premium building materials under its flagship brands Blesscon and Superiore Block. The company also expanded its product line to instant cement with the brands Blessbond and Superiore Bond. BLES is part of SPS Corporate, which has more than 30 years of experience in various industries ie manufacturing tissue paper, brown paper, carton boxes, power plants and property. As the first lightweight brick manufacturer in Indonesia to be certified with SNI 2156:2021, ISO and other standards, Blesscon bricks meet high-quality benchmarks.

Highlights

To benefit from higher demand from the lower- to middle-income segments. Known for safety and efficient use in high-rise buildings, lightweight bricks are gradually catering to the demand for landed homes that seek cheaper and time-efficient building materials. Based on our study, by switching to lightweight bricks, home owners can save at least 25-30% in their raw materials costs, on top of lower labour costs due to such bricks' relatively shorter time of development. This will result in a notable difference in total development cost, a factor that is especially material for the mid- to low-income segments.

As a market leader, the company targets significant growth. The value of the lightweight brick market in Indonesia is estimated at c.IDR10-12trn, of which BLES claims to have at least a 10-15% share. As demand and the market grows, the company targets to achieve IDR2trn in total revenue by FY25 (+36% YoY), with IDR200bn in net profit (+25% YoY). This is on top of another demand driver, ie the Government's 3m-unit housing programme targeting the lower-income segment – a market that the company thrives in.

Valuation. Using the company's guidance, BLES currently trades at 8.1x FY25F P/E, which is much lower than its building materials peer average of c.12x P/E. Using a target P/E that is at par with its peers, we believe BLES' fair value is IDR270.

Source: Bloomberg

Stock Profile

Bloomberg Ticker	BLES IJ
Avg Turnover (IDR/USD)	874m/0.05m
Net Gearing (%)	37
Market Cap (IDRbn)	1,680
Beta (x)	1.0
BVPS (IDR)	51
52-wk Price low/high (IDR)	158 – 318
Free float (%)	26

Major Shareholders (%)

Global Base Universal	40.8
Tata Utama Gemilang	29.7
Tancorp Investama Mulia	18.1
Billy Law Liauw	2.2
Suparsono Dermawan	1.5

Share Performance (%)

	1m	3m	6m	12m
Absolute	2.16	(24.40)	(24.40)	N/A
Relative	(4.80)	(27.68)	(20.54)	N/A

Research Indonesia +6221 5093 9888

rhb.id.research@rhbgroup.com

Company Report Card

Results highlights. 4Q24 revenue from AAC lightweight bricks reached IDR428bn (-5% QoQ, +10% YoY), while from mortar cement amounted to IDR2bn (+41% QoQ, +68% YoY). Geographically, the Java market contributed IDR343bn (-25% QoQ, -13% YoY), whereas turnover from markets outside Java surged to IDR107bn (+402% QoQ, +468% YoY) – driving 4Q24 total revenue to IDR430bn (-5% QoQ, +10% YoY). FY24 revenue amounted to IDR1.5trn (+7% YoY). Meanwhile, net profit in 4Q24 declined to IDR34.8bn (-50% QoQ, -20% YoY), bringing FY24 net profit to IDR160bn (+9% YoY).

Balance sheet. With IDR396bn of net debt as of FY24, the company's net gearing stood at 37% - which is still manageable, in our view.

Management. Billy Law Liauw has been the President Director of BLES since 2011. He has a strong track record, with more than a decade of experience in the industry.

Investment Case

BLES is set to benefit from higher demand, especially in the low-income landed housing scheme. Its main product, lightweight bricks, is gradually catering to demand from landed housing, which seeks cheaper and time-efficient development from a total cost per sqm perspective. This is on top of another demand driver, ie the Government's 3m house programme aimed at the lower income segment – a market in which the company thrives.

BLES targets to achieve IDR2trn in total revenue by FY25 (+36% YoY) with IDR200bn in net profit (+25% YoY). This is on top of the possibility of another demand driver from the Government's 3m-unit housing programme. BLES currently trades at 8.1x FY25F P/E, much lower than its building materials peer average of ~12x P/E. Using a target P/E at par with its peers, we believe BLES's fair value is IDR270/share.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover	1,115	1,363	1,069
Reported net profit	66	147	160
Recurring net profit	66	147	160
Recurring net profit growth (%)	(16.1)	124.8	8.8
Recurring EPS (IDR)	3	7	8
DPS (IDR)	-	-	-
Recurring P/E (x)	60.0	26.7	24.6
Return on average equity (%)	17.5	26.1	17.7
P/B (x)	10.3	5.3	3.7
P/CF (x)	23.8	12.1	16.2

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	179	373	275
Total assets	1,024	1,529	1,838
Total current liabilities	291	365	433
Total non-current liabilities	291	411	335
Total liabilities	637	776	769
Shareholder's equity	383	745	1,069
Minority interest	4	7	0
Other equity	-	-	-
Total liabilities & equity	1,024	1,529	1,838
Total debt	357	402	418
Net debt	351	208	396

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	165	324	243
Cash flow from investing activities	(81)	(219)	586
Cash flow from financing activities	(93)	84	170
Cash at beginning of period	15	6	194
Net change in cash	(9)	189	(173)
Ending balance cash	6	194	21

Source: Company data, RHB

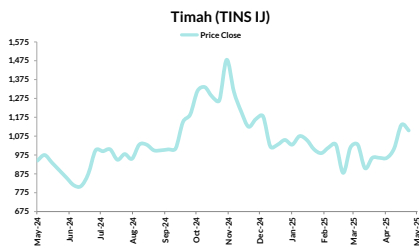


Timah

Fair Value: IDR1,320

Price: IDR1,215

Solid Metal, Tight Market



Source: Bloomberg

Stock Profile

	TINS IJ
Bloomberg Ticker	TINS IJ
Avg Turnover (IDR/USD)	28.2bn/1.7m
Net Gearing (%)	25
Market Cap (IDRbn)	9,049
Beta (x)	1.4
BVPS (IDR)	830
52-wk Price low/high (IDR)	780 – 1,575
Free float (%)	29

Major Shareholders (%)

Mineral Industri Indonesia	65.0
----------------------------	------

Share Performance (%)

	1m	3m	6m	12m
Absolute	13.6	44.6	23.4	(17.9)
Relative	15.7	29.1	20.6	(13.0)

Research Indonesia +6221 5093 9888

rhb.id.research@rhbgroup.com

Investment Merits

- Benefitting from improved smelting efficiency
- Supportive tin price outlook backed by long-term demand from electronics and EV sectors
- Backed by government support and stricter mining regulations which helps it to secure a supply of licensed tin ore

Company Profile

Timah (TINS), established in 1976, is a state-owned enterprise and subsidiary of Mineral Industri Indonesia (MIND ID). As Indonesia's largest integrated tin producer – and refining c.19,000 tonnes per year – the company specialises in tin mining (via open pit, underground, and offshore dredging methods), smelting, and downstream product development. It holds mining business licenses (IUP) in Bangka Belitung, Riau, South Kalimantan, and Cilegon-Banten – operating across onshore and offshore sites. While Indonesia remains its primary market, TINS exports significant volumes to India, South Korea, Singapore, the Netherlands, and Japan.

Highlights

Notable improvement in operations. For 2025, TINS set a tin production target of c.21,500 tonnes, leveraging on existing inventory from end-2024. The company maintains mining operations across three provinces – Karimun, Kundur (Riau Islands), and Bangka Belitung. TINS' resource base stands at 807k tonnes of tin, with proven reserves of 313k tonnes across 126 mining permits covering 473k hectares in both land and marine areas. The company's market distribution is 88% for export markets (mainly to Asian regions, with several channels to Europe and US). Globally, tin is predominantly used for solder pins in electronics manufacturing (62%), with 16% for tin chemicals, battery elements (8%), tin cover (6%), and other needs (8%).

Blessed by supportive prices and continuously robust demand. The global tin industry is currently in a state of deficit, with production at c.350k tonnes vs consumption of c.370k tonnes. This supply-demand imbalance brings about a supportive price sentiment, especially when compared to other base metals. TINS contributes roughly 15% of global tin output. While this gap helps to underpin favourable pricing (YTD average London Metal Exchange (LME) price of tin is at c.USD32,000/tonne; +15% YoY), volatility in fuel and mining costs remains a key challenge to sustaining operational efficiency, particularly for TINS, which is still seeking stability in securing raw feedstock to elevate the utilisation of its smelting units (new Ausmelt and existing reverberatory furnaces).

Regarding international trade concerns, management confirmed that tin commodities are exempted from the recent US tariffs. This allows the company to maintain its market presence in the US (currently 9% of export sales) without additional cost pressures.

Company Report Card

Financial highlights; Stellar improvements to continue. TINS' FY24 topline increased to IDR10.9trn (+29% YoY), mainly driven by increases in ASP (FY24: c.USD31,190/tonne vs FY23: c.USD26,600/tonne) and sales volumes (FY24: 17,507 tonnes vs FY23: 15,340 tonnes), in parallel with improved production output (FY24: 19,437 tonnes; +31% YoY). The improvements are a result of an increase in the number of land-based mining units and productivity at offshore mining sites. The stronger topline and better ASPs widened FY24 GPM to 26% (vs FY23's 6%), with the overall margin increasing as well (FY24 NPM of 11% vs FY23's -5%), reflecting the shift from incurring a loss to being profitable.

Balance sheet/cash flow; overall quality reserved. In FY24, TINS' debts dropped to IDR1.9trn from FY23's IDR3.5trn, largely due to the repayment of short-term bank loans, bonds, and medium-term notes (MTN). Operating cash flow surged to IDR2.5trn in FY24 (vs FY23's IDR682bn) as the company reduced fixed costs through targeted operational investments, mitigating rising depreciation expenses, and preserving cash flow. Net gearing ratio improved to 0.25x (vs FY23's 0.56x).

Brief management profile. TINS is currently helmed by President Director Restu Widiatoro, a military veteran who was recently appointed by the Government (through MIND) to replace Ahmad Dani Virsal. President Commissioner M Alfian Baharudin brings strategic leadership experience from his previous roles in the public sector, including as Head of Indonesia's National Search and Rescue (SAR) Agency (2012-2014) and Marine Corps Commander (2009-2012).

Investment Case

Negative headlines last year – the corporate social responsibility (CSR) fund embezzlement by external parties and illegal mining issues – briefly dampened investor sentiment. However, improved production volume, the completion of the Ausmelt smelter, and tighter government oversight have helped restore confidence. Despite weather-related disruptions affecting production early this year, we believe TINS still has the potential to catch up in the remaining months, supported by more favourable mining conditions. We project FY25 revenue growth of +10% YoY (IDR12trn), driven by higher volumes and stable ASPs, with a targeted net profit margin of 11% (FY25F net profit: IDR1.3trn; +12% YoY). We assign a relatively premium P/E to TINS (c.7x), which we believe is justified by the nature of the tin commodity itself – limited new supply developments globally (except in Indonesia), coupled with its irreplaceable role in the manufacturing industry. We have a FV of IDR1,320 for the stock.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	6,918	12,857	18,229
Reported net profit (IDRbn)	254	306	442
Recurring net profit (IDRbn)	254	306	442
Recurring net profit growth (%)	30.7	20.6	44.6
Recurring EPS (IDR)	55.0	66.4	96.0
DPS (IDR)	10.0	12.0	15.0
Dividend Yield (%)	1.4	1.7	2.1
Recurring P/E (x)	12.9	10.7	7.4
Return on average equity (%)	14.8	16.6	20.5
P/B (x)	1.9	1.7	1.4
P/CF (x)	582.9	(6.4)	(5.8)

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	3,574	4,720	5,534
Total assets	3,849	5,029	5,960
Total current liabilities	951	2,136	2,699
Total non-current liabilities	1,175	921	911
Total liabilities	2,127	3,057	3,610
Shareholder's equity	1,717	1,967	2,339
Minority interest	5	6	10
Other equity	1	1	1
Total liabilities & equity	3,849	5,029	5,960
Total debt	2,043	2,787	3,415
Net debt	1,937	2,494	3,201

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	6	(509)	(561)
Cash flow from investing activities	(112)	(53)	(141)
Cash flow from financing activities	150	749	623
Cash at beginning of period	62	106	293
Net change in cash	44	187	(79)
Ending balance cash	106	293	214

Source: Company data, RHB

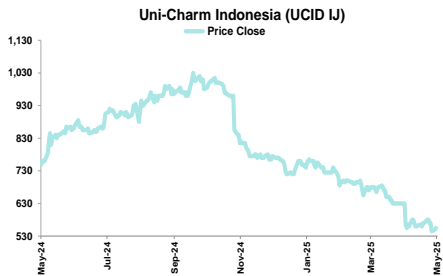


Uni-Charm Indonesia

Constantly Pushing Beyond Limits

Fair Value: IDR700

Price: IDR565



Source: Bloomberg

Stock Profile

Bloomberg Ticker	UCID IJ
Avg Turnover (IDR/USD)	1.24bn/0.08m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	2,307
Beta (x)	0.80
BVPS (IDR)	1,411
52-wk Price low/high (IDR)	525-1,040
Free float (%)	20

Major Shareholders (%)

Unicharm Corp, Japan	59.2
APP Purinusa Ekapersada	20.8
Public	20.0

Share Performance (%)

	1m	3m	6m	12m
Absolute	(1.77)	(20.14)	(31.90)	(26.97)
Relative	(16.25)	(21.95)	(26.10)	(23.81)

Vanessa Karmajaya +6221 5093 9888 Ext 985

vanessa@rhbgroupp.com

Investment Merits

- Strong product mix has laid a firm ground for its business
- Harnessing competitive strengths to fuel growth
- Continuously striving for more

Company Profile

Uni-Charm Indonesia (UCID), a leading manufacturer of personal care and hygiene products, is primarily known for its high-quality disposable items. A subsidiary of Japan-based Unicharm Corp, the company has been a prominent player in the Indonesian market with almost 30 years of operations. It offers a wide range of products including baby diapers, feminine hygiene products, and adult incontinence care to cater to the diverse needs of its customer base. Its innovative and quality products have earned deep trust from consumers, and the company has been rewarded with a solid market position.

Highlights

Strong product mix has laid a firm ground for its business. The company is well-positioned to benefit from its diverse product mix which caters to varying demand from different consumer segments. For instance, although Indonesia is estimated to have an average fertility rate of c.2.1-2.2 children per woman based on United Nations data, it is also expected to see an increase in the portion of elderly people. UCID's key products, ie baby diapers and adult incontinence merchandise, are well-placed to capitalise on this trend. Despite the current challenging economic environment, we believe its products, ie feminine hygiene items, will continue to maintain their defensive qualities, as they have become essential staples for women.

Harnessing the competitive strengths to fuel growth. UCID's three main product categories are baby care, feminine care, and adult care. Each category is expected to chart CAGRs of 6.1%, 4.4%, and 4.4% over 2025-2029, according to Statista. We believe UCID is well-positioned to capitalise on this growth potential, having established itself as a market leader across these categories with market shares of 40%, 46%, and 35% as of Mar 2024. Additionally, the company is continuously innovating to maintain its competitive edge. For example, the revamp of MamyPoko Skin Comfort with Coconut Oil resulted in a 120% increase in sales over just four months.

Continuously striving for more. Despite achieving a strong market share in its core business units, management has not become complacent. UCID has expanded into other segments, including hygiene face masks, personal wipes, pet care products, and cleansing cotton.

We remain optimistic on this strategy, as it taps into the growing awareness of health, increasing interest in pet ownership – particularly since the pandemic – and the thriving beauty industry, all supported by the company’s proven product quality. Additionally, we are encouraged by the revenue portion from non-diaper products reaching 25.4% in 2024 from just 3-4% in 2018, with gross margins also improving to 29.1% in 2024, from 15.1% in 2018.

Company Report Card

Results highlights. During 2024, UCID’s net income dropped 19% YoY owing to the flattish revenue growth achievement, on top of increasing operating costs. However, the company managed to bolster its GPM by c.70bps YoY to 20.4% in 2024.

Sitting in a pile of cash. As of the end-2024, the company was in a net cash position of approximately IDR1.8trn. It has consistently generated positive cash flow from operations in recent years.

Dividend. UCID distributed approximately IDR87bn in dividends in 2024, reflecting a payout ratio of 20%. We observe that the payout ratio has remained stable in recent years. The latest dividend payout translates to an estimated yield of 3.7%.

Management. Takumi Terakawa has served as UCID's President Director since Jul 2023. He has been with Unicharm Corp since 1988, starting in the sales department at the Sendai branch. Over the years, he has held various positions across multiple countries, gaining a deep understanding of the company's operations.

Investment Case

We expect the company’s defensive qualities (stemming from its product mix) to enable it to weather through the current challenging economic situation. We expect it to book c.5% revenue growth (in line with its 8-year revenue CAGR of c.4-5%), and net margin to expand by c.20bps. Based on this, the stock is trading at c.5-6x 2025F P/E. We think it should be trading at c.7x (vs the average of consumer staples companies, of 15x). This translates to a FV of IDR700. Downside risks include intensifying competition and higher-than-expected raw material price increases.

Profit & Loss	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	10,317	10,245	9,675
Reported net profit (IDRbn)	313	435	350
Recurring net profit (IDRbn)	351	417	350
Recurring net profit growth (%)	(26.0)	18.9	(16.0)
Recurring EPS (IDR)	84	100	84
DPS (IDR)	23	15	21
Dividend Yield (%)	4.0	2.7	3.7
Recurring P/E (x)	6.7	5.6	6.7
Return on average equity (%)	6.8	7.5	6.0
P/B (x)	0.5	0.4	0.4
P/CF (x)	8.6	2.6	5.9

Source: Company data, RHB

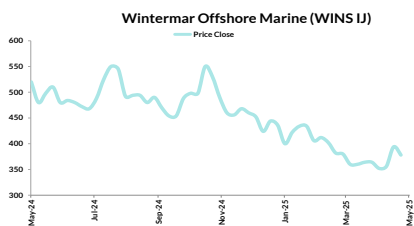
Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	5,788	5,606	5,733
Total assets	8,383	8,488	8,658
Total current liabilities	2,844	2,543	2,537
Total non-current liabilities	374	381	254
Total liabilities	3,219	2,924	2,791
Shareholder's equity	5,163	5,563	5,866
Minority interest	1	1	1
Other equity	-	-	-
Total liabilities & equity	8,383	8,488	8,658
Total debt	-	-	-
Net debt	(1,372)	(1,853)	(1,795)

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	273	920	395
Cash flow from investing activities	(167)	(275)	(254)
Cash flow from financing activities	(233)	(165)	(199)
Cash at beginning of period	1,499	1,372	1,853
Net change in cash	(127)	481	(58)
Ending balance cash	1,372	1,853	1,795

Source: Company data, RHB

Enjoying Fruits Of Vessel Upgrade Initiatives



Investment Merits

- More offshore oil and gas projects
- Higher charter rates
- New vessels should boost revenue

Company Profile

Wintermar Offshore Marine (WINS) began as a small tug and barge operator in 1970. The company supports upstream activities of offshore oil & gas companies in exploration and development activities. It has various types of vessels in its fleet, eg platform supply vessels, anchor handling tug supply, fast utility vessels, landing craft, heavy load deck barges, and tugboats.

Highlights

Dynamic positioning (DP) vessel investment leads to a surge in demand. WINS is poised to capitalise on the growing demand for DP vessels. Offshore investment is shifting towards deepwater projects, marked by the pick-up in sanctioning activities and flow of money there. Rystad Energy expects deepwater investments to increase significantly to >USD100bn by 2026, almost double from the average of the last five years, ie USD47.6bn. Fortunately, WINS has 16 DP vessels, ie the largest DP fleet in Indonesia, and is on track to upgrade some of the older ones.

Targeting a 66-68% utilisation rate in FY25F. Despite a slower 4Q24, WINS still optimistic on the outlook for OSVs in Indonesia, as there are several approved deepwater drilling projects – particularly in the Makassar Strait and the Andaman Sea. These are likely to commence in 2H25-2026. The company currently serves upstream companies such as ENI on the Jangkrik Block, and Mubadala Energy on the Andaman block.

Charter rate hike driven by tier transitions; focusing on securing more long-term contracts. The shift to higher-tier vessels has benefited WINS in the form of higher charter rates. Over 2020-2023, average charter rates have risen by 13% pa (CAGR) to USD6,046 a day in 2023. In 2024, charter rates increased by 26% YoY. For 2025, management expects charter rates to rise by 20% YoY as WINS is investing more on DP vessels.

Focus on high-end vessels (DP2) with redundancy systems to ensure operational safety and efficiency. WINS' strategic positioning in the high-end market should enable it to capitalise on the increased demand and widen profit margins. It is also shifting away from employing lower-end vessels due to intensifying competition and lower profitability. As of 2024, WINS has 11 high-tier vessels, 31 mid-tier vessels, and 44 low-tier vessels.

Source: Bloomberg

Stock Profile

	WINS IJ
Bloomberg Ticker	WINS IJ
Avg Turnover (IDR/USD)	1.1bn/0.07m
Net Gearing (%)	Net Cash
Market Cap (IDRbn)	1,562
Beta (x)	0.6
BVPS (IDR)	572
52-wk Price low/high (IDR)	326 – 600
Free float (%)	37

Major Shareholders (%)

Wintermarjaya Lestari	34.0
Sugiman Layanto	7.9

Share Performance (%)

	1m	3m	6m	12m
Absolute	5.9	(11.8)	(26.9)	(31.1)
Relative	14.4	1.7	(5.8)	(3.2)

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

Two new heavy-load barge or HLB units will be delivered in February, and one new multi-purpose supply vessel or MPSV has been ordered for delivery by 2026.

Company Report Card

Net profit for FY24 was at USD22.5m (+237% YoY) while core profit (excluding gains on vessel sales) jumped 126.5% YoY to USD15.1m. WINS reported a 13.5% YoY increase in revenue to USD82.3m in 2024, mainly driven by the owned vessel division, where turnover spiked up by 28.9% YoY due to a higher number of DP vessels, which boosted its charter rates. Gross profit for this unit surged by 106.2% YoY, even though the FY24 fleet utilisation rate was only 66%. This was mainly supported by the increase in gross profit margin to 32%, from 20.7% in FY23.

4Q24 gross profit remained constant at USD8m, but total revenue fell to USD20.8m (-10.1% QoQ) due to the monsoon season and the ending of some short-term contracts. This impacted the fleet utilisation rate, which dropped to 63% during the quarter, from 67% in 3Q24.

Net cash position. In FY24, WINS remained in a net cash position. The group has a healthy balance sheet and net cash of USD5m. The notable cash outflow in FY24 was for purchasing fixed assets, which amounted to USD31m. Meanwhile, its charter rates rose as a result of flat expenses growth, which translated to a substantial cash inflow totalling USD23m on WINS' operating cash flow.

Dividends. Prior to 2024, the company refrained from distributing dividends to focus on expansion and vessel restructuring. WINS distributed an interim DPS of IDR8 in Nov 2024 (9.6% dividend payout ratio). Management has not shared any decision on a final dividend for 2024.

Management. The company is led by President Director Sugiman Layanto, who has been running the company since 1988. WINS' senior management team consists of four directors who have backgrounds in engineering and business, and a combined >25 years of working experience.

Investment Case

WINS is a key beneficiary of Indonesia's growing upstream investments, particularly with the anticipated offshore oil & gas explorations in the pipeline. It also stands to benefit from the industry's limited supply of suitable vessels, as it owns over 40 mid- and high-tier vessels. Its transition from low-tier to higher-tier vessels has proven fruitful, with average charter rates growing by more than 20% YoY in 2024, leading to a 237% YoY surge in 2024 net income – we believe this trend may continue in 2025, post injection of new vessels into its fleet.

Fair value. Although 2025 could be a challenging year for WINS due to a lower fleet utilisation rate, we believe that it should be able to increase its charter rates. An increase in national oil & gas lifting activities could translate to more projects being won by the company. We use the 3-year P/E mean, ie 7.1x for FY25F, and consensus EPS estimate of IDR77/share, to value the stock. Our FV for WINS is IDR540. The stock is currently trading at 4.6x 2025F P/E.

Profit & Loss (USDm)	Dec-22	Dec-23	Dec-24
Total turnover	61	73	82
Reported net profit	1	7	22
Recurring net profit	1	7	22
Recurring net profit growth (%)	396.6	638.3	237.0
Recurring EPS (IDR)	3.5	25.7	86.5
DPS (IDR)	-	-	8.0
Dividend Yield (%)	-	-	2.2
Recurring P/E (x)	0.0	0.0	0.0
Return on average equity (%)	0.7	5.1	15.5
P/B (x)	0.7	0.7	0.6
P/CF (x)	7.6	4.2	4.3

Source: Company data, RHB

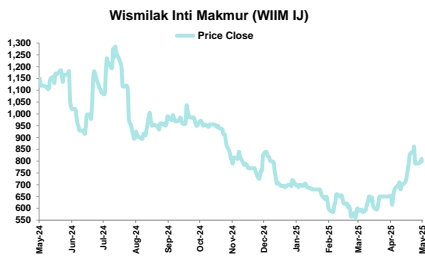
Balance Sheet (USDm)	Dec-22	Dec-23	Dec-24
Total current assets	40	43	70
Total assets	189	195	233
Total current liabilities	16	20	21
Total non-current liabilities	18	13	19
Total liabilities	34	33	40
Shareholder's equity	128	135	155
Minority interest	28	27	37
Other equity	-	-	-
Total liabilities & equity	189	195	233
Total debt	17	14	26
Net debt	15	5	(5)

Source: Company data, RHB

Cash Flow (USDm)	Dec-22	Dec-23	Dec-24
Cash flow from operations	13	23	23
Cash flow from investing activities	(11)	(12)	(5)
Cash flow from financing activities	(9)	(5)	4
Cash at beginning of period	10	2	9
Net change in cash	(7)	6	22
Ending balance cash	3	9	31

Source: Company data, RHB

Filter Segment To Benefit From Downtrading



Source: Bloomberg

Stock Profile

Bloomberg Ticker	WIIM IJ
Avg Turnover (IDR/USD)	1.2bn/0.1m
Net Gearing (%)	0.68
Market Cap (IDRbn)	1,680
Beta (x)	1.1
BVPS (IDR)	912
52-wk Price low/high (IDR)	540-1,325
Free float (%)	36

Major Shareholders (%)

Indahtati Widjajadi	25.5
Ronald Walla	15.2
Stephen Walla	15.2
Sugito Winarko	7.3

Share Performance (%)

	1m	3m	6m	12m
Absolute	23.1	34.5	1.3	(30.4)
Relative	7.6	31.7	6.2	(28.1)

Wendy Chandra +6221 5094 0989
wendy@rhbgroup.com

Investment Merits

- The downtrading trend should boost demand for filter sticks from tier-2 companies, benefitting this company as a filter manufacturer
- Sales of hand-rolled kretek cigarettes (SKT), as a cheaper alternative for consumers, should support earnings growth
- Offers high dividend yields at an attractive valuation, with a below-peer P/E

Company Profile

WIIM was established in 1987 as Gelora Djaja. Since then, it has grown to become one of Indonesia's leading producers of cigarettes. The production, distribution, processing, and flavouring of the cigarettes are integrated into one seamless manufacturing process. Its products are classified into several categories: i) SKT ii) machine-rolled kretek cigarettes (SKM), iii) premium cigars, and iv) filter rods for cigarettes.

Highlights

Resilient growth from the filter segment. Despite the absence of an excise tax hike on tobacco products in 2025, consumers are opting for cheaper alternatives (below-tier-2 brands) given the continued softness in purchasing power. Therefore, the growing production of below-tier-2 brands should result in higher demand for filters, and this would benefit WIIM as one of the country's largest filter producers. WIIM currently has a production capacity of 7.5-9bn rods filters per year. In 2024, WIIM recorded a 52.7% YoY revenue growth in the filter segment. For FY25, we expect the segment's revenue to grow by 14.6% YoY.

Earnings growth to boost dividend yields. While the SKM segment's growth is expected to remain muted – as we believe WIIM will maintain SKM brand prices to retain its sales volumes – the SKT and filter segments should be the key divisions supporting FY25 earnings growth. We expect WIIM to book c.12% YoY earnings growth in FY25. With its dividend payout ratio of 45-60% over the past two years, and no major capex, we expect a conservative FY25 payout ratio of 45%, resulting in a 12% increase in its DPS.

Undervalued. The stock is trading at 5x FY25F P/E, which is at a 44% discount to peers. Our FV is based on 8.6x FY25 P/E, given WIIM's ability to book earnings growth of 12.3%, compared to its peers, which are seeing declines or flat growth.

Company Report Card

Results highlights. Wismilak recorded a 2.5% YoY decrease in revenue in FY24, caused by lower turnover in the SKM segment (-20% YoY). The contribution of the SKM segment to total revenue in 2024 was 56% (2023: 69.9%). EBIT margin eroded to 7.9% from 12.6% in 2023 due to higher excise taxes while SKM prices remained flattish, with lower sales volumes.

Dividends. WIIM distributed IDR222.3bn in dividends last year, translating to a DPS of IDR105.90 (45% payout ratio). If the company manages to maintain its payout ratio, this will translate to a 13.2% yield (IDR105.9 per share) at the current share price.

Net cash position. WIIM is in a positive net cash position, similar to other tobacco players.

ROE. FY24 ROE reached an impressive 15.6%, from 26.7% in FY23.

Management. The management team and founding family own 63.16% of the company. Its President Director Ronald Walla has been managing the company since 2012. Before being appointed as such, he was the company's commissioner (2008-2012) and President Director of WIIM's subsidiary, Galan Gelora Djaja (2002-2007).

Investment Case

With its positive net cash position and strong sales growth in its filter and SKT segments, WIIM is currently undervalued. Its potential for strong growth in the SKT and filter segments, supported also by zero excise tax hike, should enable the company to book a 12.3% earnings growth in 2025. We believe WIIM is worth IDR1,380 per share, implying 8.6x 2025F P/E.

Key risks: i) Tight competition, ii) a cut in fuel subsidies, and iii) weak consumer purchasing power.

Profit & Loss (IDRbn)	Dec-22	Dec-23	Dec-24
Total turnover (IDRbn)	3,704	4,875	4,751
Reported net profit (IDRbn)	249	494	299
Recurring net profit (IDRbn)	249	494	299
Recurring net profit growth (%)	40.7	98.5	(39.6)
Recurring EPS (IDR)	119	235	142
DPS (IDR)	22	72	106
Dividend Yield (%)	2.7	9.0	13.2
Recurring P/E (x)	6.7	3.4	5.6
Return on average equity (%)	17.7	29.6	15.9
P/B (x)	1.1	0.9	0.9
P/CF (x)	5.6	(8.4)	10.7

Source: Company data, RHB

Balance Sheet (IDRbn)	Dec-22	Dec-23	Dec-24
Total current assets	1,876	2,215	2,471
Total assets	2,169	2,576	3,027
Total current liabilities	662	718	1,013
Total non-current liabilities	6	10	98
Total liabilities	668	728	1,111
Shareholder's equity	1,499	1,845	1,914
Minority interest	2	2	2
Other equity	-	-	-
Total liabilities & equity	2,169	2,576	3,027
Total debt	-	33	424
Net debt	(712)	(247)	13

Source: Company data, RHB

Cash Flow (IDRbn)	Dec-22	Dec-23	Dec-24
Cash flow from operations	300	(199)	157
Cash flow from investing activities	(45)	(122)	(192)
Cash flow from financing activities	(66)	(110)	167
Cash at beginning of period	522	712	279
Net change in cash	190	(433)	132
Ending balance cash	712	279	411

Source: Company data, RHB

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.

RESTRICTIONS ON DISTRIBUTION

Malaysia

Save as disclosed in the following link [RHB Research Conflict Disclosures - May 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 - May 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 - May 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, 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

Together
we
progress