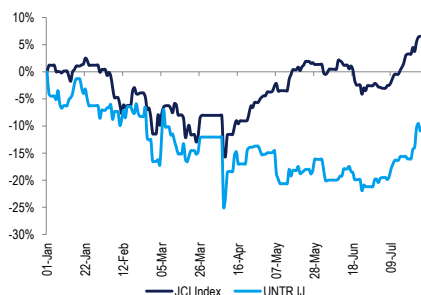


## Stock Data

Target price	Rp24,000
Prior TP	Rp24,000
Current price	Rp24,375
Upside/downside	-2%
Shares outstanding (mn)	3,730
Market cap (Rp bn)	90,922
Free float	38%
Avg. 6m daily T/O (Rp bn)	95

## Price Performance

	3M	6M	12M
Absolute	7.5%	-2.9%	-2.5%
Relative to JCI	-4.4%	-8.2%	-6.8%
52w low/high (Rp)	20,100 – 28,500		



## Major Shareholders

Astra International	59.5%
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## 2Q25 result: NP surged on one-off gains; core NP was a miss

- UNTR reported 1H25 core NP of Rp7.5tr (-25% yoy) which came in-line with ours but below consensus at 50% and 44% respectively.
- UNTR recorded ~Rp950bn of one-off gains in 2Q25 from forex and asset divestment gain from BBM/PJU.
- We maintain our NP estimates for now; reiterate Hold at unchanged SOTP-based TP of Rp24,000/share.

### 2Q25 review: NP surged on one-off gains; core NP was below cons

UNTR reported 1H25 NP of Rp8.1tr (-15% yoy), which came above ours but in-line with consensus FY25F forecast at 55/47% respectively. The beat in NP compared to ours was largely driven by one-off forex and BBM/PJU divestment gain of ~Rp450/500bn. On core basis, 1H25 NP stood at Rp7.5tr (-25% yoy), in-line with ours but below consensus at 50/44% respectively. On qoq basis, 2Q25 NP rose to Rp4.9tr (+55% qoq), largely driven by recovery of TTA/Martabe pre-tax margin to 19/38% (1Q25: 9/8%).

### Positive surprise on HE margin, earnings improved

Construction machinery revenue declined to Rp9.9tr in 2Q25 (-9% qoq), driven by lower Komatsu ASP of Rp4.1bn (-10% qoq), due to lower big machine sales portion of 24% (1Q25: 29%), combined with lower sales volume of 1,343 units (-3% qoq). Surprisingly, pre-tax profit rose to Rp1.4tr (+16% qoq) as pre-tax margin improved to 10% (+183bps qoq).

### Higher Pama volume was offset by lower margin attributed to ASP

Pama 2Q25 revenue rose to Rp13.5tr in 2Q25 (+7% qoq) as lower ASP of Rp43k/t (-3% qoq) was more than offset by higher coal production/OB volume of 36Mt/278mbcm (+12/+10% qoq). However, lower ASP led to a slight decline in pre-tax margin to 12% (-58bps qoq) which resulted in a relatively flattish pre-tax profit of Rp1.9tr (+1% qoq).

### Mining: coal surged on one-offs, while gold operational was solid

Coal mining pre-tax profit surged to Rp1.5tr in 2Q25 (+93% qoq) despite lower blended ASP of Rp1.6mn (-14% qoq), driven by one-off forex and asset divestment gain of Rp450bn and Rp500bn respectively. At the same time, mineral mining pre-tax profit also surged to Rp1.5tr (+575% qoq), driven by a combination of higher ASP (+19% qoq), sales volume (+16% qoq) as well as low base 1Q25 attributed to NIC impairment of Rp500bn.

### Downgrade to Hold at lower SOTP-based TP of Rp24,000

We maintain our NP estimates for now, pending on earnings call. Reiterate our Hold rating at unchanged SOTP-based TP of Rp24,000/sh as we see limited earnings upside vs. market's current expectation. Key downside risk is muted coal price, which will negatively impact Pama's volumes.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	128,583	134,427	136,313	142,101	147,521
EBITDA	37,367	36,181	30,959	32,771	34,510
Net profit	20,612	19,531	14,917	15,372	16,013
EPS growth	-2%	-5%	-24%	3%	4%
ROE	25%	20%	14%	13%	13%
PER (x)	4.4	4.7	6.1	5.9	5.7
EV/EBITDA (x)	2.4	2.4	2.6	2.4	2.1
Dividend yield	28%	9%	8%	7%	7%
IPS vs. consensus			87%	92%	99%

Source: Company, Indo Premier

Share price closing as of: 30 July 2025

Fig. 1: 1H25 results summary

UNTR 1H25 results	1H25	1H24	% yoy	2Q25	2Q24	% yoy	1Q25	% qoq	IPS FY25F	% of IPS	Cons FY25F	% of cons
Revenue	68,525	64,514	6%	34,265	32,102	7%	34,261	0%	136,313	50%	132,140	52%
COGS	(53,698)	(47,646)	13%	(26,509)	(23,420)	13%	(27,189)	-2%	#####	50%	#####	53%
<b>Gross profit</b>	<b>14,827</b>	<b>16,869</b>	<b>-12%</b>	<b>7,755</b>	<b>8,682</b>	<b>-11%</b>	<b>7,072</b>	<b>10%</b>	<b>27,887</b>	<b>53%</b>	<b>30,863</b>	<b>48%</b>
Gross profit margin (%)	22%	26%		23%	27%		21%		20%		23%	
Opex	(3,240)	(3,159)	3%	(1,596)	(1,566)	2%	(1,644)	-3%	(6,816)	48%	(6,583)	49%
<b>EBIT</b>	<b>11,588</b>	<b>13,710</b>	<b>-15%</b>	<b>6,159</b>	<b>7,117</b>	<b>-13%</b>	<b>5,429</b>	<b>13%</b>	<b>21,071</b>	<b>55%</b>	<b>24,280</b>	<b>48%</b>
EBIT margin (%)	17%	21%		18%	22%		16%		15%		18%	
Depreciation & amortization	4,743	5,513	-14%	2,413	3,337	-28%	2,330	4%	9,888	48%	9,952	48%
<b>EBITDA</b>	<b>16,331</b>	<b>19,223</b>	<b>-15%</b>	<b>8,572</b>	<b>10,454</b>	<b>-18%</b>	<b>7,759</b>	<b>10%</b>	<b>30,959</b>	<b>53%</b>	<b>34,232</b>	<b>48%</b>
EBITDA margin (%)	24%	30%		25%	33%		23%		23%		26%	
Interest income	613	538	14%	305	285	7%	308	-1%	1,177	52%		
Interest expense	(1,337)	(1,381)	-3%	(696)	(701)	-1%	(641)	9%	(2,622)	51%		
Income from associates	(695)	265	-362%	(193)	(2)	#####	(502)	-61%	0	N/A		
Others	837	(575)	-246%	958	(231)	-514%	(121)	-894%	0	N/A		
<b>Profit before tax</b>	<b>11,006</b>	<b>12,558</b>	<b>-12%</b>	<b>6,532</b>	<b>6,467</b>	<b>1%</b>	<b>4,474</b>	<b>46%</b>	<b>19,627</b>	<b>56%</b>	<b>22,417</b>	<b>49%</b>
Income tax	(2,636)	(2,665)	-1%	(1,461)	(1,379)	6%	(1,176)	24%	(4,122)	64%		
Tax rate (%)	24%	21%		22%	21%		26%		21%			
Minority interest	(239)	(360)	-34%	(129)	(103)	25%	(110)	17%	(589)	41%		
<b>Net profit</b>	<b>8,130</b>	<b>9,532</b>	<b>-15%</b>	<b>4,943</b>	<b>4,985</b>	<b>-1%</b>	<b>3,187</b>	<b>55%</b>	<b>14,917</b>	<b>55%</b>	<b>17,221</b>	<b>47%</b>
Net margin (%)	12%	15%		14%	16%		9%		11%		13%	
<b>Core profit</b>	<b>7,493</b>	<b>9,985</b>	<b>-25%</b>	<b>4,199</b>	<b>5,167</b>	<b>-19%</b>	<b>3,276</b>	<b>28%</b>	<b>14,917</b>	<b>50%</b>	<b>17,221</b>	<b>44%</b>

Source: Company, Indo Premier

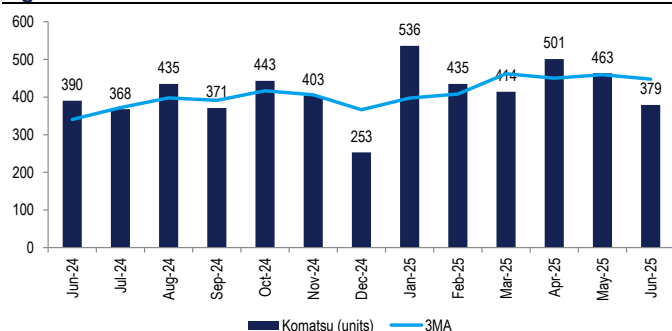
Fig. 2: 1H25 operational summary

Operational summary	1H25	1H24	% yoy	2Q25	2Q24	% yoy	1Q25	% qoq	IPS FY25F	% of IPS	UNTR FY25F	% of cons
<b>Komatsu</b>												
Mining	1,765	1,347	31%	832	575	45%	933	-11%		N/A		N/A
Forestry	289	220	31%	151	128	18%	138	9%		N/A		N/A
Cons	311	275	13%	129	132	-3%	182	-30%		N/A		N/A
Agro	363	305	19%	232	186	25%	131	77%		N/A		N/A
<b>Total units</b>	<b>2,728</b>	<b>2,147</b>	<b>27%</b>	<b>1,343</b>	<b>1,021</b>	<b>32%</b>	<b>1,385</b>	<b>-3%</b>	<b>4,600</b>	<b>59%</b>	<b>4,600</b>	<b>59%</b>
Komatsu ASP (Rp bn)	4.4	3.4	27%	4.1	3.0	39%	4.6	-10%	4.0	110%		N/A
Komatsu revenue (Rp bn)	11,959	7,393	62%	5,561	3,048	82%	6,398	-13%	18,400	65%		N/A
<b>Mining contracting</b>												
Coal (Mt)	68	70	-2%	36	37	-3%	32	12%	148	46%	152	45%
SR (x)	7.8	8.5	-8%	7.7	8.2	-5%	7.9	-2%	8.0	97%	8.2	95%
All-in mining fee (Rp k/t)	43.54	42.44	3%	42.88	42.96	0%	44.28	-3%	44.00	99%		N/A
Pama revenue (Rp bn)	26,087	27,930	-7%	13,477	14,585	-8%	12,610	7%	58,608	45%		N/A
<b>Coal mining</b>												
Thermal (Mt)	5.7	5.9	-3%	3.0	2.7	11%	2.7	9%	10.5	54%	10.6	54%
Coking (Mt)	2.1	1.6	27%	1.0	0.9	12%	1.1	-11%	3.5	60%	3.4	61%
<b>Total volume (Mt)</b>	<b>7.8</b>	<b>7.5</b>	<b>4%</b>	<b>4.0</b>	<b>3.6</b>	<b>11%</b>	<b>3.8</b>	<b>3%</b>	<b>14.0</b>	<b>56%</b>	<b>14.0</b>	<b>56%</b>
Blended coal ASP (Rp k/t)	1,713	2,052	-17%	1,591	1,997	-20%	1,839	-14%	1,656	103%		N/A
TTA revenue (Rp bn)	13,358	15,462	-14%	6,309	7,123	-11%	7,049	-10%	23,187	58%		N/A
<b>Gold mining</b>												
Gold volume (k oz)	56	40	39%	60	42	42%	51	19%	240	23%	240	23%
Gold ASP (Rp mn/oz)	55.89	40.13	39%	60.37	42.44	42%	50.72	19%	53.71	104%		N/A
Gold revenue (Rp bn)	6,987	4,374		4,045	2,547	59%	2,942	38%	12,890	54%		N/A
<b>Nickel mining</b>												
Limonite	547	N/A	N/A	367	N/A	N/A	180	104%	2,500	22%	1,700	32%
Saprolite	421	N/A	N/A	217	N/A	N/A	204	6%	500	84%	300	140%
<b>Total volume (Mt)</b>	<b>968</b>	<b>N/A</b>	<b>N/A</b>	<b>584</b>	<b>N/A</b>	<b>N/A</b>	<b>384</b>	<b>52%</b>	<b>3,000</b>	<b>32%</b>	<b>2,000</b>	<b>48%</b>

0.103581461

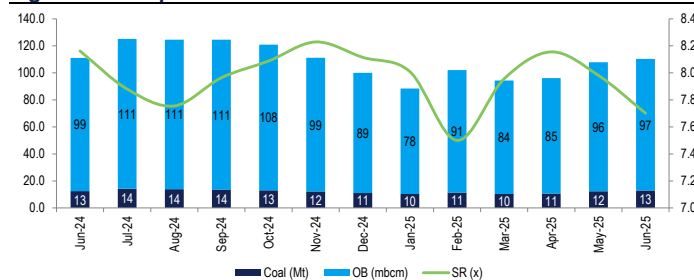
Source: Company, Indo Premier

Fig. 3: HE unit sales



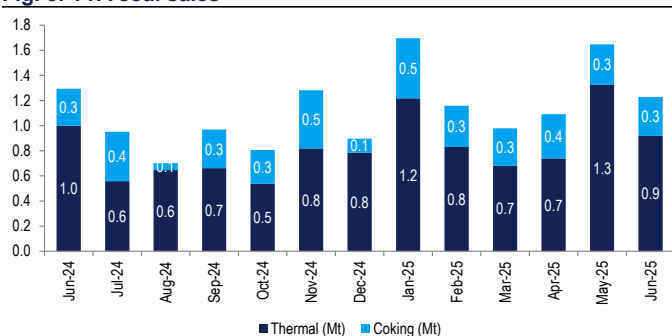
Source: Company, Indo Premier

Fig. 4: Pama's production



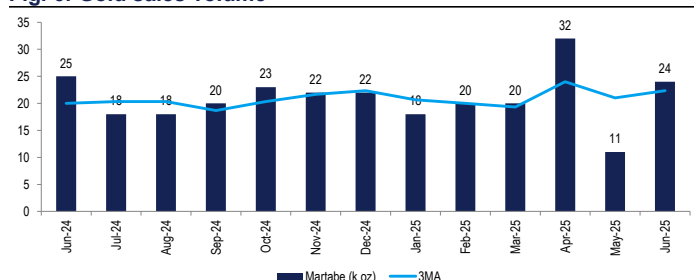
Source: Company, Indo Premier

Fig. 5: TTA coal sales



Source: Company, Indo Premier

Fig. 6: Gold sales volume



Source: Company, Indo Premier

Fig. 7: UNTR SOTP valuation summary

SOTP valuation summary	Rp bn	Remarks
Construction machinery	27,940	Target multiple - 6x FY25F P/E
Mining contracting	35,988	Target multiple - 5x FY25F P/E
Coal mining	6,995	Target multiple - 4x FY25F P/E
Gold mining	14,372	Target multiple - 10x FY25F P/E
NIC	3,050	Target multiple - 11x FY25F P/E
SPR	570	Target multiple - 9x FY25F P/E
<b>Equity value (Rp bn)</b>	<b>88,915</b>	
Outstanding shares	3.7	
<b>Target price (Rp/sh)</b>	<b>24,000</b>	
Current share price	24,375	
Upside/(downside)	-2%	
Implied FY25F P/E	6.0	

Source: Indo Premier

Fig. 8: Peers comparison table

Ticker	Company	Rating	Target price (Rp/share)	P/E			EV/EBITDA			Dividend yield (%)		
				25F	26F	27F	25F	26F	27F	25F	26F	27F
AADI IJ	Adaro Andalan Indonesia	Buy	10,000	3.4	3.2	2.8	2.5	1.8	1.2	13.2%	13.9%	7.9%
ITMG IJ	Indo Tambangraya Megah	Hold	21,000	8.1	15.3	15.9	2.6	4.5	4.4	14.2%	6.1%	4.2%
PTBA IJ	Bukit Asam	Sell	2,000	9.2	7.8	7.9	5.3	4.6	4.6	13.6%	8.1%	9.6%
UNTR IJ	United Tractors	Hold	24,000	6.1	5.9	5.7	2.6	2.4	2.1	8.4%	7.0%	7.3%

Source: Company, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	128,583	134,427	136,313	142,101	147,521
Cost of sales	(92,797)	(100,595)	(108,426)	(113,481)	(118,004)
<b>Gross profit</b>	<b>35,786</b>	<b>33,832</b>	<b>27,887</b>	<b>28,619</b>	<b>29,517</b>
SG&A Expenses	(6,063)	(6,650)	(6,816)	(7,105)	(7,376)
<b>Operating profit</b>	<b>29,723</b>	<b>27,182</b>	<b>21,071</b>	<b>21,514</b>	<b>22,141</b>
Net interest	(752)	(1,500)	(1,444)	(1,288)	(1,070)
Forex gain (loss)	635	637	0	0	0
Others	(885)	(421)	0	0	0
<b>Pre-tax income</b>	<b>28,720</b>	<b>25,897</b>	<b>19,627</b>	<b>20,227</b>	<b>21,070</b>
Income tax	(6,590)	(5,779)	(4,122)	(4,248)	(4,425)
Minority interest	(1,518)	(587)	(589)	(607)	(632)
<b>Net income</b>	<b>20,612</b>	<b>19,531</b>	<b>14,917</b>	<b>15,372</b>	<b>16,013</b>

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent	18,597	25,093	29,433	33,345	38,787
Receivable	20,275	19,989	22,719	23,683	24,587
Inventory	17,184	16,994	18,071	18,914	19,667
Other current assets	6,612	7,904	7,904	7,904	7,904
<b>Total current assets</b>	<b>62,667</b>	<b>69,979</b>	<b>78,127</b>	<b>83,846</b>	<b>90,945</b>
Fixed assets	35,977	40,952	48,773	55,173	60,409
Mining properties	16,547	15,712	14,797	13,935	13,123
Other non-current assets	55,109	58,549	57,634	56,772	55,960
<b>Total non-current assets</b>	<b>91,087</b>	<b>99,501</b>	<b>106,408</b>	<b>111,945</b>	<b>116,369</b>
<b>Total assets</b>	<b>153,754</b>	<b>169,481</b>	<b>184,534</b>	<b>195,791</b>	<b>207,314</b>

ST loans	1,294	4,203	4,203	4,203	4,203
Payable	29,766	28,985	36,142	37,827	39,335
Other payables	11,978	12,114	12,114	12,114	12,114
<b>Total current liab.</b>	<b>43,038</b>	<b>45,303</b>	<b>52,459</b>	<b>54,145</b>	<b>55,652</b>
Long term loans	17,580	15,963	15,963	15,963	15,963
Other LT liab.	9,094	10,040	10,040	10,040	10,040
<b>Total non-current liab.</b>	<b>26,674</b>	<b>26,003</b>	<b>26,003</b>	<b>26,003</b>	<b>26,003</b>
<b>Total liabilities</b>	<b>69,712</b>	<b>71,305</b>	<b>78,462</b>	<b>80,147</b>	<b>81,655</b>

Equity	10,636	10,636	10,636	10,636	10,636
Retained earnings	66,871	78,163	85,471	94,435	103,819
Minority interest	6,534	9,376	9,965	10,571	11,204
<b>Total SHE + minority int.</b>	<b>84,042</b>	<b>98,175</b>	<b>106,072</b>	<b>115,643</b>	<b>125,659</b>
<b>Total liabilities &amp; equity</b>	<b>153,754</b>	<b>169,481</b>	<b>184,534</b>	<b>195,791</b>	<b>207,314</b>

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net income	21,005	20,612	19,248	19,350	20,069
Depr. & amortization	8,130	7,644	12,063	14,298	15,991
Changes in working capital	(1,091)	1,914	2,012	26	(121)
Others	4,848	(3,823)	760	764	792
<b>Cash flow from operating</b>	<b>32,892</b>	<b>26,347</b>	<b>34,084</b>	<b>34,438</b>	<b>36,732</b>
Capital expenditure	(10,037)	(19,797)	(20,675)	(20,675)	(20,675)
Others	(364)	(13,643)	0	0	0
<b>Cash flow from investing</b>	<b>(10,401)</b>	<b>(33,440)</b>	<b>(20,675)</b>	<b>(20,675)</b>	<b>(20,675)</b>
Loans	(7,185)	16,872	0	0	0
Equity	1,488	(995)	0	0	0
Dividends	(6,427)	(25,686)	(8,740)	(8,196)	(8,332)
Others	(6,529)	(2,421)	0	0	0
<b>Cash flow from financing</b>	<b>(18,653)</b>	<b>(12,230)</b>	<b>(8,740)</b>	<b>(8,196)</b>	<b>(8,332)</b>
FX effect	1,123	(362)	0	0	0
<b>Changes in cash</b>	<b>4,960</b>	<b>(19,685)</b>	<b>4,669</b>	<b>5,567</b>	<b>7,725</b>

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	28%	28%	26%	26%	26%
Operating margin	24%	23%	21%	21%	21%
Pre-tax margin	24%	22%	20%	20%	20%
Net margin	17%	16%	15%	15%	15%
ROA	15%	13%	12%	11%	10%
ROE	23%	25%	20%	18%	17%
Acct. receivables TO (days)	6.3	6.3	6.0	6.0	6.0
Inventory TO (days)	5.8	5.4	6.0	6.0	6.0
Payable TO (days)	3.5	3.1	3.0	3.0	3.0
Debt to equity	0.0	0.2	0.2	0.2	0.2
Interest coverage ratio (x)	49.0	19.9	14.0	14.8	15.6
Net gearing	(0.4)	0.0	(0.0)	(0.1)	(0.1)

Source: Company, Indo Premier

## INVESTMENT RATINGS

BUY	: Expected total return of 10% or more within a 12-month period
HOLD	: Expected total return between -10% and 10% within a 12-month period
SELL	: Expected total return of -10% or worse within a 12-month period

## ANALYSTS CERTIFICATION

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

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