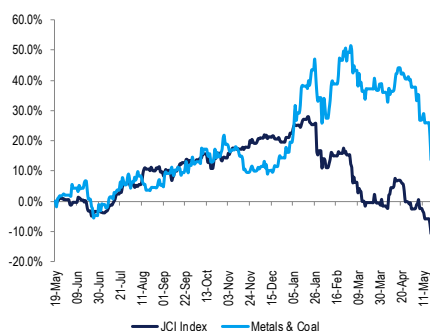


Sector update | 20 May 2026

Sector Index Performance

	3M	6M	12M
Absolute	-18.1%	-0.1%	13.6%
Relative to JCI	4.3%	24.2%	24.4%



Summary Valuation Metrics

P/E (x)	2026F	2027F	2028F
ANTM IJ	7.6	7.6	7.7
HRUM IJ	4.7	4.4	N/A
INCO IJ	4.1	1.2	0.6
MBMA IJ	10.7	6.6	6.9
NCKL IJ	3.7	3.6	N/A

EV/EBITDA (x)	2026F	2027F	2028F
ANTM IJ	4.6	4.3	4.0
HRUM IJ	1.9	1.0	N/A
INCO IJ	0.1	0.8	0.7
MBMA IJ	5.7	3.6	3.1
NCKL IJ	3.7	3.2	N/A

Div. Yield	2026F	2027F	2028F
ANTM IJ	7.4%	9.9%	9.8%
HRUM IJ	N/A	N/A	N/A
INCO IJ	N/A	N/A	N/A
MBMA IJ	N/A	N/A	N/A
NCKL IJ	5.0%	8.1%	N/A

Ryan Winipta

PT Indo Premier Sekuritas
 ryan.winipta@ipc.co.id
 +62 21 5088 7168 ext.718

Reggie Parengkuan

PT Indo Premier Sekuritas
 reggie.parengkuan@ipc.co.id
 +62 21 5088 7168 ext.714

Single-desk policy: better than expected, but confidence remains soft

- Government plans to impose single-desk export policy starting June 1st, 2026 for coal, crude palm oil (CPO), and ferro-alloys exports.
- The policy is aimed to enhance transparency, limiting under-invoicing and transfer pricing while increasing foreign exchange export proceeds.
- We think such policy would be a positive if it's being well executed. Nickel-ore and gold miners are currently least affected.

Single-desk export policy overview

President Prabowo plans to release single-desk export policy on coal, crude palm-oil (CPO) and ferroalloys (NPI/FeNi) (Fig.1), effectively starting from June 1st, 2026. In addition, Danantara has also formed PT Danantara Sumberdaya Indonesia (DSI) as the entity responsible for this task. While full details yet to be out, we think PT DSI will act as an export agency, overseeing the export activities and would be responsible mainly on the documentation rather than full-involvement in export activities. Furthermore, it is also stated that DSI would not take any commission from exports. There will be six-months period starting June 1st to December 31st which will act as reporting phase, before the full implementation in FY27F onwards.

Enhance transparency along with raising export proceeds

Such policy is aimed towards enhancing transparency in export activities as well as limiting under-invoicing and transfer pricing issues, in addition to raising the export proceeds; a positive, in our view. Note that cumulative under-invoicing exports totalled around US\$908bn in the past 30+ years=. Nevertheless, the key risks would be execution, as poor execution may lead to lower volume during the initial implementation. Note that there might be expansion from this policy on top of three main commodities initially stated, albeit we think this was unlikely in the short-term.

Earnings impact may be somewhat limited; more on sector confidence

We think earnings impact in FY26F would be somewhat limited as the first six-months period would primarily focus on reporting. Starting FY27F, it remains uncertain whether there are changes in the regulation as the policy will be evaluated for every three-months; in addition to the lack of clarity from the implementing regulation which is yet to published. Market has also pricing-in the execution risks given that there might be several technicalities involved including the identification of mispricing – to detect under-invoicing, between each exporters given the variability of product specifications – i.e. sulphur/ash content for coal & grade for NPI/FeNi. On company-specific basis, nickel-ore miners such as ANTM & INCO and gold-miners (EMAS, MDKA, ARCI) is unlikely to be affected given 100% of nickel ore and gold is sold domestically due to ore export ban and gold export tax, respectively. Meanwhile, coal exporters such as AADI, ADMR, PTBA, ITMG, HRUM (Fig. 4) are among those likely to be affected in addition to NCKL (FeNi)

Maintain Neutral rating on policy overhang

We think the policy came better than what the market initially expected, albeit we think market's confidence on the sector has trended lower, which led to limited share price recovery post-announcement. As a result, we maintain our Neutral rating on the sector due to further policy overhang.

Fig. 1: Export administration process

Phase I			Phase II		
Effective 1 June - 31 August 2026			Effective starting 1 September 2026		
Pre-clearance	Clearance	Post-clearance	Pre-clearance	Clearance	Post-clearance
Company	Transition process	Company	B2B: Company-SOE	B2B: Company-SOE	B2B: Company-SOE
Transition process	SOE	Transition process	SOE	SOE	SOE

Source: Indo Premier

Fig. 2: Detailed export process

Legalities, Licensing, and Fulfillment of Trade Restrictions	Pre-clearance		Clearance		Post-clearance
	Sales Contract and Terms of Payment	Goods Preparation, Packaging, and Vessel Booking	Export Document Processing and Customs Clearance	Loading and Shipment Processing	Export Payment
<ul style="list-style-type: none"> - Fulfillment of NPWP & NIB - Fulfillment of specific documents: SPS & COO - Fulfillment of trade restrictions: ET, PE, LS, etc. 	<ul style="list-style-type: none"> - Preparation of Sales Contracts (details of goods, prices, quantities, etc.) - Agreement on payment methods (L/C, TT, transfer, etc.), shipping terms & timing (Incoterms) - L/C: Importer opens an L/C forwarded to the Exporter's bank 	<ul style="list-style-type: none"> - Goods packaging and labeling - Preparation of Packing List (content details) and Commercial Invoice - Cargo space booking with Forwarder until booking confirmation 	<ul style="list-style-type: none"> - Submission of export documents (PEB) electronically to Customs - Payment of Export Duties to banks (for CPO) - Customs system processes PEB and issues NPE, allowing goods to enter the port for vessel loading 	<ul style="list-style-type: none"> - Transport of goods from warehouse to port - Loading goods onto vessels and entry into Cargo manifest - Shipping agent issues Bill of Lading - B/L becomes proof of ownership and transport contract 	<ul style="list-style-type: none"> - Exporter sends shipping documents (B/L, Invoice, Packing List, COO, etc.) through banks (under L/C) - After receiving documents, the importer makes payment to the exporter through the bank

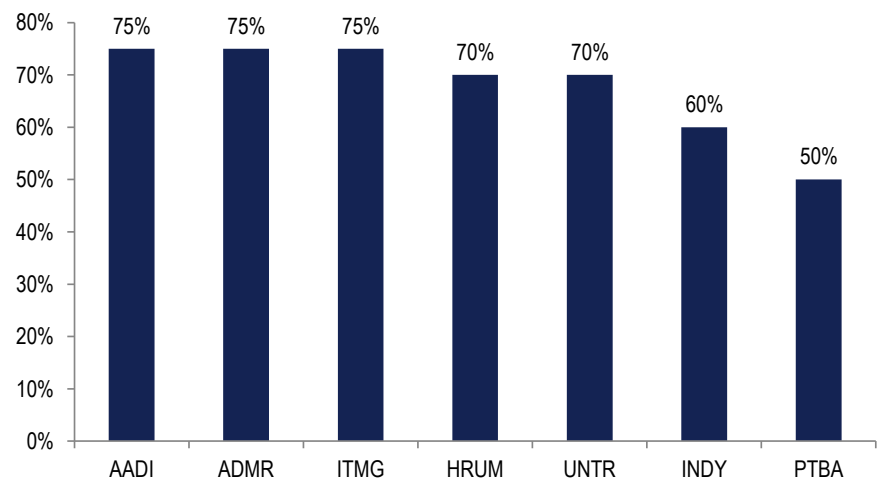
Source: Indo Premier

Fig. 3: Nickel miners export breakdown

Company	NPI/FeNi	Nickel-matte
MBMA	Mostly sold domestically, to Indonesian Tsingshan Stainless	Majority exported
NCKL	Exported	
HRUM*	~60% exported	~60% exported
INCO		Exported
ANTM	100% export	

Source: Company, Indo Premier

Fig. 4: Coal miners' export sales volume



Source: Company, Indo Premier

SECTOR RATINGS

- OVERWEIGHT : An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
- NEUTRAL : A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
- UNDERWEIGHT : An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation

COMPANY 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.

DISCLAIMERS

This research is based on information obtained from sources believed to be reliable, but we do not make any representation or warranty nor accept any responsibility or liability as to its accuracy, completeness or correctness. Opinions expressed are subject to change without notice. This document is prepared for general circulation. Any recommendations contained in this document do not have any regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is not and should not be construed as an offer or a solicitation of an offer to purchase or subscribe or sell any securities. PT Indo Premier Sekuritas or its affiliates may seek or will seek investment banking or other business relationships with the companies in this report.