

Trimegah Bangun Persada

BUY (unchanged)

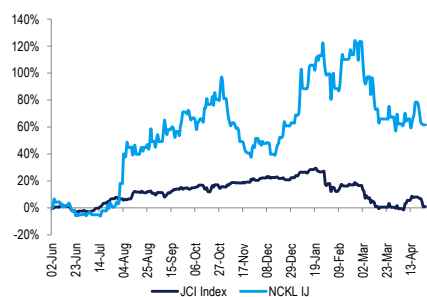
Company Update | Metals | NCKL IJ | 2 June 2026

Stock Data

Target price	Rp1,200
Prior TP	Rp2,100
Current price	Rp840
Upside/downside	+43%
Shares outstanding (mn)	63,099
Market cap (Rp bn)	55,842
Free float	19%
Avg. 6m daily T/O (Rp bn)	83

Price Performance

	3M	6M	12M
Absolute	-38.8%	-13.2%	28.3%
Relative to JCI	-16.0%	14.3%	40.6%
52w low/high (Rp)	650 – 1,545		



Major Shareholders

Harita Jayaraya	86.5%
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Sulphur shortage may be averted; but HPAL margin may be squeezed

- We think sulphur shortage situation is likely to be averted as NCKL holds 3-4 months' worth of inventory.
- We downgraded our FY26F EPS by -16% to reflect 1Q26 result, higher ore royalty & tax payment, and lower HPAL margin in 2Q26F onwards.
- Share price has declined by -43% from YTD peak; Downgrade TP to Rp1,200/sh on lower EPS and target P/E multiples (6x vs. 9x previously)

Worst-case scenario likely averted with 3-4 months sulphur inventory

We think worst-case scenario for NCKL (i.e. inability to find sulphur supply) is likely to be averted as NCKL currently holds 3-4 months of sulphur inventory. Nevertheless, its HPAL margin (which supported earnings in 1Q26) is likely to be squeezed as sulphur price have reached US\$1,200/t (+118% YTD) while the increase in MHP price to US\$17.2k/t (+23% YTD) is unlikely to offset higher sulphur costs, although we expect such price & costs to have lagging effect starting 2Q26F onwards, on inventory-timing. Moreover, the implementation of new HPM formula is likely to be reflected in the form of higher royalty – albeit would positively resulted in higher ore margin; at the expense of HPAL margin. However, there are possibility for further formula revision, based on our check. Note that we think the impact is neutral to slightly positive, as NCKL has a majority stake on the upstream vs. minority stake on the HPAL side (i.e. 40% in ONC & 45.1% in HPL).

Downgrade our FY26F/27F NPAT forecast by -16%/-9%

As a result, we downgraded our FY26F/27F NPAT forecast by -16%/-9%, to Rp12.5tr and Rp13.9tr, respectively; with current share price (Rp885/share) implying 4.5x FY26F and 4x FY27F P/E. While we think the valuation is undemanding, we think market confidence on the commodity sector in general (i.e. royalty announcement ([report](#)) and single-desk export policy ([report](#))) has yet to be restored, which led to multiples de-rating in the sector. Specifically for NCKL, this has also further worsened by unresolved geopolitical situation between US-Iran; which led to rising sulphur costs, which now accounts for 70-75% of HPAL cash costs (excl.by-product credit)

Maintain Buy rating with lower TP of Rp1,200/share

We maintain our Buy rating on NCKL as we think valuation is now undemanding at 4.5x FY26F P/E with further policy uncertainty as the only key downside risks for NCKL. Our previous TP of Rp2,100/share was initially derived using FY26F 9x target P/E multiples in Feb26; however, since then, a series of event such as US-Iran War (since Mar26), new HPM formula (Apr26), and potential royalty increase & single-desk export policy (May26) has unravelled. As a result, our new TP of Rp1,200/share is derived using a lower 6x P/E target, taking into account robust EPS growth but with downside risks from policy uncertainty & Iran war.

Financial Summary (Rp bn)	2024A	2025A	2026F	2027F	2028F
Revenue	26,965	29,633	35,551	38,798	39,445
EBITDA	8,592	10,293	12,834	14,499	15,428
Net profit	6,380	8,952	12,482	13,947	14,064
EPS growth	14%	40%	39%	12%	1%
ROE	21%	23%	26%	24%	0%
PER (x)	8.8	6.2	4.5	4.0	4.0
EV/EBITDA (x)	7.0	5.8	4.1	3.3	2.5
Dividend yield	3%	3%	5%	7%	7%
IPS vs. consensus			113%	111%	102%

Source: Company, Indo Premier

Share price closing as of: 2 June 2026

Fig. 1: Old vs New forecast

NCKL (Rp bn)	New forecast			Forecast change			Consensus			IPS vs. Consensus		
	2026F	2027F	2028F	2026F	2027F	2028F	2026F	2027F	2028F	2026F	2027F	2028F
Revenues	35,551	38,798	39,445	20%	24%	na	35,381	37,440	43,625	100%	104%	90%
Gross profit	12,224	13,883	14,809	2%	13%	na	12,310	13,278	15,464	99%	105%	96%
Operating profit	10,896	12,491	13,350	3%	15%	na	10,600	11,391	13,579	103%	110%	98%
EBITDA	12,834	14,499	15,428	3%	13%	na	12,588	13,214	15,474	102%	110%	100%
NPAT	12,482	13,947	14,064	-16%	-9%	na	11,048	12,539	13,781	113%	111%	102%
%y-y												
Revenues	272%	9%	2%				270%	6%	17%			
Gross profit	161%	14%	7%				163%	8%	16%			
Operating profit	188%	15%	7%				180%	7%	19%			
EBITDA	195%	13%	6%				189%	5%	17%			
NPAT	122%	12%	1%				137%	13%	10%			
Gross margin	34.4%	35.8%	37.5%	-5.8%	-3.6%	na				34.4%	35.8%	37.5%
Operating margin	30.6%	32.2%	33.8%	-4.9%	-2.6%	na				30.6%	32.2%	33.8%
EBITDA margin	36.1%	37.4%	39.1%	-5.7%	-3.6%	na				36.1%	37.4%	39.1%
NPAT margin	35.1%	35.9%	35.7%	-14.8%	-12.9%	na				35.1%	35.9%	35.7%

Source: Bloomberg, Company Data, Indo Premier

Fig. 2: Key operational assumptions

Key assumptions	Old			New			Change (%)		
	FY26F	FY27F	FY28F	FY26F	FY27F	FY28F	FY26F	FY27F	FY28F
HJF + MSP									
Sales volume (ton)	115,000	125,000	na	115,000	125,000	125,000	0%	0%	na
ASP (US\$/t)	13,000	13,000	na	13,000	13,000	13,000	0%	0%	na
Cash costs (US\$/t)	8,700	8,700	na	9,750	10,000	10,000	12%	15%	na
HPL - HPAL									
MHP									
Sales volume (ton)	13,000	13,000	na	13,000	13,000	13,000	0%	0%	na
ASP (US\$/t)	14,500	14,500	na	14,500	14,500	14,500	0%	0%	na
Cash costs (US\$/t)	7,000	7,000	na	8,125	7,000	7,000	16%	0%	na
Nickel sulphate (NiSO4)									
Sales volume (ton)	42,000	42,000	na	40,000	40,000	40,000	-5%	-5%	na
ASP (US\$/t)	14,500	14,500	na	16,500	16,500	16,500	14%	14%	na
Cash costs (US\$/t)	10,000	10,000	na	11,000	10,000	10,000	10%	0%	na

Source: Bloomberg, Company Data, Indo Premier

Fig. 3: Peers valuation table

Ticker	Company	Rating	Target price (Rp/share)	P/E			EV/EBITDA			Dividend yield (%)		
				26F	27F	28F	26F	27F	28F	26F	27F	28F
ANTM IJ	Aneka Tambang	Buy	3,900	35.0	7.4	7.4	4.4	4.1	3.8	7.6%	10.2%	10.2%
HRUM IJ	Harum Energy	Buy	1,050	8.1	4.9	4.6	4.1	2.0	1.0	N/A	N/A	N/A
INCO IJ	Vale Indonesia	Buy	5,200	39.2	11.6	5.5	10.4	5.4	3.2	N/A	N/A	N/A
MBMA IJ	Merdeka Battery Materials	Buy	560	10.6	6.6	6.9	5.7	3.6	3.1	N/A	N/A	N/A
MDKA IJ	Merdeka Copper Gold	Buy	2,400	142.2	27.5	5.0	6.0	4.7	2.8	N/A	N/A	N/A
EMAS IJ	Merdeka Gold Resources	Buy	5,300	51.0	30.2	14.6	32.4	19.6	10.5	N/A	N/A	N/A
NCKL IJ	Trimegah Bangun Persada	Buy	1,400	4.5	4.0	4.0	4.1	3.5	3.2	4.8%	11.2%	12.5%

Source: Bloomberg, Company Data, Indo Premier; IPS forecast for metal miners under our coverage, Bloomberg forecast for non-rated.

Income Statement (Rp bn)	2024A	2025A	2026F	2027F	2028F
Net revenue	26,965	29,633	35,551	38,798	39,445
Cost of sales	(18,518)	(19,941)	(23,328)	(24,914)	(24,636)
Gross profit	8,447	9,691	12,224	13,883	14,809
SG&A Expenses	(1,590)	(1,266)	(1,327)	(1,392)	(1,460)
Operating profit	6,857	8,426	10,896	12,491	13,350
Net interest	(508)	(320)	(388)	(260)	(127)
Income from associates	2,013	4,091	6,993	8,215	8,645
Others	309	(41)	0	0	0
Pre-tax income	8,671	12,155	17,502	20,446	21,867
Income tax	(958)	(1,185)	(2,593)	(4,554)	(5,737)
Minority interest	(1,333)	(2,019)	(2,426)	(1,944)	(2,067)
Net income	6,380	8,952	12,482	13,947	14,064

Balance Sheet (Rp bn)	2024A	2025A	2026F	2027F	2028F
Cash & equivalent	6,486	6,016	11,989	13,874	15,309
Receivable	1,541	1,938	2,325	2,537	2,580
Inventory	5,158	5,876	6,874	7,341	7,259
Other current assets	279	329	329	329	329
Total current assets	13,465	14,159	21,517	24,082	25,477
Fixed assets	22,533	22,549	21,762	20,904	19,975
Other non-current assets	16,256	25,062	28,601	34,418	40,986
Total non-current assets	38,789	47,611	50,362	55,321	60,962
Total assets	52,254	61,770	71,879	79,404	86,439
ST loans	0	0	0	0	0
Payable	3,535	3,934	4,602	4,915	4,860
Other payables	0	0	0	0	0
Current portion of LT loans	1,679	1,867	0	0	0
Other current liabilities	640	856	856	856	856
Total current liab.	5,854	6,657	5,458	5,771	5,716
Long term loans	9,130	7,514	9,000	8,500	8,500
Other LT liab.	816	844	869	874	874
Total non-current liabilities	9,946	8,357	9,869	9,374	9,374
Total liabilities	15,800	15,014	15,327	15,145	15,090
Equity	16,677	16,677	16,677	16,677	16,677
Retained earnings	12,074	19,126	28,922	36,628	43,718
Minority interest	7,703	10,953	10,953	10,953	10,953
Total SHE + minority int.	36,454	46,756	56,552	64,259	71,349
Total liabilities & equity	52,254	61,770	71,879	79,404	86,439

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2024A	2025A	2026F	2027F	2028F
Net income	6,181	8,994	12,482	13,947	14,064
Depr. & amortization	1,735	1,867	1,937	2,008	2,078
Changes in working capital	(2,303)	(515)	(717)	(367)	(15)
Others	0	0	0	0	0
Cash flow from operating	5,613	10,346	13,702	15,589	16,127
Capital expenditure	(1,919)	(1,883)	(1,150)	(1,150)	(1,150)
Others	(3,516)	(8,833)	(3,539)	(5,817)	(6,568)
Cash flow from investing	(5,434)	(10,716)	(4,689)	(6,967)	(7,718)
Loans	2,232	(1,436)	(355)	(495)	0
Equity	1,827	3,250	0	0	0
Dividends	(1,686)	(1,914)	(2,685)	(6,241)	(6,974)
Others	0	0	0	0	0
Cash flow from financing	2,373	(100)	(3,041)	(6,736)	(6,974)
Changes in cash	2,552	(470)	5,972	1,886	1,435

Key Ratios	2024A	2025A	2026F	2027F	2028F
Gross margin	31%	33%	34%	36%	38%
Operating margin	25%	28%	31%	32%	34%
Pre-tax margin	32%	41%	49%	53%	55%
Net margin	24%	30%	35%	36%	36%
ROA	12%	14%	17%	18%	16%
ROE	21%	23%	26%	25%	22%
Acct. receivables TO (days)	17.5	15.3	15.3	15.3	15.3
Inventory TO (days)	3.6	3.4	3.4	3.4	3.4
Payable TO (days)	5.2	5.1	5.1	5.1	5.1
Debt to equity	0.4	0.2	0.2	0.2	0.1
Interest coverage ratio (x)	11.4	17.7	19.9	23.8	25.3
Net gearing	0.1	0.1	(0.1)	(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

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