

Buy

United Tractors (UNTR JJ)

Jun25 Operational – Soft Komatsu Sales, Pama Recovered But Still Behind Target

Last Price (Rp)	24,175
Target Price (Rp)	23,800
Upside/Downside	-1.6%
No. of Shares (mn)	3,730
Mkt Cap (Rpbn/US\$mn)	90,176/5,518
Avg, Daily T/O (Rpbn/US\$mn)	97.2/5.9

- Komatsu sales fell -18% mom in Jun25 (-3% yoy), bringing 1H25 sales to +27% yoy
- Pama's production continued to improve (+2% mom), but 1H25 achievement is still weak at -9% yoy, and 46% of our FY25F
- We expect the 1H25 earnings to trail historical run-rate (48-53% of FY) due to still weak production from Pama

Key Financials:

	2025F	2026F	2027F
EPS (Rp)	4,451.2	4,285.8	4,157.9
PER (x)	4.8	5.0	5.2
PBV (x)	0.8	0.7	0.6
EV/EBITDA (x)	2.2	1.9	1.6
Dividend yield (%)	9.8	8.3	8.0
ROAE (%)	16.8	14.6	13.1

Jun25/ 1H25 Operational Performance

- Komatsu sales fell -18% mom in Jun25 (-3% yoy), bringing 1H25 sales to +27% yoy. UNTR had previously guided that Komatsu sales in FY25 will be front-loaded in 1H25, reflecting demand carry-over from FY24. 1H25 sales of 2,728 units account for 57% of our FY25F and hence, is still in-line with expectation.
- Pama's production continued to improve (+2% mom) on dryer weather conditions, but 1H25 achievement is still weak at -9% yoy, and 46% of our FY25F. This implies that Pama needs to deliver ~+11% yoy in 2H25 to meet our production target (-5% yoy).
- Gold sales volume recovered +127% mom/ flat yoy in Jun25 following maintenance in May25. 1H25 sales of 125k oz accounted for 42% of our FY25F. Sales may still meet our FY25F target assuming monthly numbers return to Apr25 high of 32k oz.

2Q25 Operational Summary

- Overall 2Q25 operational numbers showed improvement q-q, with +11% qoq for Pama and +19% gold sales volume to potentially offset flattish Komatsu sales (-3% qoq). This, combined with no more impairment to be recorded in 2Q25 should translate to better 2Q25 earnings qoq. However, we expect the 1H25 earnings to trail historical run-rate (48-53% of FY) due to still weak production from Pama.

Rating and TP

- We currently have a Buy rating with SOTP-based TP of Rp23,800. We are reviewing our rating and TP pending the release of 2Q25 earnings on 30th Jul25.

BRI Danareksa Sekuritas Analysts

Erindra Krisnawan, CFA

(62-21) 5091 4100 ext. 3500

erindra.krisnawan@brids.co.id

Kafi Ananta

(62-21) 5091 4100 ext. 3506

kafi.azhari@brids.co.id

Exhibit 1. UNTR monthly operational update – Jun25

Heavy equipment sales (units)	6M25	6M24	yoy%	Jun-25	Jun-24	yoy%	May-25	mom%	BRIDS FY25	% of BRIDS
Mining	1,765	1,347	31%	243	191	27%	269	-10%	3,016	59%
Agro	363	305	19%	68	86	-20%	79	-13%	524	69%
Construction	311	275	13%	38	51	-25%	56	-32%	712	44%
Forestry	289	220	31%	30	62	-51%	60	-50%	369	78%
Heavy equipment sales	2,728	2,147	27%	379	390	-3%	463	-18%	4,621	59%
Mining contracting										
Coal production (Mt)	68	69	-2%	13	13	3%	12	4%	148	46%
Overburden removal (Mn bcm)	531	591	-10%	97	100	-2%	95	2%	1,157	46%
Total volume	598	660	-9%	110	112	-2%	108	2%	1,305	46%
Strip ratio (x)	7.8	8.5	-8%	7.6	8.0	-5%	7.7	-2%	7.8	100%
Coal mining ('000 tonnes)										
Thermal coal sales	5,712	5,892	-3%	919	1,000	-8%	1,324	-31%	13,592	42%
Coking coal sales	2,086	1,642	27%	309	294	5%	323	-4%	2,543	82%
Total coal sales	7,798	7,534	4%	1,228	1,294	-5%	1,647	-25.4%	16,135	48%
Nickel Mining ('000 wmt)										
Limonite	727	546	33%	130	124.0	5%	121	7%	1,200	61%
Saprolite	360	421	-14%	69	56.0	23%	67	3%	800	45%
Total Nickel Ore Sales	1,087	967	12%	199	180	11%	188	6%	2,000	54%
Gold mine (K oz)										
Volume	125	109	14%	25	25	0%	11	127%	300	42%

Source: Company, BRIDS Estimates

Exhibit 2. UNTR quarterly operational update – 2Q25

Heavy equipment sales (units)	6M25	6M24	yoy%	2Q25	2Q24	yoy%	1Q25	qoq%	BRIDS FY25F	% of BRIDS
Mining	1,765	1,347	31%	832	575	45%	933	-11%	3,016	59%
Agro	363	305	19%	232	186	25%	131	77%	524	69%
Construction	311	275	13%	129	132	-3%	182	-30%	712	44%
Forestry	289	220	31%	151	128	18%	138	9%	369	78%
Heavy equipment sales	2,728	2,147	27%	1,343	1,021	32%	1,385	-3%	4,621	59%
Mining contracting										
Coal production (Mt)	67.7	69.3	-2%	36.0	37.0	-3%	31.7	14%	148.0	46%
Overburden removal (Mn bcm)	530.7	590.5	-10%	278.2	304.6	-9%	252.5	10%	1,157.1	46%
Total volume	598.4	659.8	-9%	314.2	341.6	-8%	284.2	11%	1,305.1	46%
Strip ratio (x)	7.8	8.5	-8%	7.7	8.2	-6%	8.0	-3%	7.8	100%
Coal mining ('000 tonnes)										
Thermal coal sales	5,712	5,892	-3%	2,983	2,689	11%	2,729	9%	13,592	42%
Coking coal sales	2,086	1,642	27%	983	877	12%	1,103	-11%	2,543	82%
Total coal sales	7,798	7,534	4%	3,966	3,566	11%	3,832	3%	16,135	48%
Nickel Mining ('000 wmt)										
Limonite	727	546	33%	357	366	-3%	370	-4%	1,200	61%
Saprolite	360	421	-14%	205	217	-6%	155	32%	800	45%
Total Nickel Ore Sales	1,087	967	12%	562	583	-4%	525	7%	2,000	54%
Gold mine (K oz)										
Volume	125	109	14%	68	60	13%	57	19%	300	42%

Source: Company, BRIDS Estimates

BRI Danareksa Equity Research Team

Erindra Krisnawan, CFA	Head of EQR, Strategy, Automotive, Telco, Technology	erindra.krisnawan@brids.co.id
Timothy Wijaya	Metal, Coal, and Oil & Gas	timothy.wijaya@brids.co.id
Victor Stefano	Banks, Poultry	victor.stefano@brids.co.id
Ismail Fakhri Suweleh	Healthcare, Property, Cement, Tollroad	ismail.suweleh@brids.co.id
Christy Halim	Consumer, Retailers	christy.halim@brids.co.id
Kafi Ananta Azhari	Research Associate, Co-coverage (Telco, Technology)	kafi.azhari@brids.co.id
Ni Putu Wilastita Muthia Sofi	Research Associate	wilastita.sofi@brids.co.id
Naura Reyhan Muchlis	Research Associate	naura.muchlis@brids.co.id
Sabela Nur Amalina	Research Associate	sabela.amalina@brids.co.id

BRI Danareksa Economic Research Team

Helmy Kristanto	Chief Economist, Macro Strategy	helmy.kristanto@brids.co.id
Dr. Telisa Aulia Falianty	Senior Advisor	telisa.falianty@brids.co.id
Kefas Sidauruk	Economist	kefas.sidauruk@brids.co.id

BRI Danareksa Institutional Equity Sales Team

Yofi Lasini	Head of Institutional Sales and Dealing	yofi.lasini@brids.co.id
Novrita Endah Putrianti	Institutional Sales Unit Head	novrita.putrianti@brids.co.id
Ehrlicch Suhartono	Institutional Sales Associate	ehrliech@brids.co.id
Adeline Solaiman	Institutional Sales Associate	adeline.solaiman@brids.co.id
Andreas Kenny	Institutional Sales Associate	andreas.kenny@brids.co.id
Jason Joseph	Institutional Sales Associate	jason.joseph@brids.co.id

BRI Danareksa Sales Traders

Mitcha Sondakh	Head of Sales Trader	mitcha.sondakh@brids.co.id
Suryanti Salim	Sales Trader	suryanti.salim@brids.co.id

INVESTMENT RATING

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

Disclaimer

The information contained in this report has been taken from sources which we deem reliable. However, none of PT BRI Danareksa Sekuritas and/or its affiliated and/or their respective employees and/or agents makes any representation or warrant (express or implied) or accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this report or as to any information contained in this report or any other such information or opinions remaining unchanged after the issue thereof.

We expressly disclaim any responsibility or liability (express or implied) of PT BRI Danareksa Sekuritas, its affiliated companies and their respective employees and agents whatsoever and howsoever arising (including, without limitations for any claims, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as results of acting in reliance upon the whole or any part of the contents of this report and neither PT BRI Danareksa Sekuritas, its affiliated companies or their respective employees or agents accepts liability for any errors, omissions or mis-statements, negligent or otherwise, in the report and any liability in respect of the report or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expressly disclaimed.

The information contained in the report is not to be taken as any recommendation made by PT BRI Danareksa Sekuritas or any other person to enter into any agreement with regard to any investment mentioned in this document. This report is prepared for general circulation. It does not have regards to the specific person who may receive this report. In considering any investments you should make your own independent assessment and seek your own professional financial and legal advice.