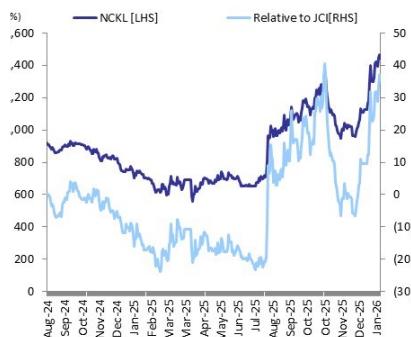


Buy

(*Maintained*)

Last Price (Rp)	1,535		
Target Price (Rp)	1,800		
Previous Target Price (Rp)	1,300		
Upside/Downside	+17.3%		
No. of Shares (mn)	63,099		
Mkt Cap (Rpbn/US\$mn)	96,856/5,522		
Avg. Daily T/O (Rpbn/US\$mn)	107.2/6.4		
Free Float (%)	17.6		
Major Shareholder (%)			
Harita Jayaraya	86.5		
PT Citra Duta Jaya Makmur	0.9		
EPS Consensus (US\$cents)			
2025F	2026F	2027F	
BRIDS	138.8	190.0	222.9
Consensus	132.2	162.8	182.1
BRIDS/Cons (%)	5.1	16.7	22.4

NCKL relative to JCI Index



Source: Bloomberg

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Trimegah Bangun Persada (NCKL IJ) Commissioning Underway, Earnings Growth Supported by Higher JV Ownership

- NCKL aims to focus on cost efficiency and commissioning in FY26, with KPS Phase 1&2 commissioning lifting nameplate capacity to ~305kt Ni.
- Earnings quality structurally improves from FY26F, driven by higher effective JV ownership with ONC's 40% stake fully reflected.
- Resume coverage with Buy rating and higher TP of Rp1,800, supported by stronger earnings visibility and a more sustainable operating profile

FY26F: The commissioning phase

Our discussion with NCKL's mgmt. reveals the company's planned focus in FY26 onwards on a group-wide cost efficiency initiative, alongside the commissioning of several projects scheduled to come on stream in FY26F. These projects include KPS Phase², KPS Phase³, CKM (Quicklime Plant), while iron extraction remains an incremental optional upside. As a result, total nameplate capacity is expected to increase materially to ~305kt in FY26F (vs ~180kt in 25F). That said, utilization is projected to normalize to a more sustainable ~68-70% in FY26F (from an elevated ~97% in FY25F) reflecting a transition toward more sustainable operating levels.

Earnings quality upgrade supported by higher JV ownership

Despite entering a utilization normalization phase, we expect NCKL's FY26F earnings profile to remain resilient. Consolidated we project NPI nickel sales to be sustained at ~205-210kt Ni (vs. ~175 Ni in FY25F), supported by incremental contributions from newly commissioned capacity and a more stable operating mix. On the HPAL side, MHP output from ONC is expected to remain steady at 68.3kt, with its earnings contribution increasingly reflected through a higher effective ownership of 40% (vs ~5% previously). From a cost perspective, improving operational stability across RKEF operations, the full year earnings contribution from ONC, and the commencement of CKM are expected to lower consolidated cash costs per ton (NPI and MHP) by ~3-4% y-y (see Exh. 7), partly offset by initial project-related expenses and maintenance normalization.

Reiterate Buy rating with a higher TP of Rp1,800

Overall, we raise our FY26-27F net profit forecasts by +43.7-67.3% (see Exh. 7) to reflect newly commissioned capacity (+125.5kt) and higher effective ownership in key JVs. In line with our revised earnings assumptions, we raised our TP to Rp1,800 based on SOTP valuation which employed DCF for each project. Our TP implied FY26F PE of 9.9x (+1.0 std dev 3-year mean), which we view as reasonable given improving earnings visibility and a more sustainable operating profile. Key risks to our call include nickel price reversal, lower than expected utilization, and potential cost pressures from Global Minimum Tax (GMT) at JVs entities.

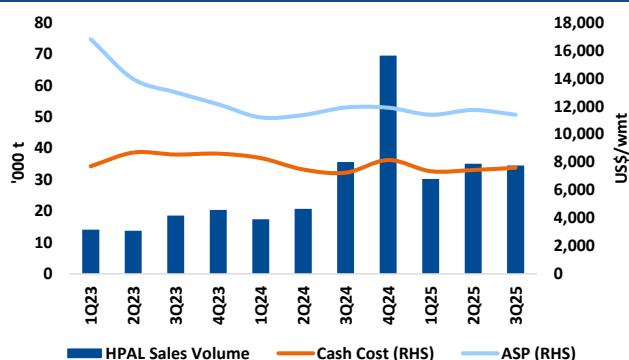
Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	23,858	26,965	28,053	30,589	31,765
EBITDA (Rpbn)	8,294	9,074	9,542	12,013	12,934
Net Profit (Rpbn)	5,619	6,380	8,761	11,990	14,064
EPS (Rp)	89.1	101.1	138.8	190.0	222.9
BVPS (Rp)	372.4	483.2	591.7	740.0	905.9
PER (x)	17.2	15.2	11.1	8.1	6.9
PBV (x)	4.1	3.2	2.6	2.1	1.7
Dividend yield (%)	1.4	1.7	2.0	2.7	3.7
EV/EBITDA	12.1	11.0	10.3	8.0	7.3

Source: NCKL, BRIDS Estimate

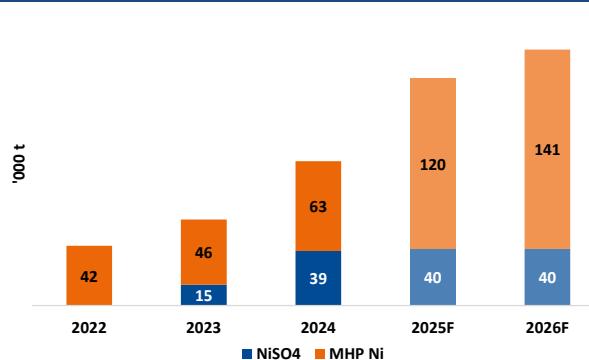
Equity Research – Company Update

Exhibit 1. MHP sales volume, ASP and Cash Cost (q-q)



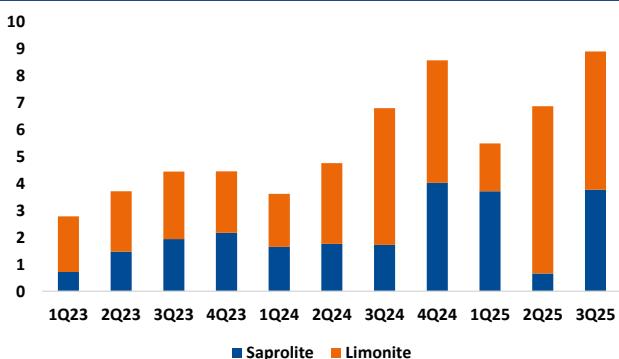
Source: Company, BRIDS

Exhibit 2. MHP and sulfate sales volume ests.



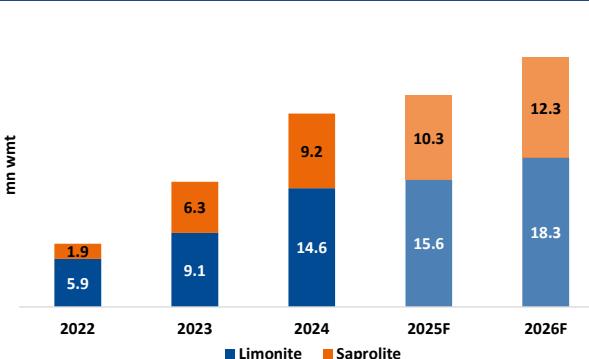
Source: Company, BRIDS Estimates

Exhibit 3. Ore sales volume (q-q)



Source: Company, BRIDS

Exhibit 4. Ore sales volume ests.



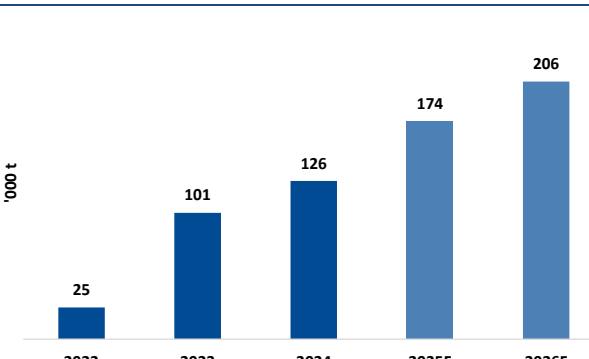
Source: Company, BRIDS Estimates

Exhibit 5. NPI sales volume (q-q)

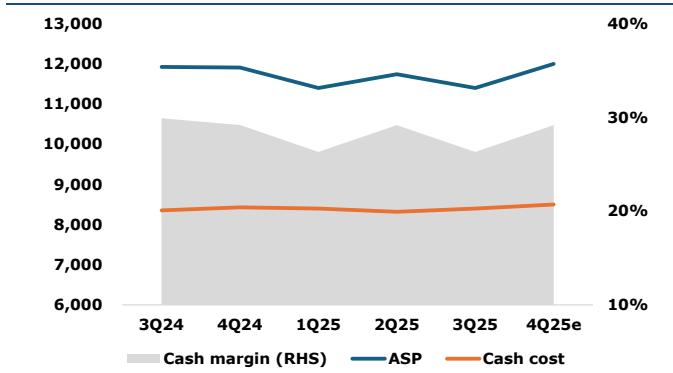


Source: Company, BRIDS

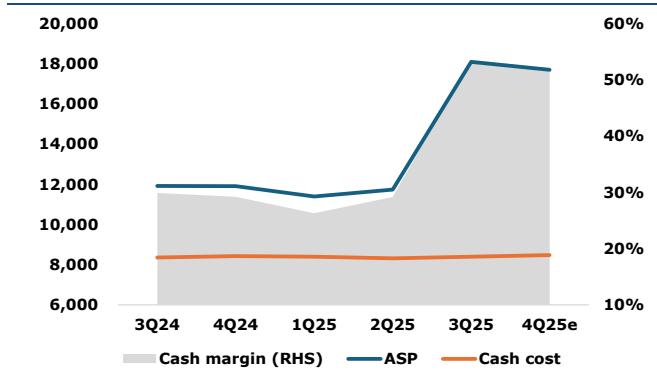
Exhibit 6. NPI sales volume ests.



Source: Company, BRIDS Estimates

Exhibit 7. RKEF margin temporarily compressed, yet remains resilient (US\$/t)


Source: Company, BRIDS Estimates

Exhibit 8. Mining segment margin strengthens on stable cash cost, driven by ASP (US\$/wmt)


Source: Company, BRIDS Estimates

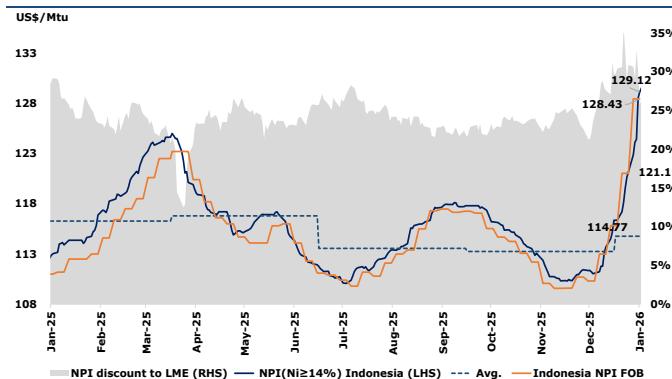
Exhibit 7. NCKL's forecast and assumptions change

NCKL (Rpbn)	2025F			2026F			2027F		
	Old	New	Change	Old	New	Change	Old	New	Change
Revenue	26,777	28,053	4.8%	27,592	30,589	10.9%	27,599	31,765	15.1%
<i>Gross margin</i>	38.6%	33.8%		40.0%	39.6%		40.0%	41.3%	
EBITDA	10,493	9,542	-9.1%	11,138	12,013	7.9%	11,132	12,934	16.2%
<i>EBITDA margin</i>	39.2%	34.0%		40.4%	39.3%		40.3%	40.7%	
Net profit	7,784	8,761	12.6%	8,345	11,990	43.7%	8,406	14,064	67.3%
<i>Net margin</i>	29.1%	31.2%		30.2%	39.2%		30.5%	44.3%	
Operational Assumptions									
LME Nickel Price (US\$/t)	15,500	16,500	6.5%	15,500	17,500	12.9%	15,500	18,000	16.1%
NPI Price (US\$/t)	11,750	11,550	-1.7%	12,000	12,250	2.1%	12,500	12,600	0.8%
Saprolite sales volume (mn wmt)	9.7	10.3	6.6%	10.3	12.3	19.0%	10.3	13.9	35.1%
Limonite sales (mn wmt)	15.9	15.6	-1.8%	16.8	18.3	9.2%	16.8	18.3	9.2%
NPI sales volume (t)	170,490	173,972	2.0%	179,400	205,900	14.8%	179,400	233,372	30.1%
MHP/Sulfate sales volume (t)	111,128	160,420	44.4%	117,563	180,895	53.9%	117,563	180,895	53.9%
Saprolite ASP (US\$/t)	28.1	30.6	9.0%	28.0	30.9	10.5%	28.0	31.8	13.7%
Limonite ASP (US\$/t)	14.0	15.3	9.4%	14.0	15.5	10.5%	14.0	15.9	13.7%
NPI ASP (US\$/t)	11,750	11,550	-1.7%	12,000	12,250	2.1%	12,000	12,600	5.0%
MHP ASP net cobalt credit (US\$/t)	14,243	13,255	-6.9%	13,933	14,058	0.9%	13,933	14,460	3.8%
Saprolite cash cost (US\$/wmt)	13.9	11.5	-17.3%	14.2	11.6	-18.2%	14.3	11.7	-18.0%
Limonite cash cost (US\$/wmt)	6.5	7.5	15.4%	6.7	7.9	17.5%	6.8	7.9	15.8%
NPI cash cost (US\$/t)	9,583	8,900	-7.1%	9,667	8,633	-10.7%	9,667	8,719	-9.8%
MHP net cobalt credit cash cost (US\$/t)	6,809	7,160	5.1%	6,749	6,944	2.9%	6,749	6,986	3.5%
Saprolite cash margin (US\$/wmt)	14.2	19.1	34.7%	13.8	19.3	40.0%	13.7	20.1	46.7%
Limonite cash margin (US\$/wmt)	7.5	7.8	4.2%	7.3	7.6	4.0%	7.2	8.0	11.6%
NPI cash margin (US\$/t)	2,167	2,650	22.3%	2,333	3,617	55.0%	2,333	3,881	66.3%
MHP net cobalt credit cash margin (US\$/t)	7,434	6,095	-18.0%	7,184	7,114	-1.0%	7,184	7,474	4.0%

Source: Company, BRIDS Estimates

Equity Research – Company Update

Exhibit 8. Narrowing disc drives improved margin leverage for RKEF



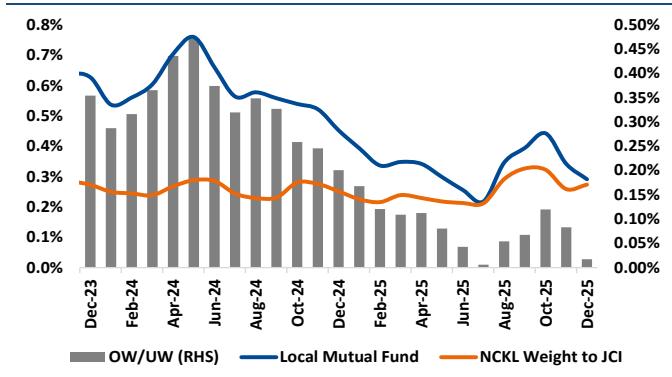
Source: SMM, Bloomberg, BRIDS

Exhibit 10. NCKL's PE Band



Source: Bloomberg, BRIDS

Exhibit 12. NCKL's local fund position



Source: KSEI, BRIDS

Exhibit 9. Peers

Date	Company	Company	Mkt. Cap (USD mn.)	PE		PB		ROA		ROE	
				25F	26F	25F	26F	25F	26F	25F	26F
NCKL IJ	NCKL IJ Equity	TRIMEGAH BANGUN PERSADA TBK	5,522	11.1	8.1	2.6	2.1	15.9	19.3	25.8	28.5
ANTM IJ	ANTM IJ Equity	ANEKA TAMBANG TBK	6,137	14.1	11.7	3.2	2.7	17.1	18.4	24.0	25.1
INCO IJ	INCO IJ Equity	VALE INDONESIA TBK	4,251	37.5	26.3	1.6	1.5	3.6	4.9	4.2	5.8
BHP AU	BHP AU Equity	BHP GROUP LTD	169,302	16.4	14.0	3.5	3.2	11.2	11.2	22.9	23.7
GLEN LC	GLEN LC Equity	GLENCORE PLC	80,007	37.6	18.4	2.2	2.0	1.0	3.2	4.5	11.5
AAL LN	AAL LN Equity	ANGLO AMERICAN PLC	54,152	65.5	27.9	2.9	2.4	0.2	2.8	4.1	9.8
603799 CH	603799 CH Equity	ZHEJIANG HUAYOU COBALT CO -A	21,423	24.6	18.5	3.4	3.0	4.8	6.0	14.5	17.1
LUN CN	LUN CN Equity	LUNDIN MINING CORP	21,256	34.9	24.0	3.5	3.0	6.1	8.3	11.6	13.7
5713 JT	5713 JT Equity	SUMITOMO METAL MINING CO LTD	15,787	55.0	27.0	1.3	1.2	1.0	N/A/N/A	2.5	4.6
S32 AU	S32 AU Equity	SOUTH32 LTD	13,557	19.4	17.2	1.5	1.5	6.4	6.5	7.9	8.1
NICAU	NICAU Equity	NICKEL INDUSTRIES LTD	2,794	46.2	14.4	1.3	1.2	2.1	5.8	2.1	8.9
NIKLP M	NIKLP M Equity	NICKEL ASIA CORP	1,171	13.8	12.2	1.4	1.2	12.0	11.6	16.0	16.5
Average.				33.2	19.2	2.3	2.1	5.9	7.9	10.4	13.2

Source: Bloomberg, BRIDS Estimates

bridanareksasekuritas.co.id

Exhibit 9. Price breakout introduces upside risk to ASP assumption from FY26F onwards



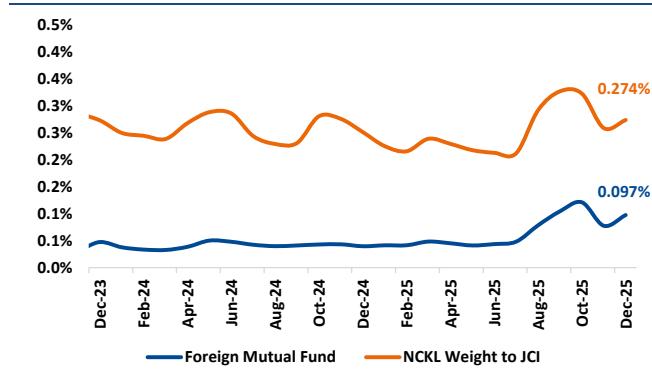
Source: SMM, Bloomberg, BRIDS

Exhibit 11. NCKL's PB Band



Source: Bloomberg, BRIDS

Exhibit 13. NCKL's foreign fund position



Source: KSEI, BRIDS Estimates

See important disclosure at the back of this report

Exhibit 10. Income Statement

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Revenue	23,858	26,965	28,053	30,589	31,765
COGS	(15,582)	(18,518)	(18,581)	(18,477)	(18,638)
Gross profit	8,276	8,447	9,472	12,112	13,127
EBITDA	8,294	9,074	9,542	12,013	12,934
Oper. profit	7,024	7,166	7,766	10,249	11,191
Interest income	164	246	259	140	185
Interest expense	(591)	(755)	(736)	(713)	(620)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	1,578	2,013	5,239	7,425	9,214
Other Income (Expenses)	0	0	0	0	0
Pre-tax profit	8,175	8,671	12,529	17,101	19,970
Income tax	(1,107)	(958)	(1,093)	(1,451)	(1,613)
Minority interest	(1,449)	(1,333)	(2,674)	(3,660)	(4,293)
Net profit	5,619	6,380	8,761	11,990	14,064
Core Net Profit	5,619	6,380	8,761	11,990	14,064

Exhibit 11. Balance Sheet

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	3,935	6,486	7,010	9,258	9,951
Receivables	1,343	1,574	715	770	796
Inventory	5,504	5,158	5,718	5,686	5,736
Other Curr. Asset	978	246	150	150	150
Fixed assets - Net	22,350	22,533	21,958	21,293	20,551
Other non-curr.asset	11,180	16,256	22,201	29,626	38,840
Total asset	45,289	52,254	57,752	66,784	76,024
ST Debt	432	0	0	0	0
Payables	5,477	3,535	3,478	3,422	3,368
Other Curr. Liabilities	3,397	2,319	2,165	1,891	1,719
Long Term Debt	6,751	9,130	8,000	8,000	7,000
Other LT. Liabilities	840	816	808	808	808
Total Liabilities	16,897	15,800	14,451	14,121	12,894
Shareholder's Funds	23,497	30,486	37,333	46,695	57,162
Minority interests	4,895	5,968	5,968	5,968	5,968
Total Equity & Liabilities	45,289	52,254	57,752	66,784	76,024

Exhibit 12. Cash Flow

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	5,619	6,380	8,761	11,990	14,064
Depreciation and Amort.	1,270	1,908	1,775	1,765	1,743
Change in Working Capital	(1,815)	(579)	366	(24)	(75)
OtherOper. Cash Flow	(8,036)	(6,920)	(5,963)	(7,454)	(9,241)
Operating Cash Flow	(2,962)	789	4,939	6,276	6,490
Capex	(3,208)	(2,423)	(1,459)	(1,240)	(1,185)
Others Inv. Cash Flow	164	246	259	140	185
Investing Cash Flow	(3,044)	(2,176)	(1,200)	(1,100)	(1,000)
Net change in debt	120	2,257	(1,302)	(300)	(1,200)
New Capital	9,942	1,827	0	0	0
Dividend payment	(1,400)	(1,686)	(1,914)	(2,628)	(3,597)
Other Fin. Cash Flow	2	1,542	0	0	0
Financing Cash Flow	8,664	3,940	(3,216)	(2,928)	(4,797)
Net Change in Cash	2,658	2,552	523	2,248	693
Cash - begin of the year	1,277	3,935	6,486	7,010	9,258
Cash - end of the year	3,935	6,486	7,010	9,258	9,951

Exhibit 13. Key Ratio

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Growth (%)					
Sales	149.4	13.0	4.0	9.0	3.8
EBITDA	84.0	9.4	5.1	25.9	7.7
Operating profit	76.3	2.0	8.4	32.0	9.2
Net profit	20.4	13.5	37.3	36.9	17.3
Profitability (%)					
Gross margin	34.7	31.3	33.8	39.6	41.3
EBITDA margin	34.8	33.7	34.0	39.3	40.7
Operating margin	29.4	26.6	27.7	33.5	35.2
Net margin	23.6	23.7	31.2	39.2	44.3
ROAA	14.1	13.1	15.9	19.3	19.7
ROAE	34.1	23.6	25.8	28.5	27.1
Leverage					
Net Gearing (x)	0.1	0.1	0.0	0.0	0.0
Interest Coverage (x)	11.9	9.5	10.5	14.4	18.0

Source: NCKL, BRIDS Estimates

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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

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