KayHian Sekuritas

Country Daily | Indonesia

Monday, 31 August 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	53560.0	(0.0)	0.5	2.0	11.4
S&P 500	7711.8	(0.2)	0.5	3.0	12.7
FTSE 100	10824.3	0.3	0.1	(0.4)	9.0
AS30	9294.3	0.6	0.3	1.7	3.1
CSI 300	4609.2	(0.5)	(0.2)	0.5	(0.4)
FSSTI	5699.9	0.3	0.2	1.3	22.7
HSCEI	8490.4	0.0	(1.7)	(1.4)	(4.7)
HSI	25584.8	0.1	(1.6)	(1.2)	(0.2)
JCI	6518.1	(0.1)	0.3	4.5	(24.6)
KLCI	1725.9	(0.9)	(0.6)	0.1	2.7
KOSPI	6788.9	(1.8)	1.4	2.9	61.1
Nikkei 225	66405.6	0.4	0.6	3.2	31.9
SET	1588.2	(0.8)	(1.6)	(2.2)	26.1
TWSE	46331.5	0.8	2.4	7.4	60.0
BDI	3186	2.5	12.1	16.6	69.7
CPO (RM/mt)	4613	0.4	(0.6)	1.8	17.3
Brent Crude (US$/bbl)	90	1.8	(2.7)	(0.5)	47.4

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Analyst Marketing by Julia Pan on Greater China Internet Sector	Singapore	07 Sep	08 Sep
Analyst Marketing by Julia Pan on Greater China Internet Sector	Malaysia	09 Sep	11 Sep
17th Asian Gems Conference 2026 (Virtual)	Singapore	22 Sep	23 Sep
Post-results NDR with Sunny Optical (2382 HK)	Taipei	22 Sep	23 Sep

Top Stories

Company Results | Archi Indonesia (ARCI IJ/**BUY**/Rp1,390/Target: Rp2,200) Page 2 →

- ARCI posted a 2Q26 net profit of US$50.5m (+105.2% yoy; +69.4% qoq) on gold sales of 32,000 oz (+39% qoq), lifting 1H26 earnings to US$80.3m (+130.1% yoy), in line with consensus but 39.3% of our 2026 estimates. We expect higher 3Q26 volumes of 33,000-36,000oz from Araren and Marawuwung, and 2026 earnings of US$204m (+94.6% yoy). Processing capacity expansion to 6 Mtpa and a year-end JORC update on 3.2m oz reserves provide upside catalysts. Maintain BUY with a target price of Rp2,200.

Technical Analysis

VKTR Teknologi Mobilitas | VKTR IJ Page 5 →

- Trading Buy Range: We have a technical Buy at Rp960, and take profit at Rp1,030.

Bank Negara Indonesia | BBNI IJ Page 5 →

- Trading Buy Range: We have a technical Buy at Rp3,770, and take profit at Rp3,990.

Disclaimer: In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.

Archi Indonesia (ARCI IJ)

2Q26: Net Profit Surges On Higher Sales Volume

Highlights

- **ARCI booked 2Q26 net profit of US$50.5m (+69.4% qoq),** mainly driven by recognition of deferred inventory, bringing 1H26 net profit to US$80.3m.
- **Maintain BUY with a lower target price of Rp2,200** based on 2026F 10x EV/EBITDA, or a four-year mean.

2Q26 Results

USD (mn)	1H26	1H25	yoy (%)	2Q26	2Q25	yoy (%)	qoq (%)	1Q26
Revenue	**322.3**	**192.6**	**67.4%**	**185.4**	**101.8**	**82.1%**	**35.4%**	**136.9**
COGS	(176.3)	(113.4)	55.5%	(98.0)	(48.5)	101.9%	25.2%	(78.3)
Gross Profit	**146.0**	**79.2**	**84.4%**	**87.4**	**53.2**	**64.2%**	**49.0%**	**58.6**
EBIT	**138.7**	**73.6**	**88.4%**	**82.8**	**50.4**	**64.4%**	**48.2%**	**55.9**
Other Op. income/ exp	7.3	1.5	386.8%	7.3	(1.4)	-608.2%	85290.7%	0.0
Interest Income	0.9	0.1	669.5%	0.8	0.1	1153.4%	650.8%	0.1
Interest expense	(19.2)	(17.7)	8.4%	(10.2)	(9.1)	12.5%	13.4%	(9.0)
Share in Asso	1.8	0.5	287.1%	0.9	0.3	208.5%	2.1%	0.9
PBT	**129**	**57.9**	**n.a**	**81.6**	**40.2**	**n.a**	**70.4%**	**47.8**
Income tax exp.	(47.9)	(22.7)	111.6%	(30.3)	(15.4)	96.5%	71.5%	(17.7)
Minority Interest	(1.2)	(0.4)	204.1%	(0.8)	(0.2)	306.9%	107.8%	(0.4)
Net Profit	**80.3**	**34.9**	**130.1%**	**50.5**	**24.6**	**105.2%**	**69.4%**	**29.8**
Margins (%)								
GPM	45.3	41.1		47.1	52.3			42.8
EBIT	43.0	38.2		44.7	49.5			40.8
NPM	24.9	18.1		27.2	24.2			21.8

Source: ARCI, UOB Kay Hian

Analysis

- **Earnings surged by 69.4% qoq on higher sales volume.** Archi Indonesia (ARCI) reported 2Q26 net profit of US$50.5m (+105.2% yoy; +69.4% qoq). The strong qoq growth was primarily driven by higher gold sales volume (+39% qoq) at about 32,000 oz reflecting deliveries that were deferred from 1Q26. As a result, 1H26 net profit reached US$80.3m (+130.1% yoy). The result was in line with consensus, accounting for 50% of full-year estimates, but below our forecast at 39.3% of 2026F earnings.
- **Expect a stronger 3Q26 performance,** supported by higher gold sales volumes of 33,000-36,000oz as production ramps up at both Araren and Marawuwung. Given the anticipated earnings uplift versus 2Q26, we believe ARCI is well positioned to deliver a solid quarterly result, which could drive upward revisions to consensus earnings forecasts.

Key Financials

Year to 31 Dec (US$m)	2024	2025	2026F	2027F	2028F
Net turnover	288	496	699	752	953
EBITDA	78	229	355	375	483
Operating profit	57	204	327	342	446
Net profit (rep./act.)	10	102	177	189	261
Net profit (adj.)	10	102	177	189	261
EPS (Rp)	6.6	66.4	125.3	138.3	196.3
PE (x)	211.3	20.9	11.1	10.1	7.1
P/B (x)	8.0	5.9	3.9	3.1	2.3
EV/EBITDA (x)	33.4	11.3	6.6	5.9	8.0
Dividend yield	n.a	1.4	2.1	3.7	4.1
Net margin (%)	21.0	42.3	47.8	46.4	47.5
Net debt/(cash) to equity (%)	146.0	128.2	76.9	50.5	13.3
Interest cover (x)	1.5	5.1	7.6	9.1	18.0
ROE (%)	7.1	33.4	41.2	41.0	44.7
Consensus net profit			160	n.a	n.a
UOBKH/Consensus (x)			1.1	n.a	n.a

Source: ARCI, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Rp1,390
Target Price	Rp2,200
Upside	58.3%
Previous TP	Rp2,750

Stock Data

Sector	**Mining**
Bloomberg ticker	ARCI IJ
Shares issued (m)	25,235
Market cap (Rpm)	35,077
Market cap (US$m)	1,983
3-mth avg daily t'over (US$m)	3.0

Price Performance (%)

52-week high/low				**Rp2,120/Rp700}**
1mth	**3mth**	**6mth**	**1yr**	**YTD**
31.8	15.4	(26.3)	95.8	(14.2)

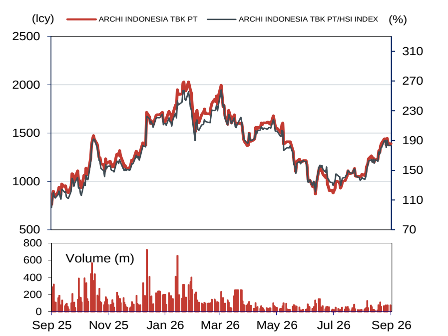
Major Shareholders (%)

Rajawali Corpora	85.0

Balance Sheet Metrics

FY26 NAV/Share (Rp)	355
FY26 Net Debt/Share (Rp)	n.a.

Price Chart



Source: Bloomberg

Company Description

Archi Indonesia explores and develops gold and silver projects. The mining company serves customers worldwide.

- **Processing capacity expansion.** ARCI is lifting its processing capacity by 50%, from 4 Mtpa to 6 Mtpa, with construction having commenced in 1H26. The additional 2m tonnes of annual ore processing capacity is due to come on stream by end-27 and is expected to add 30,000-40,000oz of gold production per year with minimum cash cost (inventory from tailing).
- **Lucrative production growth outlook.** ARCI expects gold production to grow 15% in 2026, supported by improved gold grades and incremental contributions from underground mining, slightly higher than our 2026 estimate of 136,300 oz (+11.8% yoy). Over the medium term, we expect the higher utilisation of lower-grade materials through increased processing capacity and potential discoveries in Maruwuwung to drive gold sales volume to around 201,000 oz by 2029.
- **Earnings to grow 73.6% yoy to US$177m in 2026.** We assume a sales volume growth increase of 11.3% and a conservative gold price assumption of US$4,500/oz. While near-term consolidation risks persist, we remain constructive on the medium-term outlook, underpinned by ongoing central bank purchases and a weaker US dollar. However, elevated real yields and the market's removal of expected 2026 rate cuts continue to pose key downside risks.
- **Potential catalyst from corporate action.** Following the publication of its audited 2Q26 financial statements, the company may be in a position to pursue a corporate action in the near term, which could serve as a positive catalyst for the stock.

Valuation/Recommendation

- **Maintain BUY with a lower target price of Rp2,200** based on 10.0x 2026F EV/EBITDA, or a four-year mean, following a downward revision of our earnings forecast by 13.4% for 2026. ARCI is appealing given its strong earnings growth in the next three years, potential for reserve addition, monetisation of its underground mine, and its 40MW geothermal development.

Earnings Revision/Risk

- **We revise down our earnings forecast by 13.4% for 2026 and 24.9% for 2026,** primarily on higher cost pressure and especially from oil and lower gold price assumptions.

Year to 31 Dec	------------ New (%) ------------		---------- Original (%) ----------		------------- Diff (%) -------------	
(US$m)	2026F	2027F	2026F	2027F	2026F	2027F
Sales volume (K oz)	136	146	135.9	147.5	0.3	-0.8
Gold ASP (US$/oz)	4,500	4,500	4,500	4,815	0.0	-6.5
Revenue	699	752	838	966	-16.6	-22.1
Gross Profit	334	349	439	522	-23.9	-33.1
EBITDA	355	375	467	552	-23.9	-32.1
Net Income	177	189	204	252	-13.4	-24.9

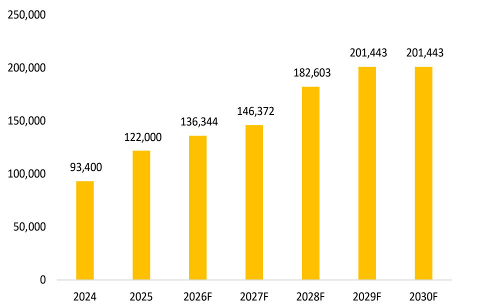
Source: UOB Kay Hian

- **Risks** include: a) Project delays and operational disruptions from natural disasters, b) regulatory uncertainty, and c) commodity price volatility.

Share Price Catalyst

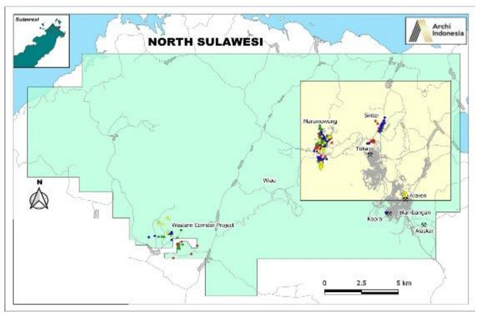
- Stronger production volume in 2H26, b) higher gold grades, and c) JORC reserve upgrade.

Sales Volume



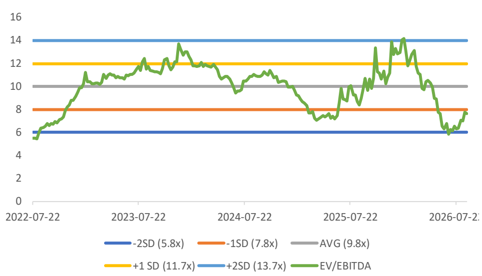
Source: UOB Kay Hian

Production Sites



Source: ARCI, UOB Kay Hian

EV/ EBITDA Band



Source: ARCI, UOB Kay Hian

Profit & Loss

Year to 31 Dec (US$m)	2025	2026F	2027F	2028F
Net turnover	**496**	**699**	**752**	**953**
EBITDA	229	355	375	483
Deprec. & amort.	25	28	33	38
EBIT	204	327	342	446
Total other non-operating income	0	0	0	0
Associate contributions	2	2	2	2
Net interest income/(expense)	(40)	(41)	(36)	(23)
Pre-tax profit	**166**	**288**	**309**	**425**
Tax	(63)	(110)	(118)	(163)
Minorities	(1)	(1)	(1)	(2)
Net profit	**102**	**177**	**189**	**261**
Core Profit	102	177	189	261

Balance Sheet

Year to 31 Dec (US$m)	2025	2026F	2027F	2028F
Fixed assets	694	805	851	852
Other LT assets	146	150	154	159
Cash/ST investment	25	45	65	42
Other current assets	163	181	199	245
Total assets	**1,027**	**1,180**	**1,269**	**1,298**
ST debt	57	80	130	0
Other current liabilities	21	29	32	40
LT debt	432	350	250	150
Other LT liabilities	154	217	233	296
Shareholders' equity	362	502	624	813
Minority interest	1	2	0	0
Total liabilities & equity	**1,027**	**1,180**	**1,269**	**1,299**

Cash Flow

Year to 31 Dec (US$m)	2025	2026F	2027F	2028F
Operating	**(28)**	**190**	**202**	**256**
Pre-tax profit	165	287	307	424
Tax	(63)	(110)	(118)	(163)
Deprec. & amort.	25	28	33	38
Working capital changes	(98)	(10)	(16)	(38)
Non-cash items	(56)	(4)	(4)	(5)
Investing	**(69)**	**(138)**	**(79)**	**(39)**
Capex (growth)	(63)	(29)	(29)	(33)
Others	(7)	(110)	(49)	(6)
Financing	**117**	**(32)**	**(103)**	**(240)**
Dividend payments	0	0	0	0
Issue of shares	(12)	(36)	(69)	(72)
Proceeds from borrowings	86	(59)	(50)	(230)
Loan repayment				
Others/interest paid	42	63	17	62
Net cash inflow (outflow)	**20**	**20**	**20**	**(23)**
Beginning cash & cash equivalent	**5**	**24**	**45**	**65**
Ending cash & cash equivalent	**24**	**45**	**65**	**42**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	46.2	50.8	49.8	50.7
Pre-tax margin	33.4	41.2	41.0	44.7
Net margin	3.6	20.5	25.3	25.2
ROA	10.8	16.0	15.5	20.3
ROE	32.1	40.9	33.7	36.3
Growth				
Turnover	72.5	40.8	7.7	26.6
EBITDA	195.1	54.9	5.6	29.0
Pre-tax profit	707.9	73.6	7.2	37.8
Net profit	881.2	73.6	7.2	37.8
Net profit (adj.)	881.2	73.6	7.2	37.8
EPS	881.2	73.6	7.2	37.8
Leverage				
Debt to total capital	134.8	85.4	60.9	18.4
Debt to equity	135.0	85.8	60.9	18.5
Net debt/(cash) to equity	128.2	76.9	50.5	13.3
Interest cover (x)	2.1	5.7	8.6	10.5

Technical Analysis

Analyst(s)

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Source: Tradingview

VKTR Teknologi Mobilitas VKTR IJ

Technical BUY with 7% potential return

Resistance:	Rp995, Rp1,100
Support:	Rp935, Rp900
Stop-loss:	Rp900

Share price closed higher and formed a bullish candlestick. Price advanced with significantly higher trading volume; hence, we see potential for more rallies ahead and challenge the resistance at Rp995 and Rp1,100. Technical indicator RSI is sloping upwards and above its midline, while the MACD remains on a bullish crossover. Buy at Rp960 and take profit at Rp1,030.

Approximate timeframe: 2-4 weeks.

Source: Tradingview

Bank Negara Indonesia BBNI IJ

Technical BUY with 6% potential return

Resistance:	Rp3,920, Rp3,990
Support:	Rp3,620, Rp3,550
Stop-loss:	Rp3,610

Share price closed higher and formed a bullish candlestick. Price advanced with positive momentum; hence, we see potential for more rallies ahead and challenge the resistance at Rp3,920 and Rp3,990. Technical indicator RSI is sloping upwards and above its midline, while the MACD remains on a bullish crossover. Buy at Rp3,770 and take profit at Rp3,990.

Approximate timeframe: 2-4 weeks.

Our institutional research has a fundamental HOLD and target price of Rp4,150.