



RMKE Equity Initiation

PT RMK Energy Tbk (RMKE)

Integrated Logistics Platform with Strong Earnings Visibility

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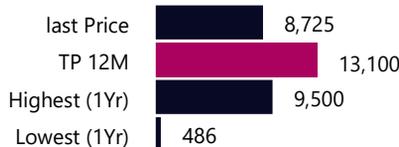
Stock Rate
Industry **Buy**
Neutral

TP 12M **IDR 13,100**
vs. Last Price **+50.1%**

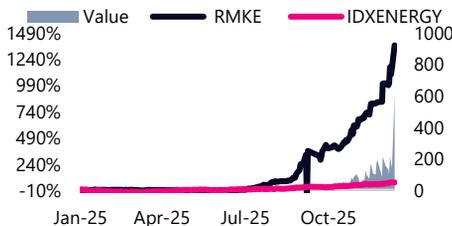
Stock Data
Ticker Code **RMKE**
Sub Sector **Coal Distribution**
Sector **Energy**

Market Cap (IDR.Tn) **37.8**
Shares Issued (Bn) **4.38**
AVG 3M Turnover (Bn) **81.14**

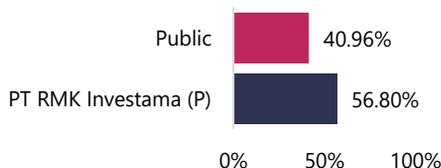
Price (IDR)



Price Performance, YTD(%), Turnover(Bn)



Shareholders Composition



ESG Rating

Environmental **2.13**
Social **1.50**
Governance **4.42**

RMKE stands out due to its long-term contract-based business model with high revenue visibility, RMKE's long-term contract-based model provides strong revenue visibility, supported by its first-mover integrated coal logistics infrastructure that is difficult to replicate. This position is reinforced by the 2026 public road hauling ban, strong operating leverage, a solid balance sheet, and strategic partnerships with PTBA and new clients, positioning RMKE for sustainable growth.

RMKE's balance sheet continues to strengthen, supported by rising productive assets and a higher cash position, which is projected to reach approximately IDR 1.0 trillion by 2026F. While liabilities are increasing to fund expansion, leverage remains comfortable, with DER at around 0.71x, long-term debt to equity at 0.59x, and a healthy interest coverage ratio of about 11x, indicating that incremental debt is well covered by earnings and cash flow generation. Liquidity is very strong, as reflected in a current ratio of 9.9x and a quick ratio of 8.3x, providing meaningful headroom for further expansion, potential deleveraging, and resilience against cyclical volatility. Overall, we view RMKE's financial position as supportive of sustained growth with limited balance sheet risk.

RMKE is expected to post a strong earnings acceleration in 2026F, with revenue projected at IDR 3.64 trillion (+102% YoY), net profit forecast at IDR 665 billion (+190% YoY), and EPS estimated at IDR 150. This performance is underpinned by the realization of operating leverage, with EBITDA rising to IDR 1.03 trillion. Growth is primarily driven by higher logistics volumes (+45% YoY), supported by the ramp-up of new contracts with WSL and DBU and the initial volume contribution from PTBA, which enhances earnings visibility given the predominantly contract-based nature of revenue. Incremental tariff adjustments and a stronger contribution from coal sales further reinforce earnings momentum. On the external front, the enforcement of the public road hauling ban from 2026 is likely to structurally divert volumes toward rail-based logistics, positioning RMKE as a key beneficiary given its first-mover advantage and established infrastructure. Overall, we view RMKE's 2026F outlook as robust, with a more visible and sustainable earnings trajectory.

Key Takeaways

- o **Strong Business Model.** RMKE's long-term, contract-based model ensures high revenue visibility, supported by first-mover integrated coal logistics infrastructure.
- o **Healthy Balance Sheet.** A strong cash position and comfortable leverage provide ample flexibility to fund expansion with limited financial risk.
- o **Earnings Acceleration.** 2026F earnings are expected to grow sharply, driven by higher logistics volumes, operating leverage, and new contract contributions.
- o **Regulatory Tailwind.** The 2026 public road hauling ban structurally shifts coal transport to rail, positioning RMKE as a key beneficiary.

Recommendation "Buy"

Based on our DCF valuation, we estimate RMKE's fair value at IDR 13,100 per share. This valuation reflects a strong FCF growth outlook through 2030F, with FCF projected to rise from IDR 359 billion in 2025F to IDR 4.86 trillion in 2030F, supported by a terminal value of IDR 69.56 trillion. Our model applies conservative assumptions (WACC 9.13%, terminal growth 2.00%) and yields an equity value of IDR 57.16 trillion. Relative to the current price of IDR 8,725, this implies 50.1% upside potential, offering an attractive risk-reward profile. *Key risks include execution risk on contracts, delays in regulatory implementation, tariff pressure, coal price volatility, and funding risk.*

Financial Highlight

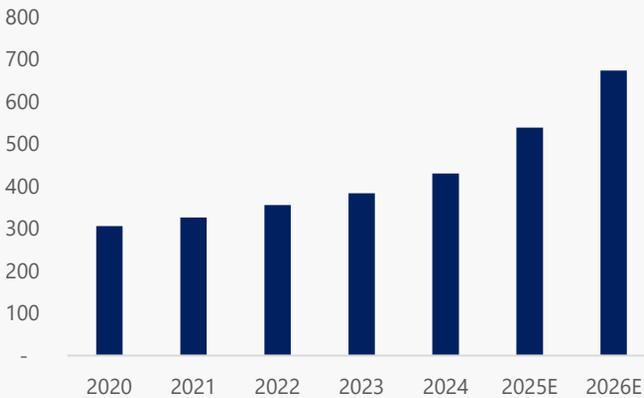
End 31 Dec (IDR Bn)	2022A	2023A	2024A	2025F	2026F	2027F
Revenue (IDR Bn)	2,734	2,553	2,461	1,797	3,636	7,647
Net Profit (IDR Bn)	389	303	288	230	665	1,359
EPS (IDR Full)	89	69	66	53	152	311
EBITDA Margin	22%	19%	19%	22%	28%	26%
NPM	14.2%	11.9%	11.7%	12.8%	18.3%	17.8%
Div. Yield (%)	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%
ROE	32%	20%	17%	12%	26%	36%
P/E (x)	10.6	8.6	7.56	112.82	86.19	42.16
P/BV (x)	3.4	1.8	1.26	13.23	22.23	15.07
EV/EBITDA (x)	6.9	6.3	5.55	66.38	55.91	28.64

Source: Company and KSI Research



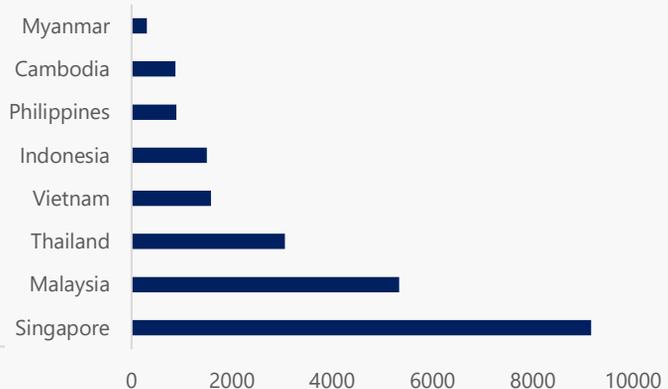
Macro & Industry Outlook

National Electricity Consumption (TWh)



Source: RKUN & KSI Research

ASEAN Electricity Consumption (kWh per Capita)

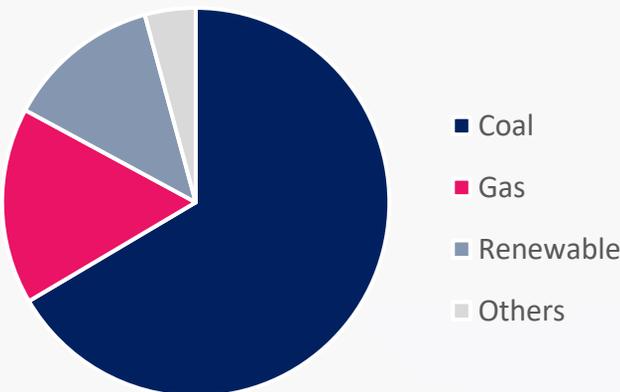


Source: Various Source & KSI Research

National Electricity Consumption Growth Potential. Indonesia’s electricity consumption continues to exhibit a strong and sustainable growth trajectory. Based on RKUN data, national electricity demand increased from approximately 306 TWh in 2020 to 539 TWh in 2024, and is projected to reach 674 TWh in 2025E. Despite this growth, Indonesia’s electricity consumption per capita remains relatively low at around 1,500 kWh, significantly below regional peers such as Thailand, Malaysia, and Singapore. This gap highlights substantial structural upside potential as electrification deepens and economic activity expands.

Looking ahead, RKUN projects Indonesia’s electricity consumption per capita to rise from around 1,893 kWh in 2025 to approximately 5,038 kWh by 2060, reinforcing a robust long-term demand outlook. In this context, the expansion of data centers is expected to emerge as a key catalyst for electricity demand growth, given their requirement for large-scale and stable power supply. The rapid growth of digital ecosystems, cloud computing, and AI is likely to accelerate national electricity consumption, thereby strengthening the long-term prospects of the power sector.

National Electricity Production Sources

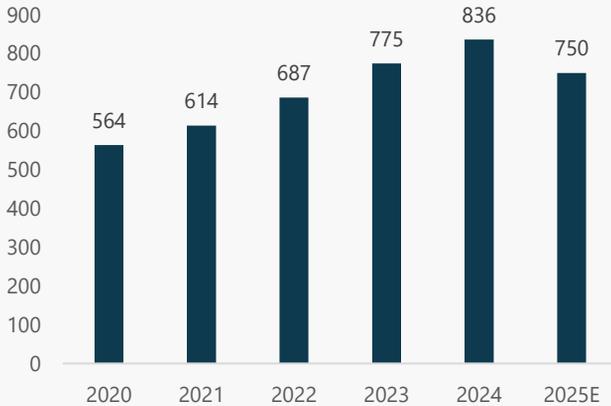


Source: ESDM & KSI Research

Coal Remains Dominant in Indonesia’s Electricity Production. Indonesia’s electricity production remains heavily dominated by coal-fired power plants (PLTU), which contribute approximately 66.5% of total national generation, underscoring coal’s role as the backbone of the power system. This reliance is supported by abundant domestic coal reserves, competitive generation costs, and the reliability of coal-fired plants as baseload power sources. Meanwhile, gas accounts for around 16.3%, and renewable energy approximately 13%, indicating that the energy transition has not yet materially altered the national electricity mix.

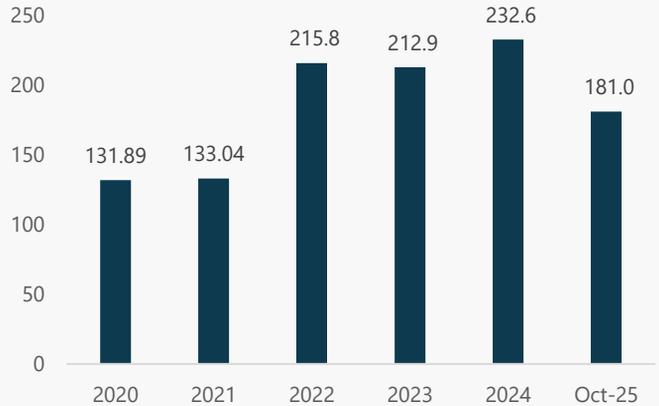


National coal production (In Mn Ton)



Source: ESDM & KSI Research

DMO (In Mn Ton)



Source: ESDM & KSI Research

Planned production cuts, the imposition of a coal export tax, and an increase in the Domestic Market Obligation (DMO). Indonesia plans to implement a 1–5% coal export tax in 2026, expected to generate around Rp20 trillion (~USD 1.2 bn) amid slowing production and exports. As the world’s largest thermal coal exporter, Indonesia saw declines in production and shipments in 2025 due to weaker Chinese demand, and the government is considering cutting output below 700 Mt in 2026, while industry groups warn that a grade-based export tax could squeeze margins for mid-tier and high-strip producers. Domestically, electricity demand is expected to remain stable (~200–230 Mt), but without adjusting the Domestic Market Obligation (DMO), local supply could be constrained, prompting regulators to consider raising the quota to ~30%. The combination of export taxation, production cuts, and DMO adjustments will shape the 2026 operating landscape for miners, affecting investment decisions, supply dynamics, and Indonesia’s strategic position in Asia’s coal market.

Tighter supply conditions resulting from the export tax and production cuts are likely to increase Indonesia’s influence on regional coal prices, particularly in Southeast Asia and India, which together account for a significant share of demand. Producers with low-cost operations and diversified markets may benefit from higher margins and more predictable revenues.



Coal-Producing Areas in Indonesia

Island / Region	Main Producing Areas	Estimated Production	Remarks
East Kalimantan	Kutai Kartanegara, Berau, Samarinda	±250 million tons	Largest open-pit mining center
South Kalimantan	Tapin, Tanah Laut, Tabalong	±150 million tons	Main export source
Central Kalimantan	North Barito, Murung Raya	±50 million tons	High potential, increasing production
South Sumatra	Muara Enim, Lahat, Tanjung Enim	±150 million tons	National energy supplier
West Sumatra	Sawahlunto	±20 million tons	Oldest coal mine (UNESCO Heritage)
Jambi, Bengkulu, Aceh	Small regional areas	±15 million tons	Domestic production

Source: Sp1 & KSI Research

South Sumatra: A Strategic Pillar in Indonesia's Coal Supply. South Sumatra stands out as one of Indonesia's most strategically important coal-producing regions, underpinning both national energy security and regional supply chains. With estimated production of approximately 150 million tons annually, the province ranks among the top coal producers nationwide, alongside East and South Kalimantan. The coal industry in South Sumatra is highly concentrated in Muara Enim, Lahat, and Tanjung Enim, areas characterized by well-established infrastructure, including an integrated logistics system via railway networks.

Instruction Letter from the Governor of South Sumatra

Coal Transportation Railway Line



Source: Governor of South Sumatra



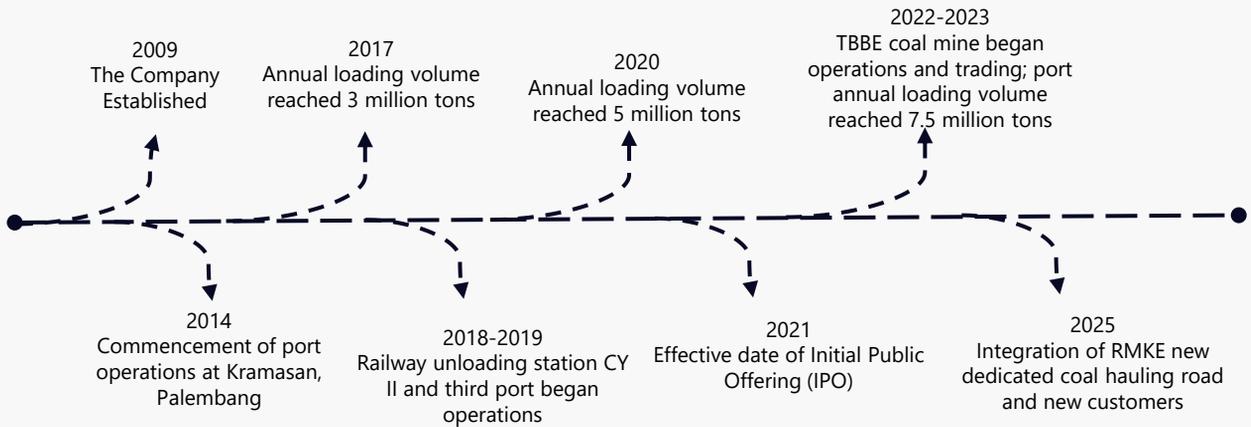
Source: Coal Metal Asia & KSI Research

South Sumatra Governor Mandate on Dedicated Coal Hauling Roads. The instruction letter from the Governor of South Sumatra (No. 500.11/004/INSTRUKSI/DISHUB/2025) establishes rules for the use of dedicated mining roads for coal transport vehicles, prohibiting passage over the Air Lawar Bridge and accelerating the development of special mining roads in Muara Enim, Lahat, and Tanjung Enim, effective 1 January 2026. Companies are required to conduct outreach and supervision to ensure full compliance. The policy also sets vehicle standards, operating hours, route approvals, and penalties for violations. With an effective date of 4 July 2025, a 6–9 month transition period is expected, with full enforcement starting in H2 2026, coinciding with RMKE's TLS capacity upgrade and the commissioning of dedicated hauling roads.



Company & Business Overview

RMKE Milestones



Source: Company and KSI Research

Business Profile

PT RMK Energy Tbk (RMKE IJ) is the largest private integrated coal logistics operator in South Sumatra, operating in one of Indonesia’s most resource-rich coal basins. Since its establishment in 2009, the company has built a rail-connected mine-to-port ecosystem designed to deliver cost efficiency, stable throughput, and lower operational risks compared with road-based hauling.

RMKE’s initial expansion focused on Palembang, where Keramasan Port began operations in 2014, becoming Indonesia’s only privately owned coal terminal directly linked to the national railway network. The company later expanded its operations to Simpang Station, developed a dedicated hauling road network, and launched the Gunung Megang Loading Station, equipped with an automated Train Loading System.

These assets form a unified and scalable logistics chain, enabling efficient coal transport across the region and reinforcing RMKE’s position as a long-term logistics partner for South Sumatra’s coal producers.

Site Visit RMKE : Logistics Integrated



Loading Station



Unloading Process at Simpang Station



Kramasan Port With 3 Conveyors

Source: Company, & KSI Research



RMKE Coal Logistics Positioning vs Peers

Description	RMKE Musi 2 Keramasan Port	Kertapati Port	Tarahan Port	Private Road
Distance from Tanjung Enim	140 km	160 km	420 km	140 km
Current Capacity	20 mtpa	7 mtpa	27 mtpa	21 mtpa
Tariff	Rp 806–922 / km	Rp 806–922 / km	Rp 806–922 / km	Rp 1,200 / km (excl. toll fee)
Status and Development Plan	Upgrading to 24 mtpa	Future port: Keramasan Port (Phase 1: 20 mtpa, Phase 2: 20 mtpa)	Running at full capacity	Port in Muara Lematang, longer distance for transshipment (110 nm vs 70 nm)

Source: Company and KSI Research

The Competitiveness of RMKE’s Logistics Services

Mode of transportation	Tariff	Volume/frequency	Strategic location	Socio-economic context
 Railway	 Rp806-922/ton/km	 ~2,800 ton/train	 ~69 Nautical Mile	 The integration of hauling road and railway

Source: Company and KSI Research

Client with Significant Growth Potential. PT Bukit Asam Tbk (PTBA) has the potential to become a significant source of growth, as the company currently still channels a large portion of its volumes through Tarahan Port in Lampung due to limited capacity at Kertapati, which stands at only around 7 mtpa. At the same time, the long distance to Tarahan results in lower logistics efficiency and contributes to a higher cost structure for PTBA.

As Kertapati’s capacity expansion to around 28 mtpa by 2027F progresses, Palembang’s role in PTBA’s distribution network is expected to increase. However, even at full utilization, Kertapati will not be able to absorb PTBA’s entire production, leaving meaningful volumes that require alternative port access. In this context, RMKE’s Simpang Station, with its 20 mtpa capacity, is well positioned to capture incremental logistics volumes and benefit from PTBA’s long term logistics realignment.

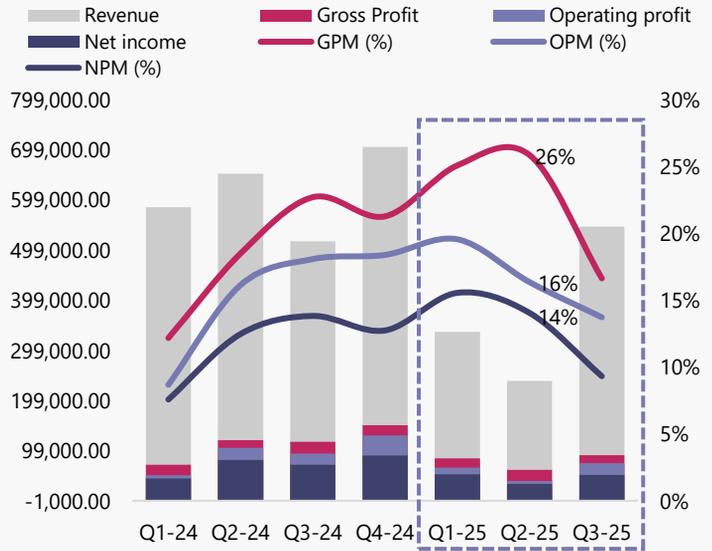


Result 9M2025

IDR Bn	9M24	9M25	yoy	3Q25	q/q	y/y
Revenue	1,756	1,122	-36%	547	129%	6%
Services	536	522	-3%	209	13%	-11%
Coal	1,219	600	-51%	338	516%	19%
Gross Profit	310	238	-23%	91	47%	-23%
Operating profit	250	180	-28%	75	92%	-20%
EBITDA	312	236	-24%	93	65%	-17%
Net income	198	137	-31%	51	52%	-29%
EPS	45	31	-31%	12	52%	-29%
Liabilities	649	811	25%	811	61%	25%
Equity	1,631	1,850	13%	1,850	3%	13%
Total Asset	2,280	2,662	17%	2,662	15%	17%
GPM %	18%	21%	4%	17%	-9%	-6%
OPM %	14%	16%	2%	14%	-3%	-4%
NPM %	11%	12%	1%	9%	-5%	-5%
EBITDA %	18%	21%	3%	17%	-7%	-5%
ROE (%)	16%	10%	-6%	11%	4%	-7%
ROA (%)	12%	7%	-5%	8%	2%	-5%

Source : Company & Bloomberg

Result 9M2025



Source : Company & Bloomberg

Earnings remain pressured on a YoY basis, but earnings quality and growth visibility are improving.

RMKE recorded revenue of IDR 1.12 trillion in 9M25 (-36% YoY), mainly weighed down by a sharp contraction in the coal segment (-51% YoY). However, the services segment remained resilient (-3% YoY) and continued to serve as a key pillar supporting earnings quality. As a result, despite a -31% YoY decline in net profit to IDR 137 billion and a -24% YoY drop in EBITDA, profitability actually improved. Gross profit margin increased to 21% (9M24: 18%) and EBITDA margin also rose to 21% (9M24: 18%). This reflects a healthier business mix shift toward more recurring logistics services.

Quarterly performance indicates a clear inflection point.

In 3Q25, revenue grew +129% QoQ, EBITDA surged +65% QoQ, and net profit increased +52% QoQ. This confirms that the earnings weakness was largely temporary and that a recovery trend has begun heading into 4Q25. This is in line with the company's internal guidance, which projects 4Q25 revenue of IDR 1.0 to 1.2 trillion, nearly matching 9M25 realization, while incremental net profit is estimated at IDR 100 to 120 billion. Accordingly, FY25 net profit could reach IDR 237 to 257 billion, significantly stronger than market perception based solely on 9M figures.

Fundamentally, the medium-term outlook is strengthening.

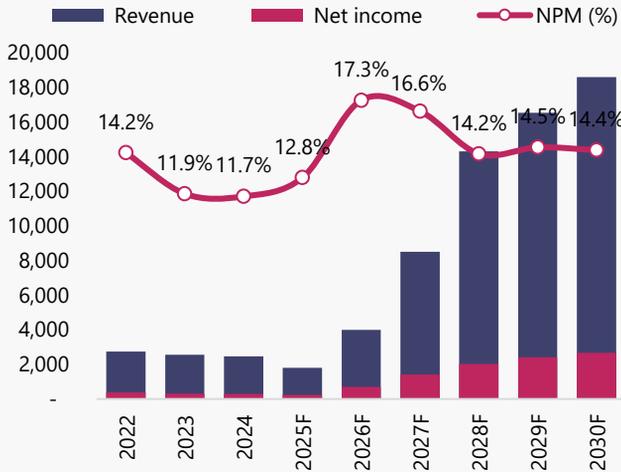
New contracts with WSL and DBU starting in 2026 enhance visibility, as they are not only structured around long-term logistics services but also include coal procurement from partners at discounted prices. This structure provides two layers of benefit: stable recurring income from services and potential margin upside when coal prices strengthen. Moreover, the company's risk management strategy of passing fuel costs through to customers has proven effective in protecting margins. This is evidenced by the services segment contributing over 80% of gross profit in 2025, despite a weak coal price cycle.

From a balance sheet perspective, leverage appears constructive.

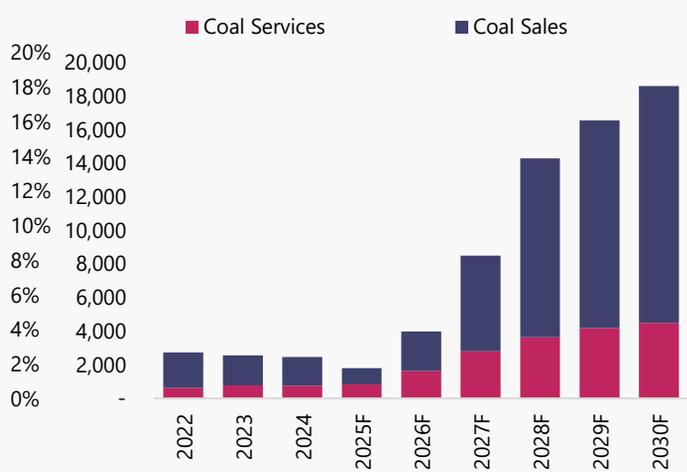
Liabilities rose +25% YoY, in line with asset expansion (+17% YoY), which we view as productive leverage to support capacity growth and long-term contracts rather than a sign of structural balance sheet stress.



Top & Bottom line Projections (2025F-2030F) (IDR. Bn)



Top & Bottom line Projections (2025F-2030F) (IDR. Bn)



Source : Company & Bloomberg

RMKE is expected to deliver a significant earnings surge in 2026F. Revenue is projected to reach IDR 3.64 trillion (+102% YoY), while net profit is forecast to jump to IDR 665 billion (+190% YoY) and EPS to nearly triple to IDR 150. This growth is accompanied by profitability expansion, with EBITDA rising to IDR 1.03 trillion and margins remaining solid as operating leverage begins to materialize.

Growth will be primarily driven by an acceleration in logistics volumes. Total hauling volume is projected to increase from 8.0 million tons (2025F) to 11.6 million tons (2026F), representing +45% YoY growth. The main contribution comes from the emplacement segment, which is expected to surge from 1.45 million tons to 5.04 million tons. This increase reflects the commencement of new contracts, particularly from WSL (1.8 Mt) and DBU (0.99 Mt), as well as the initial allocation of volumes from PTBA (2.25 Mt). Structurally, this strengthens revenue visibility, as most of these volumes are backed by medium- to long-term contracts.

Service pricing assumptions also support earnings expansion. Logistics tariffs are assumed to increase moderately, with Musi 2 rising from IDR 86,407/ton to IDR 93,393/ton, while emplacement tariffs increase from IDR 104,804/ton to IDR 107,414/ton. The combination of higher tariffs and stronger volumes creates a powerful operating leverage effect, as reflected in profit growth that significantly outpaces revenue growth.

Beyond logistics, coal sales are also expected to contribute more meaningfully. Coal sales volume is projected to rise from 1.73 million tons to 2.88 million tons (+67% YoY), supported by a higher ASP assumption (IDR 698,588/ton versus IDR 552,408/ton in 2025F). This strengthens the non-services revenue profile and provides additional margin upside when the coal price cycle turns favorable.

Key Drivers for RMKE (Regulatory and Industry Structure Focus)

The key catalyst for RMKE stems from the enforcement of the ban on coal hauling via public roads starting January 2026, which could divert up to approximately 4.5 million tons of volume toward integrated rail-based logistics. This policy creates a structural shift in demand that benefits players with ready-to-use infrastructure.

With its existing 38 km hauling road network and an additional ±40 km expansion, RMKE is well positioned as a first mover. Replication by competitors would require significant capital expenditure and an estimated 5–7 years, effectively creating a regulatory moat. Combined with long-term volume partnerships with PTBA, RMKE's revenue visibility is further strengthened.

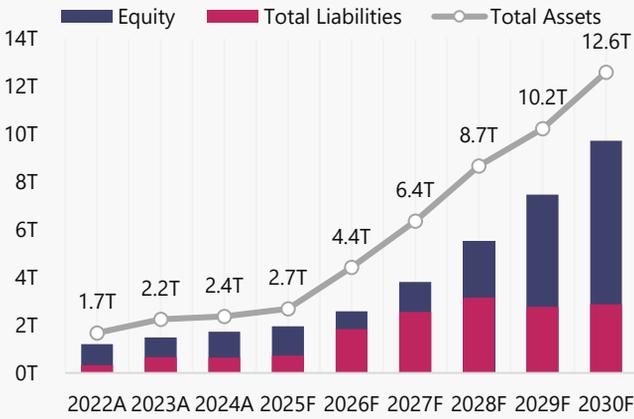


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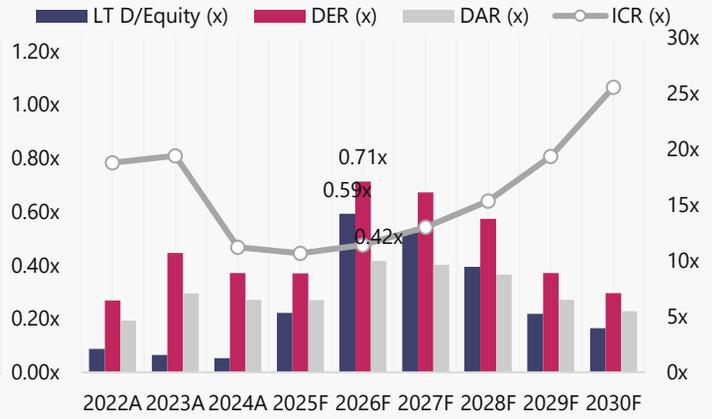


Balance Sheet Structure



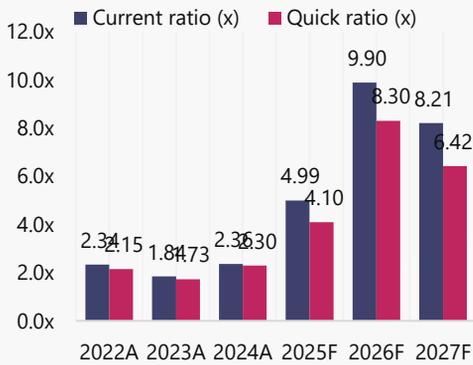
Source : Company & KSI Research

RMKE Leverage (in multiplier)



Source : Company, Bloomberg & KSI Research

Liquidity



Source : Company & KSI Research

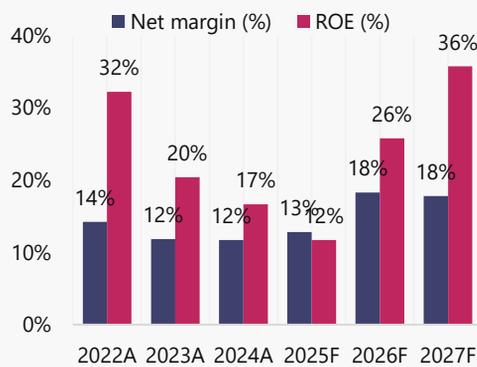
Balance Sheet Structure: Strengthening Productive Assets and Equity.

RMKE demonstrates a structurally stronger financial profile as it enters an expansion and monetization phase. Total assets are projected to increase from IDR 2.68 trillion in 2024 to IDR 3.42 trillion in 2025F and IDR 4.42 trillion in 2026F, driven mainly by higher fixed assets that reflect ongoing capital expenditure for logistics infrastructure. At the same time, cash balance is expected to rise significantly to around IDR 1.0 trillion by 2026F, reflecting expectations of much stronger operating cash flows once new capacity is fully operational. The continued increase in equity also supports BVPS expansion to IDR 589, indicating sustained value accumulation for shareholders.

Funding Structure: Higher Leverage, but Still Healthy.

On the funding side, liabilities are projected to increase in line with expansion financing needs, with total liabilities estimated to reach IDR 1.84 trillion by 2026F, largely comprising long-term debt. Nevertheless, financial risk remains manageable. Leverage ratios are expected to stay at healthy levels, with DER at around 0.71x and long-term debt to equity at 0.59x, while interest coverage remains strong at approximately 11x. This suggests that the increase in debt is productive and remains well aligned with the company's earnings and cash generation capacity.

Profit margin vs ROE



Source : Company & KSI Research

Liquidity: Exceptionally Strong Financial Flexibility.

The company's liquidity position is expected to strengthen materially. The current ratio is projected to rise to 9.9x and the quick ratio to 8.3x by 2026F. This reflects a very solid cash position and high financial flexibility, providing ample room for RMKE to continue its expansion, accelerate debt repayment, and withstand potential volatility in the coal industry cycle.

Profitability and Returns: Harvesting Phase Begins in 2026.

Profitability is projected to undergo a structural re-rating. Net profit margin is expected to improve from around 12% in 2024 to 18% by 2026F, driven by operating leverage and a higher contribution from long-term logistics contracts. In line with this, ROE, which is expected to decline to 12% in 2025F during the investment phase, is forecast to rebound sharply to 26% in 2026F, marking a transition from the build-up phase to the value-harvesting phase.

Activity Ratios: Normalization Amid Scale Expansion.

Changes in activity ratios, such as lower inventory turnover and longer payable days, mainly reflect operational adjustments associated with the company's expanding scale. As long as asset expansion translates into stronger revenue and cash flow growth, as evidenced by the projected cash uplift, these shifts remain reasonable and do not signal any fundamental deterioration.



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RMKE vs Industry (Last update 21 January 2026)

Ticker	M.Cap	Price	1D	1W	1M	3M	6M	1Y	YTD	Beta	WACC	PBV	PE	ROE	DER	AVG3M	Value
RMKE	34.45T	7,875	0%	0%	60%	214%	1444%	1400%	33%	0.90x	11.70%	18.7x	151x	13.10%	0.26x		83.94B
AVG Peers										0.63x	11.16%	7.69x	67.26x	9.13%	0.30x		21.64B
TCPI	50.75T	10,150	0%	5%	19%	60%	81%	54%	12%	0.55x	12.49%	24.0x	264.4x	9.40%	0.54x		61.33B
ALII	15.51T	980	-8%	-25%	-18%	70%	63%	166%	-22%	0.02x	10.94%	7.75x	41.60x	20.20%	0.22x		7.84B
SGER	8.42T	540	-11%	2%	32%	31%	63%	48%	29%	0.57x	12.07%	3.83x	30.09x	13.30%	0.56x		68.95B
BESS	5.45T	1,585	-3%	3%	1%	47%	53%	281%	0%	-0.29x	8.02%	8.29x	57.44x	15.50%	0.05x		0.76B
MBSS	4.60T	2,630	-10%	-13%	23%	100%	44%	154%	-16%	0.30x	9.77%	1.20x	11.35x	11.20%	0.10x		17.90B
CBRE	4.27T	940	-2%	6%	-11%	-34%	1243%	3033%	-4%	1.54x	14.22%	50.6x	n.a	-56.6%	1.31x		78.20B
MAHA	3.00T	180	-1%	1%	-4%	30%	24%	8%	5%	0.26x	10.06%	1.63x	18.13x	8.90%	0.20x		11.11B
DWGL	2.94T	318	-1%	0%	-2%	-63%	45%	92%	2%	0.07x	4.25%	7.05x	17.54x	50.40%	0.74x		8.27B
TEBE	2.78T	2,160	-1%	3%	2%	-19%	122%	251%	-17%	0.79x	8.57%	2.38x	21.73x	11.50%	0.00x		52.63B
BBRM	2.14T	252	0%	-6%	33%	200%	236%	232%	19%	0.69x	12.31%	3.00x	19.18x	16.90%	0.11x		13.96B
TPMA	2.12T	605	-1%	2%	7%	8%	-2%	-2%	7%	0.68x	10.85%	0.98x	5.80x	17.10%	0.58x		3.42B
PSSI	1.97T	364	-1%	-2%	-1%	7%	5%	-11%	1%	0.53x	10.74%	0.72x	68x	1.10%	0.12x		0.25B
PSAT	1.82T	1,230	0%	-2%	0%	-8%	-50%	n.a	-6%	0.42x	8.80%	1.39x	n.a	n.a	0.17x		1.32B
CSNKO	0.71T	79	0%	1%	25%	8%	172%	126%	23%	1.63x	14.80%	n.a	3.89x	n.a	n.a		3.07B
BSML	0.53T	284	4%	4%	26%	83%	184%	99%	12%	1.12x	13.58%	4.01x	144x	2.80%	0.64x		6.70B
RIGS	0.49T	800	2%	0%	-2%	1%	1%	3%	5%	0.82x	12.99%	0.56x	5.38x	11.0%	0.00x		0.27B
FIRE	0.38T	258	0%	n.a	95%	235%	231%	193%	n.a	1.05x	13.57%	1.64x	n.a	n.a	0.01x		12.78B
CANI	0.20T	242	10%	32%	109%	463%	476%	521%	109%	0.55x	11.99%	n.a	n.a	n.a	0.00x		0.04B
PTIS	0.19T	352	-2%	-3%	4%	-12%	-1%	23%	4%	0.33x	11.42%	0.55x	217x	0.20%	0.00x		0.10B
Global										0.59x	8.30%	4.05x	58.09x	7.5%	0.96x		155.70B
601333 CH	48.08T	7,452	0%	-2%	-2%	-11%	1%	-8%	-1%	0.75x	9.22%	0.76x	16.37x	4.70%	0.08x		367.95B
9006 JP	45.99T	165,989	0%	0%	2%	9%	0%	21%	1%	0.26x	3.89%	1.09x	16.37x	6.90%	1.27x		90.58B
001213 CH	44.12T	10,083	0%	-1%	-1%	-2%	-1%	4%	1%	0.51x	10.49%	0.95x	31.73x	3.00%	0.02x		125.50B
MRSA5B BZ	42.98T	126,235	0%	n.a	30%	63%	82%	34%	n.a	0.39x	17.26%	1.56x	9.34x	18.70%	1.30x		0.02B
PASEU TI	39.54T	56,035	-3%	-3%	-4%	9%	65%	366%	11%	0.11x	17.37%	42.18x	612.95x	8.10%	0.08x		227.47B
9044 JP	36.68T	323,929	-1%	0%	3%	8%	37%	25%	2%	0.55x	4.39%	1.03x	14.14x	7.80%	1.33x		96.20B
JFN SW	36.14T	6223K	0%	2%	6%	30%	43%	61%	3%	0.37x	5.16%	2.30x	21.26x	11.30%	0.17x		43.57B
9048 JP	36.06T	185,202	0%	0%	5%	0%	4%	3%	2%	0.36x	3.44%	0.72x	12.24x	6.00%	1.18x		135.92B
9003 JP	30.08T	305,038	0%	0%	2%	8%	23%	16%	1%	0.33x	3.77%	1.46x	13.89x	10.90%	2.38x		65.17B
9031 JP	24.49T	310,190	-1%	0%	3%	26%	41%	35%	3%	0.48x	3.83%	0.85x	7.86x	11.40%	1.46x		57.12B
FGP LN	23.94T	41,839	0%	0%	-2%	-9%	-14%	15%	-1%	0.80x	7.89%	2.27x	8.45x	19.40%	2.05x		40.33B
600125 CH	19.96T	15,830	0%	-2%	-3%	1%	10%	11%	-2%	0.92x	11.26%	1.07x	15.40x	7.10%	0.11x		268.75B
000008 CH	19.84T	7,598	-1%	-6%	3%	8%	8%	12%	6%	0.89x	9.41%	2.79x	n.a	-14.40%	1.22x		623.16B
BTS TB	18.88T	1,300	2%	7%	-6%	-23%	-38%	-61%	-4%	1.21x	3.62%	0.61x	11.68x	5.50%	1.72x		69.91B
000557 CH	17.48T	12,153	-1%	-2%	0%	-3%	-9%	-3%	-1%	0.91x	13.43%	1.13x	21.60x	5.40%	0.00x		123.90B

Source : Bloomberg & KSI Research



Downside Risks

1. Regulatory Risk on Coal Hauling (Mitigated for RMKE)

Restrictions on coal transportation via public roads in South Sumatra could disrupt operators reliant on public infrastructure. This risk is **largely mitigated for RMKE** due to its **dedicated hauling roads, integrated stockpiles, and port access**, and may even act as a **competitive advantage** through higher switching costs and industry consolidation.

2. Coal Price Volatility

Coal prices remain highly cyclical. A downturn could pressure miners' production volumes, potentially reducing hauling demand and weakening utilization, despite RMKE's relatively defensive, contract-based revenue model.

3. Export Demand Risk

Dependence on key export markets (particularly China and India) exposes the industry to demand slowdowns driven by domestic supply expansion or tighter environmental policies, which could indirectly lower hauling volumes.

4. Infrastructure & Operational Bottlenecks

Port congestion and logistical constraints may lead to shipment delays and short-term cash flow volatility, even for integrated operators like RMKE.

5. Weather & Climate Risk

High rainfall and extreme weather in South Sumatra may disrupt mining and hauling activities, increasing downtime and maintenance costs.

6. Cost Inflation Risk

Rising fuel, labor, and maintenance costs could compress margins if not fully passed through to customers, especially during weaker coal price cycles.

7. Client Concentration Risk

Revenue concentration among key mining clients may expose RMKE to volume risk if production declines or contracts are not renewed.



RMKE Equity Initiation

Published on 22 January 2026

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Financial Exhibits

End 31 Dec (IDR Mn)	2019A	2020A	2021A	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F	2030F
Revenue				2,733,605	2,553,106	2,461,044	1,796,565	3,635,919	7,646,672	13,515,609	15,628,285	17,751,909
Costs of revenue				2,144,982	2,063,968	2,000,572	1,392,206	2,619,402	5,674,152	10,718,563	12,366,066	14,024,668
Gross profit				588,623	489,138	460,472	404,360	1,016,517	1,972,520	2,797,046	3,262,219	3,727,241
Operating profit				532,018	420,387	380,269	325,031	934,450	1,887,666	2,710,129	3,173,187	3,636,042
Interest expense				28,300.9	21,654.0	33,922.2	30,452.6	81,906.5	145,011.6	176,539.9	163,734.0	142,188.9
EBITDA				604,126	481,485	460,655	398,191	1,034,675	2,015,685	2,863,677	3,350,165	3,827,419
Income before tax				503,717	398,733	346,346	294,579	852,544	1,742,654	2,533,589	3,009,453	3,493,854
Tax expenses				(111,203)	(86,831)	(77,232)	(64,807)	(187,560)	(383,384)	(557,390)	(662,080)	(768,648)
Minority interests				-	-	-	-	-	-	-	-	-
Net income				388,973	302,856	288,044	229,772	664,984	1,359,270	1,976,199	2,347,374	2,725,206
EPS (IDR)				88.91	69.22	65.84	52.52	152.00	310.69	451.70	536.54	622.90
Balance sheet												
End 31 Dec (IDR Mn)	2019A	2020A	2021A	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F	2030F
Cash and equivalents				67,167	15,366	43,666	30,640	1,002,980	1,581,575	1,955,633	2,764,028	4,686,511
Account receivables				188,337	288,003	696,613	693,319	917,449	1,460,015	2,349,938	2,645,310	2,943,898
Inventories				63,178	72,972	32,764	232,034	436,567	945,692	1,786,427	2,061,011	2,337,445
L-T Invest & receivables				103,505.4	82,284.1	85,162.7	85,162.7	85,162.7	85,162.7	85,162.7	85,162.7	85,162.7
Fixed assets				736,425	926,473	1,021,416	1,052,925	1,365,919	1,663,279	1,851,452	2,016,614	1,867,665
Other assets				518,223	862,597	491,790	589,455	607,654	624,510	641,018	657,109	672,681
Total assets				1,676,835	2,247,695	2,371,412	2,683,535	4,415,733	6,360,233	8,669,632	10,229,234	12,593,362
S-T liabilities				2,260	343,525	330,980	104,053	13,660	13,660	13,660	13,660	13,660
Other S-T liabilities				188,860	217,758	182,110	157,131	259,625	514,420	934,960	1,072,428	1,210,825
L-T liabilities				104,833	95,981	92,482	436,034	1,526,085	1,982,137	2,160,000	1,630,000	1,600,000
Other L-T liabilities				27,628	5,794	36,671	27,377	38,391	45,772	52,422	52,422	52,422
Total liabilities				323,581	663,058	642,243	724,594	1,837,762	2,555,989	3,161,042	2,768,510	2,876,907
Equity				1,206,664	1,484,837	1,729,169	1,958,941	2,577,970	3,804,244	5,508,589	7,460,723	9,716,454
BVPS (IDR)				276	339	395	448	589	870	1,259	1,705	2,221
Cash Flows Statement												
End 31 Dec (IDR Mn)	2019A	2020A	2021A	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F	2030F
Net Income				388,973	302,856	288,044	229,772	664,984	1,359,270	1,976,199	2,347,374	2,725,206
Depreciation				72,108	61,098	80,387	73,160	100,225	128,020	153,548	176,978	191,376
Change in working capital				(173,170)	(175,765)	57,007	(220,954)	(326,169)	(796,896)	(1,310,119)	(432,487)	(436,624)
Operating cash flow				287,911	188,189	425,438	112,430	520,946	835,406	996,168	2,255,598	2,622,146
Capital expenditure				(49,052)	(242,205)	(151,613)	(293,564)	(404,818)	(415,635)	(331,630)	(331,630)	(31,400)
Others				(18,200)	(158,343)	(155,319)	91,230	-	-	-	-	-
Investing cash flow				(67,252)	(400,548)	(306,932)	(202,334)	(404,818)	(415,635)	(331,630)	(331,630)	(31,400)
Dividend paid				-	-	-	-	(45,954)	(132,997)	(271,854)	(395,240)	(469,475)
Net change in debt				(28,301)	(21,654)	(33,922)	76,878	902,166	291,821	(18,627)	(720,334)	(198,789)
Others				(192,001)	182,212	(56,285)	-	-	-	-	-	-
Financing cash flow				(220,302)	160,558	(90,207)	76,878	856,212	158,824	(290,481)	(1,115,574)	(668,264)
Effect of Foreign Exc. Rates				-	-	-	-	-	-	-	-	-
Change in cash				357	(51,801)	28,300	(13,026)	972,340	578,595	374,058	808,395	1,922,483
Beginning cash flow				66,810	67,167	15,366	43,666	30,640	1,002,980	1,581,575	1,955,633	2,764,028

Source : Company & Bloomberg



RMKE Equity Initiation

Published on 22 January 2026

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Financial Ratio

Key Ratios	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F	2030F
Revenue Growth (%)	-	-7%	-30%	-27%	102%	110%	77%	16%	14%
Gross Profit Growth (%)	-	-17%	-6%	-12%	151%	94%	42%	17%	14%
Operating Profit Growth (%)	-	-21%	-10%	-15%	187%	102%	44%	17%	15%
EBITDA Growth (%)	-	-20%	-4%	-14%	160%	95%	42%	17%	14%
Net Profit Growth (%)	-	-22%	-5%	-20%	189%	104%	45%	19%	16%
EPS Growth (%)	-	-22%	-5%	-20%	189%	104%	45%	19%	16%
Gross margin (%)	22%	19%	19%	23%	28%	26%	21%	21%	21%
EBITDA margin (%)	22%	19%	19%	22%	28%	26%	21%	21%	22%
EBIT margin (%)	19%	16%	15%	18%	26%	25%	20%	20%	20%
Pretax margin (%)	18%	16%	14%	16%	23%	23%	19%	19%	20%
Net margin (%)	14%	12%	12%	13%	18%	18%	15%	15%	15%
ROE (%)	32%	20%	17%	12%	26%	36%	36%	31%	28%
ROA (%)	23%	13%	12%	9%	15%	21%	23%	23%	22%
Current ratio (x)	2.3x	1.8x	2.4x	5.0x	9.9x	8.2x	6.8x	7.2x	8.4x
Quick ratio (x)	2.1x	1.7x	2.3x	4.1x	8.3x	6.4x	4.9x	5.3x	6.5x
LT D/Equity (x)	0.09x	0.06x	0.05x	0.22x	0.59x	0.52x	0.39x	0.22x	0.16x
DER (x)	0.27x	0.45x	0.37x	0.37x	0.71x	0.67x	0.57x	0.37x	0.30x
DAR (x)	0.19x	0.29x	0.27x	0.27x	0.42x	0.40x	0.36x	0.27x	0.23x
Interest Coverage (x)	19x	19x	11x	11x	11x	13x	15x	19x	26x
Inventory turnover (x)	33.95	30.32	37.84	10.52	7.84	8.21	7.85	6.43	6.38
AP turnover (days)	10.75	12.04	9.65	34.71	46.58	44.46	46.52	56.78	57.24
Cash Ratio	35%	3%	9%	12%	367%	299%	206%	254%	383%
Sustainable Growth (%)	32%	20%	17%	12%	21%	29%	29%	25%	22%
Earning Yield (%)	9%	12%	13%	1%	1%	2%	3%	4%	5%
Dividend Yield (%)	0.00%	0.00%	0.00%	0.00%	0.08%	0.23%	0.47%	0.69%	0.82%
PE (x)	10.6x	8.6x	7.6x	112.8x	86.2x	42.2x	29.0x	24.4x	21.0x
PBV (x)	3.4x	1.8x	1.3x	13.2x	22.2x	15.1x	10.4x	7.7x	5.9x
P/Sales	1504.4x	1019.6x	885.3x	14428.6x	15762.9x	7495.1x	4240.5x	3667.2x	3228.5x
EV/Ebitda	6.9x	6.3x	5.6x	66.4x	55.9x	28.6x	20.1x	16.8x	14.2x

Source : Company & Bloomberg



Board of Commissioner



Tony Saputra– President Commissioner

Tony Saputra earned a Bachelor’s degree in Chemical Engineering from Universitas Atmajaya (1987) and serves as President Commissioner of PT Royalama Mulia Kontraktorindo Tbk. He has served as President Director of PT Rantai Mulia Kencana since 1987 and was previously President Director of PT Duta Rantai. Tony is the father of Vincent Saputra and William Saputra, both members of the Board of Directors.



F. Saud Tamba Tua – Independent Commissioner

F. Saud Tamba Tua earned a Postgraduate degree in Education Management from Universitas Negeri Jakarta and serves as Independent Commissioner of RMKE on July 2021. He previously held senior advisory roles in national security institutions, including assignments related to policy and defense. He served as an Expert Staff on National Policy and Security at the Indonesian National Police Headquarters and as Special Staff to the Chief of Staff of the Navy.



Rokhmad Sunanto – Independent Commissioner

Mr. Rokhmad Sunanto holds a Doctoral degree in Law from Universitas Jayabaya (2023) and a Master’s degree in Law (2020), as well as a Master’s degree in Management from Universitas Winaya Mukti, Bandung (2003). He currently serves as Independent Commissioner of PT Royaltama Mulia Kontraktorindo Tbk (since 2023) and PT Kino Indonesia Tbk (since 2022). He previously served in the Indonesian National Police and retired with the rank of Inspector General.

Board of Director



Vincent Saputra– President Director

Mr. Vincent Saputra was appointed as President Director since December 2023. He graduated with a Bachelor of Science with Honors (cum laude), Business Administration from University of Southern California, Marshall School of Business, Los Angeles, CA in 2012 and Master of Science, Information and Knowledge Strategy from Columbia University, New York City, NY in 2015. He is the son of the Company’s President Commissioner.



William Saputra– Director

Mr. William Saputra holds a Bachelor of Science in Industrial Engineering from the University of Washington, Seattle (2011). He has served as Director of PT Royaltama Mulia Kontraktorindo Tbk since 2023, and as Director of PT Rantai Mulia Kencana since 2012. His professional background supports operational efficiency and business execution. He is also the son of the Company’s President Commissioner.

Source : Company, KSI Research



Board of Director



Indra Mulia Aliwarga–Director

Mr. Indra Mulia Aliwarga has served as Director of PT Royaltama Mulia Kontraktorindo Tbk (RMKE) since 2025. He holds a bachelor's degree in Marketing Management from Atma Jaya University and an MSc in International Marketing Management from Dalian University of Finance and Economics. He has over ten years of experience in sales, logistics, and energy operations, including roles at Sharp Electronics Indonesia, Titan Infra Energy Group, and PT Nusantara Bara Indonesia.



Edwin Tedjasukmana– Director

Mr. Edwin Tedjasukmana holds a Bachelor's Degree in Accounting from the University of Surabaya (2011). He has served as CFO of PT RMK Grup Indonesia since 2025 and as Finance Director of PT RMK Energy Tbk since 2026. He has more than a decade of experience in finance, accounting, and audit. His previous roles include senior finance positions at Titan Infra Energy, Padi Flour Nusantara (FKS Group), and DSSE Energi Mas Utama (DSS Group).



Sugiyanto– Director

Mr. Sugiyanto holds a Bachelor's degree in Accounting from STIE YKPN, Yogyakarta (2011) and has served as Director of PT RMK Energy Tbk (RMKE) since 2023. He previously served as Director of PT Royalama Mulia Kencana (2022–2023) and as Operational Director of PT Kebun Tebu Mas (2020–2022), and held various senior leadership roles within Baramulti Group and its subsidiaries from 2001 to 2020.

Source : Company, KSI Research



Kiwoom Sekuritas Guide to Sector/Industry/Stock Ratings

Sector/Industry

- OVERWEIGHT : Sector & Industry Outlook has potential and good condition
- NEUTRAL : Sector & Industry Outlook Stable or tend to be stagnant
- UNDERWEIGHT : Sector & Industry Outlook has challenges and bad condition

Stock

- | | | |
|--------------|---|---|
| BUY | : Stock Performance > +15% | Over the next 12 month (excluding dividend) |
| TRADING BUY | : Stock Performance, range between +5% to +15% | Minor to Medium Term |
| HOLD | : Stock Performance, range between -10% to +15% | Over the next 12 month (excluding dividend) |
| SELL | : Stock Performance > -15% | Over the next 12 month (excluding dividend) |
| TRADING SELL | : Stock Performance, range between -5% to -15% | Minor to Medium Term |
| NOT RATED | : Stock is not within regular research coverage | Over the next 12 month (excluding dividend) |



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