

Indonesia

**ADD**

Consensus ratings\*: Buy 3 Hold 0 Sell 0

Current price:	Rp1,140
Target price:	Rp1,450
Previous target:	Rp
Up/downside:	27.2%
CGSI/ Consensus:	13.6%
Reuters:	ARCI.JK
Bloomberg:	ARCI IJ
Market cap:	US\$1,708m Rp28,311,900m
Average daily turnover:	US\$4.98m Rp82,086m
Current shares o/s:	24,835m
Free float:	8.8%

\*Source: Bloomberg

**Key changes in this note**

➤ N/A



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	28.1	96.6	290.4
Relative (%)	23.0	78.3	282.3

Major shareholders	% held
PT Rajawali Corpora	85.0
PT Basis Utama Prima	6.2
Others (inc. Public)	8.8

**Analyst(s)**



**Jacquelin HAMDANI**  
T (62) 21 3006 1739  
E jacquelin.hamdani@cgsi.com  
**Edward HALIM**  
T (62) 21 515 1330  
E edward.halim@cgsi.com

# Archi Indonesia

## Shaping a golden future

- We see ARCI as a solid proxy for gold exposure. Currently, it has 3 producing pits, with total production the second-largest in Indonesia as of FY25F.
- We expect gold grade to improve from 1g/t in FY24 to 1.4-1.5g/t over FY26-27F due to remediation at Araren and pencil in 3Y net profit CAGR of 153%.
- Initiate coverage with Add. It is trading at 13x FY26F P/E (below ID/global average of 48x/16x). An updated JORC release is a re-rating catalyst.

### Among the largest gold miners in Indonesia

ARCI operates the Toka Tindung gold mine in North Sulawesi, which we expect to produce 120kozpa of gold in FY25F, the second largest among listed Indonesia gold producers. Currently, ARCI's production comes from 3 pits in Toka Tindung: Araren, Toka and Marawuwung. Following landslides in FY22 and FY24 at Araren, the majority of ARCI production as of 1H25 consisted of lower-grade ore from Toka and Marawuwung (Fig 7). However, with remediation work at Araren now complete, we see improved production mix and higher grades starting in 3Q25F. Additional upside may come from continued exploration at Marawuwung and underground pit Kopra, which could yield higher-grade ore in the medium term.

### 3-year NP CAGR of 153% driven by gold grade improvement

ARCI's production is ramping up and profit picking up, evidenced by improvement in gold grade to 1.2g/t (vs. 1.0g/t in FY24) in FY25F; we expect this to improve to 1.4-1.5g/t over FY26-27F. We forecast ARCI's gold production to reach 120koz/150koz/165koz in FY25/26/27F. Given this, combined with our gold price assumption of US\$3,500/US\$3,600/US\$3,672 per oz, we see a net profit CAGR of 153% over FY24-27F.

### Discovery of high-grade asset to pave the next growth path

Upside could come from high-grade asset discovery amid (1) drilling at Marawuwung, (2) exploration at Kopra, and (3) mining of high-grade gold at Araren; we expect these projects to yield 2-4g/t gold grade. Our base-case valuation of ARCI at US\$2.1bn assumes long-term gold grade of 1.6g/t and price of US\$3,745/oz, excluding potential high-grade gold from the underground mine (Fig 14). Its share price as of 8 Oct of Rp1,140 suggests the market is pricing in long-term gold grade of 1.2-1.3g/t, which we believe is conservative.

### Positioned well amid high gold price and solid growth story

We initiate coverage on ARCI with an Add rating and a DCF-based target price of Rp1,450, implying 16x FY26F P/E. As a pure gold operator, ARCI's current valuation of 13x FY26F P/E appears undervalued relative to its Indonesian/global gold producing peers (48x/16x). A JORC (technical report on reserve/resource estimates) release could increase our conviction on the stock, especially if it features an increase in gold grade. Downside risks include lower gold price and declining gold grade due to force majeure (i.e. natural disaster, social issues, etc.). Re-rating catalysts: updated JORC release, and higher-than-expected gold grade and price.

Financial Summary	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Revenue (US\$m)	249.6	287.6	441.0	540.0	605.9
Operating EBITDA (US\$m)	84.2	71.9	213.7	272.9	326.4
Net Profit (US\$m)	14.6	10.5	100.1	133.1	170.1
Core EPS (US\$)	0.001	0.000	0.004	0.005	0.007
Core EPS Growth	0%	(28%)	857%	33%	28%
FD Core P/E (x)	117.3	163.4	17.1	12.8	10.0
DPS (US\$)	-	-	-	-	-
Dividend Yield	0%	0%	0%	0%	0%
EV/EBITDA (x)	25.00	29.33	9.73	7.28	5.63
P/FCFE (x)	NA	NA	58.71	40.23	NA
Net Gearing	151%	147%	99%	55%	19%
P/BV (x)	6.51	6.26	4.58	3.38	2.53
ROE	5.7%	3.9%	31.0%	30.3%	28.8%
% Change In Core EPS Estimates					
EPS/Consensus EPS (x)			0.000	0.000	0.000

SOURCES: CGSI RESEARCH, COMPANY REPORTS

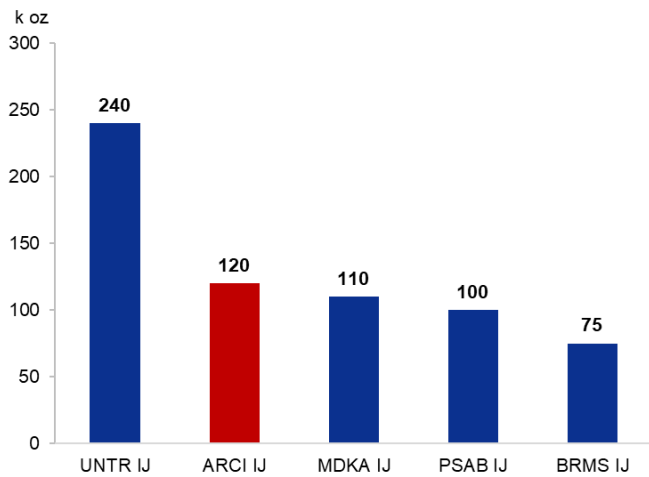
# Shaping a golden future

## ARCI: back in the game?

ARCI is one of Indonesia's largest pure-play gold producers and operates the Toka Tindung mine in North Sulawesi. Since its first gold pour in 2011, it has expanded processing capacity to 4mtpa and targets to reach 120kozpa of gold production by FY25F, making it Indonesia's second-largest among listed Indonesia gold producer. Despite operational setbacks in 2022-2024 due to a landslide at the Araren pit, ARCI has shown resilience, with improving production and grades in 1H25. Medium-term growth could come from higher-grade output from upcoming projects like the Kopra underground mine and South Marawuwung exploration offer. Over the long run, we see potential for further exploration as it has only explored 15% of its total concession areas.

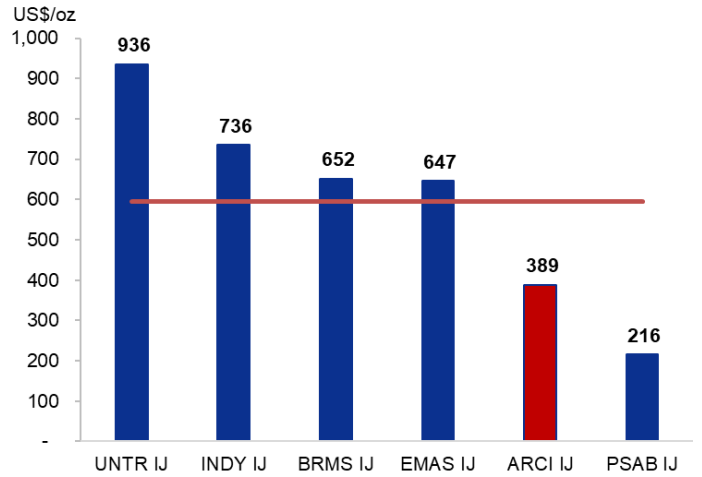
At its current valuation of 13x FY26F P/E, 72%/18% discount to domestic/global gold producer peers, we think ARCI is attractively priced. Along with rising gold prices (click here for [our latest report](#)), we forecast positive free cash flow (FCF) in FY25-26F, supporting deleveraging or dividends. We see ARCI as both a turnaround and growth story in Indonesia's gold sector.

**Figure 1: Production comparison 2025F**



SOURCES: CGSI RESEARCH, COMPANY REPORTS  
NOTE: UNTR, ARCI, MDKA IS OUR ESTIMATE, PSAB AND BRMS IS COMPANY TARGET

**Figure 2: EV/resource comparison**



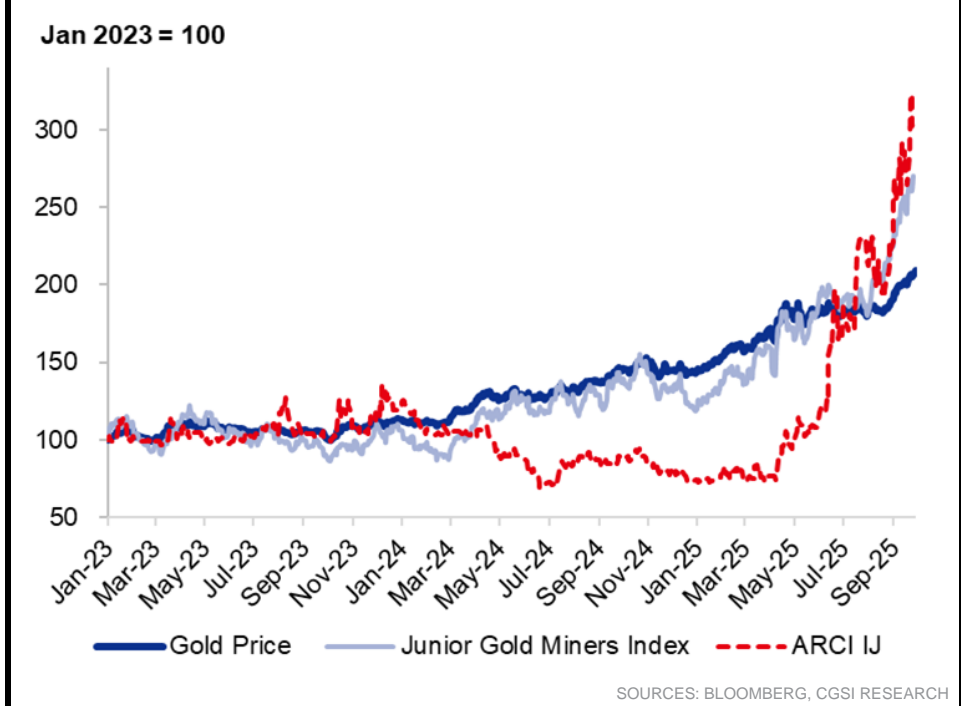
SOURCES: CGSI RESEARCH, COMPANY REPORTS  
NOTE: EV DATA AS OF 8OCT CLOSING PRICE, RESOURCE DATA AS OF FY24

**Figure 3: Peers comparison as at 8Oct2025**

Companies	Ticker	Projects	Contained gold (k oz)		FY25F annual gold production (k oz)	EV/resource (US\$/oz)	EV/reserve (US\$/oz)	FY26F P/E (x)
			Resources	Reserves				
<b>INDONESIA</b>								
Archi Indonesia	ARCI IJ	Toka Tindung Mine	5,424	3,884	120	388.6	542.7	12.7
Merdeka Copper Gold	MDKA IJ	Tujuh Bukit + Pani Gold	36,425	11,386	110	38.6	123.5	42.4
Merdeka Gold Resources	EMAS IJ	Pani Gold Project	7,010	4,800	na	646.9	944.8	na
Amman Mineral Internasional	AMMN IJ	Batu Hijau + Elang	15,360	32,760	90	2,323.5	1,089.4	52.6
Bumi Resources Minerals	BRMS IJ	Citra Palu + GM + Kerta + Linge (Aceh)	12,360	5,054	75	652.1	1,594.9	na
J Resources Asia Pasifik	PSAB IJ	Bakan, Penjom and Doup mine	6,083	2,567	100	216.3	512.6	na
Indika Energy	INDY IJ	Awak Mas Gold	1,970	1,450	na	736.2	1,000.2	na
United Tractors	UNTR IJ	Martabe + Sumbawa Jutaraya	6,100	4,163	240	936.0	1,371.5	na
<b>Average pure gold</b>						<b>505.1</b>	<b>1,017.4</b>	<b>47.5</b>
<b>Average diversified gold</b>						<b>792.8</b>	<b>948.1</b>	<b>47.5</b>
<b>GLOBAL PEERS</b>								
Newmont Corp	NEM US		173,900	134,100	6,200 - 6,500	507.0	657.5	13.2
Barrick Gold Corp	ABX CN		219,000	77,000	3,150 - 3,500	265.4	754.9	12.2
Agnico Eagle Mines Ltd	AEM CN		77,061	53,811	3,300 - 3,500	990.5	1,418.5	20.3
Northern Star Resources	NST AU		61,322	20,934	1,650 - 1,800	324.3	949.9	18.3
Evolution Mining	EVN AU		32,682	11,449	710 - 780	405.1	1,156.3	16.9
Perseus Mining	PRU AU		6,137	2,893	469 - 504	527.8	1,119.6	11.4
Belleveue Gold	BGL AU		3,200	1,510	129 - 134	331.9	703.4	14.4
Capricorn Metals	CMM AU		5,556	3,262	110 - 120	571.4	973.3	20.4
<b>Average</b>						<b>490.4</b>	<b>966.7</b>	<b>15.9</b>

SOURCES: CGSI RESEARCH, BLOOMBERG, COMPANY REPORTS

**Figure 4: Share price starting to parallel gold price after 2024 landslide incident**

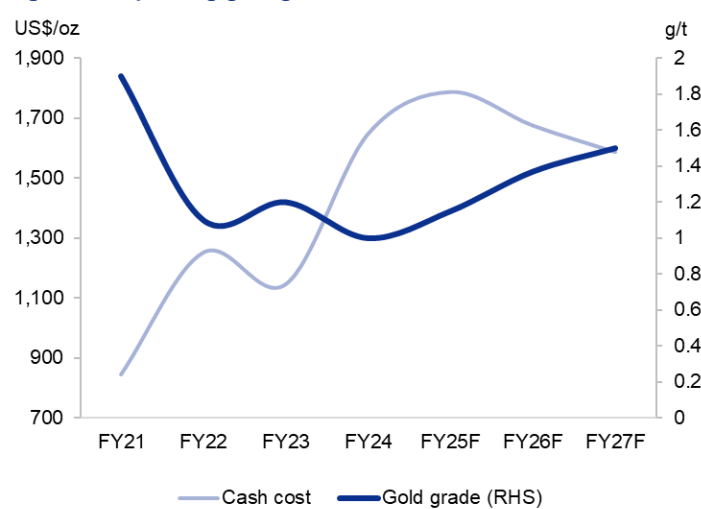


## Improving gold grade to drive earnings

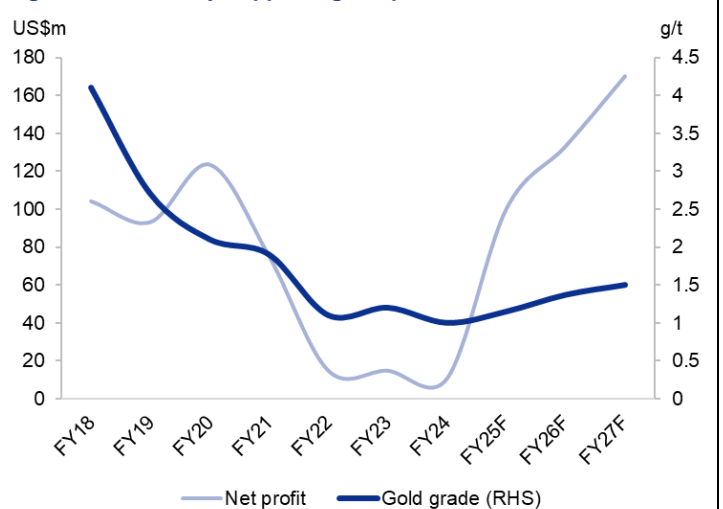
### Can ARCI return to its 2018-2019 production peak? ➤

We believe **gold grade will be a key driver** of ARCI's earnings growth as higher grades typically lead to lower cash costs and increased production volumes. In our view, this improvement is likely to materialise following the remediation of the Araren pit after the landslide incident; already, it reported yoy improvements in gold grade in 1H25. In 1H25, after the 2024 landslide, 19% of ARCI's main production came from Araren, c.69% from Toka and 12% from Marawuwung; the three pits have average grades of 2-3g/t, 1.0g/t, and 1-1.5g/t, respectively.

**Figure 5: Improving gold grade translates to lower cash cost...**



**Figure 6: ... thereby supporting net profit**



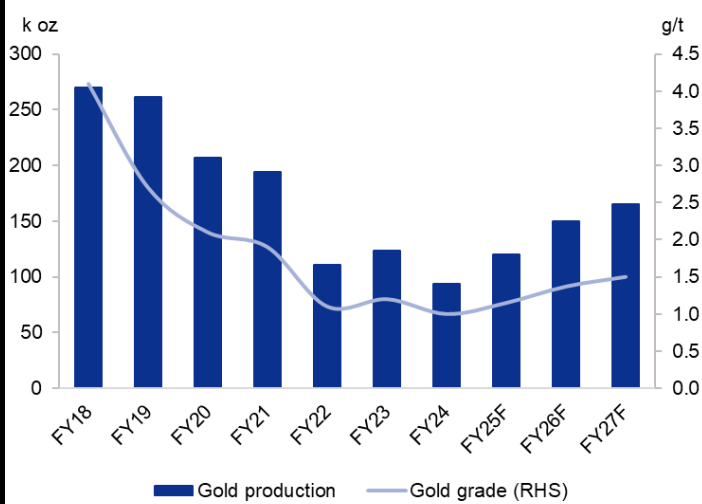
**Figure 7: Toka Tindung mine pits sorted by grade; production mix still heavy on lower grade pits**

Gold Deposits	Resources (koz)	Grade (g/t)	Reserves (koz)	Grade (g/t)	Production mix		License type	Validity
					1H25	FY25F		
Toka	1,418	0.8	1,124	0.8	69%	56%	Contract of Work (CoW)	2041
Marawuwung	363	1.0	331	0.9	12%	24%		
Kopra	950	1.3	459	1.5				
Araren	1,943	1.4	1,448	2.0	19%	20%		
Alaskar	200	1.7	146	3.0				
Talawaan	492	7.0	215	7.6				
Stockpile	162	0.8	162	0.8				
<b>Total</b>	<b>5,528</b>	<b>1.2</b>	<b>3,884</b>	<b>1.2</b>				

SOURCES: CGSI RESEARCH, COMPANY REPORTS

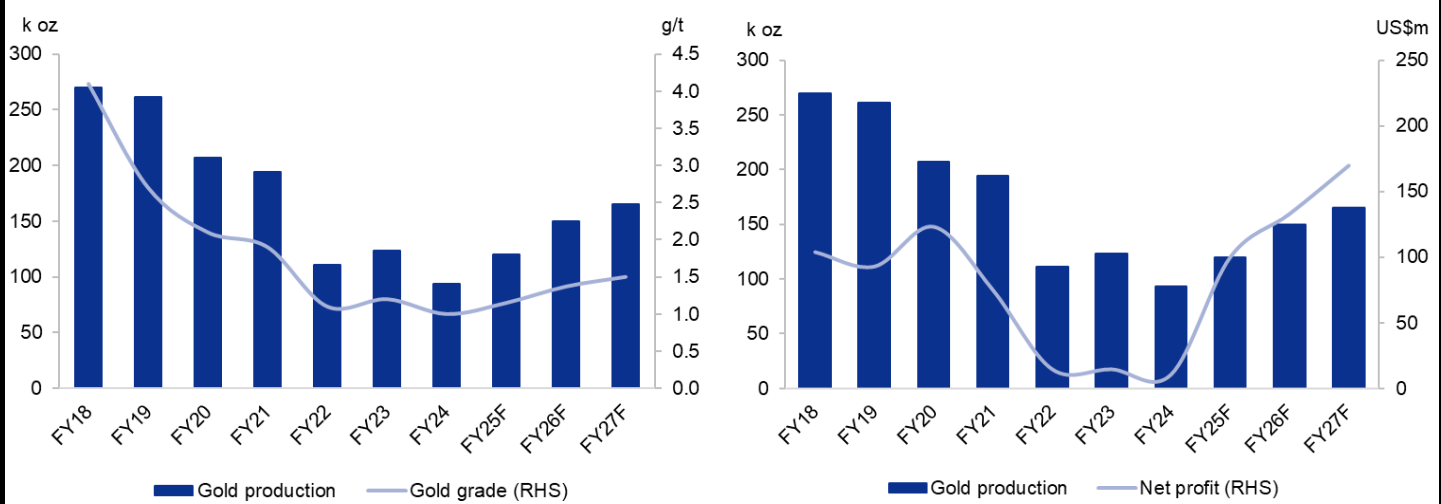
Given Araren's average reserves gold grade of 2g/t, we expect increased production from the pit could enhance ARCI's production mix and lift overall gold grade to around 1.2-1.5g/t. Based on this assumption, we forecast ARCI's gold production to reach 120koz/150koz/165koz in FY25/26/27F. Given this, combined with our gold price assumptions of US\$3,500/US\$3,600/US\$3,672 per oz, we project exponential growth in net profit, with a 3-year CAGR of 153% over FY24-27F.

**Figure 8: ARCI gold production and grade**



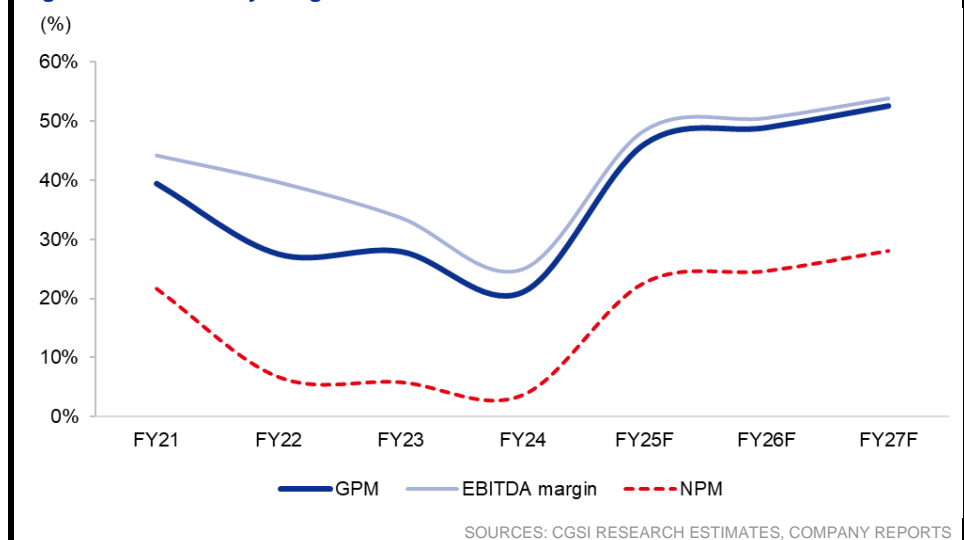
SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 9: ARCI net profit and gold production**



SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 10: Profitability margins**



SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

### In the midst of extracting high-grade gold ore ➤

While we have not factored future projects into our valuation, we highlight several key **catalysts that could help ARCI return to production figures achieved during its peak**, when it delivered sector-leading gold grades:

- Ongoing drilling at the Marawuwung pit, which we expect to be completed by end-FY25F, with potential grade exceeding 2g/t
- Continued exploration of the Kopra underground mine, which has recorded promising grades of 3-4g/t

On 25 Aug 25, ARCI through its 100%-owned subsidiary TTN (Tambang Tondano Nusajaya; non-listed) signed a cooperation agreement with Macmahon Indonesia (non-listed) to develop underground mining at Kopra. Macmahon will provide services related to mine development, blasting, drilling, tunnelling maintenance, etc. We believe this partnership represents a significant milestone for the Kopra project. Macmahon is a well-established and reputable mining contractor, currently holding several key contracts, such as Awak Mas (owned by INDY IJ) and Amman Mineral (AMMN IJ), in Indonesia.

Figure 11: Progress at Kopra underground pit



### After several tough years, ARCI is finally turning a corner ➤

**2018-2020: A strong upswing in profitability** was supported by production that exceeded 200kozpa and a gold price uptrend. ARCI achieved record-high profit in 2020 (US\$123m).

**2021-2022: Post its IPO, profitability took a dip** due to lower sales volume and higher costs. The company produced 226koz of gold in 2021 but faced higher costs due to higher stripping and expansion expenses. By the end of 2021, ARCI's processing capacity rose to 4.0mtpa. In 2022, ARCI experienced a severe downturn following a steep decline in its gold production due to a landslide at main pit Araren, which disrupted operations for much of the year. This also caused gold grade to deteriorate to 1.07g/t (vs 1.93g/t in 2021).

**2023: Operations stabilised** following Araren's pit remediation and resumption of operation. ARCI booked flat yoy NP growth as rising cost offset its modest production gains. **In 2024, there was another landslide, albeit minor, at the Araren pit**, which cut gold production by 24% yoy. During this year, ARCI took measures to remediate the mine (river and village reallocation, etc.) in order to minimise risks of further incidents.

**2025F: We see signs of a turnaround, with ARCI** booking a notable rebound in profitability in 1H25 amid the rally in gold price and improving gold grade of 1.1g/t in 1H25 (2024: 1.0g/t).

## Valuation and Recommendation

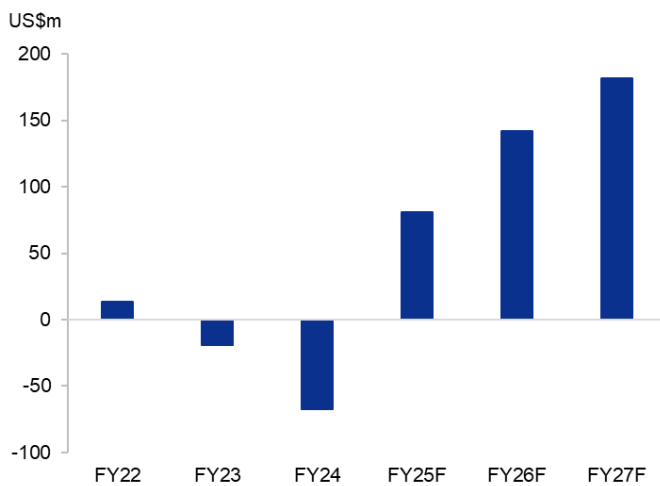
### Positive FCF generation in FY25F onwards ►

Given our forecast that ARCI will generate positive FCF of US\$81m-142m in FY25-26F, we believe this cash flow could be directed toward debt reduction and/or potential dividend distributions. Based on its IPO prospectus, ARCI's dividend policy of maximum 80% depends on its cash flow and investment plan. Although we do not include dividend payments in our assumptions, we estimate that a 70-80% payout for FY25F earnings translates into Rp46-53/sh, implying dividend yield of 5%.

### Does ARCI need to raise funding?

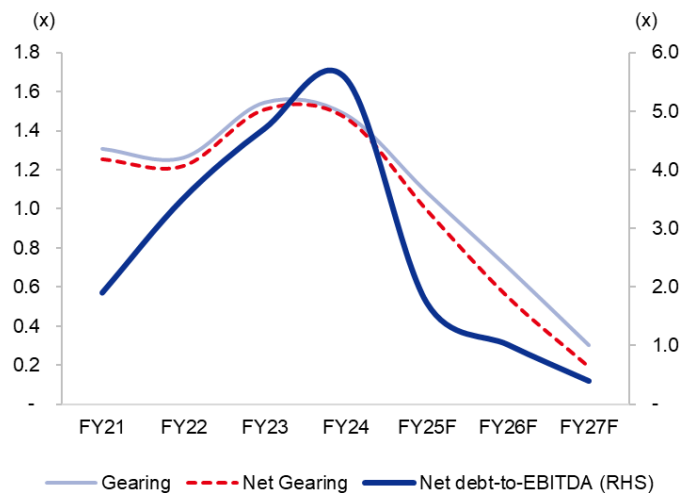
We also note that ARCI has passed its peak capex cycle, which occurred during FY23-24, primarily driven by drilling expenditures and pit remediation work at the Aren landslide site. As a result, **we do not anticipate additional funding needs** unless the company proceeds with plans to 1) expand its ore processing capacity from 4m to 8m tonnes, which would require an estimated investment of US\$320m-400m, and 2) explore the western and central corridors of North Sulawesi (Fig.19)

Figure 12: FCF turning positive in FY25F



SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Figure 13: Improving solvency and leverage ratio



SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

### Initiate coverage with Add, TP: Rp1,450 ►

We initiate coverage on ARCI with an Add rating and DCF-based target price of Rp1,450. Our Add call is mainly due to investors underestimating its gold grade improvement (details in next paragraph) while current valuation of 13x FY26F P/E appears undervalued relative to its Indonesian/global gold producing peers (48x/16x). Our DCF valuation assumes WACC of 7.1% and terminal value of US\$2.4bn based on long-term 1.6g/t gold grade and 27 years of life of mine using 75% resource-to-reserve conversion. WACC assumption is derived from 7.7% cost of equity and 8.0% cost of debt, with 41%/59% Debt/Equity portion as of FY26F.

**Figure 14: ARCI DCF valuation**

WACC Calculation				
Risk-free rate		5.2%		
Market risk premium		5.0%		
Beta		0.5		
Outstanding shares (m shares)		24,835		
Cost of equity		7.7%		
Cost of debt		8.0%		
<b>WACC</b>		<b>7.1%</b>		
<b>Reserve + Resource (75% conversion) - mt</b>		<b>4,955</b>		
<b>Production by 2028F - ktpa</b>		<b>179</b>		
<b>Reserve + 75% resource - life of mine</b>		<b>27.6</b>		

DCF- US\$m	2025F	2026F	2027F	2028F
EBITDA	214	273	326	365
Capex	(80)	(50)	(40)	(40)
Tax	(64)	(85)	(109)	(128)
Changes in working capital	11	4	4	3
<b>FCFF</b>	<b>81</b>	<b>142</b>	<b>182</b>	<b>200</b>
Terminal value				2,397
<b>Total FCFF</b>	<b>81</b>	<b>142</b>	<b>182</b>	<b>2,597</b>
Enterprise value				2,435
Net debt (cash)				278
Minority interest				-
Equity value				2,156
<b>Target price (Rp/share)</b>				<b>1,454</b>
<b>Rounded TP</b>				<b>1,450</b>

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Our target price valuation (US\$2.1bn) reflects long-term gold price of US\$3,745/oz and gold grade of 1.6g/t, without accounting for any future high-grade ore project. Our back-of-the-envelope calculation shows that, at ARCI's current share price (Rp1,140), investors are pricing in long-term gold grade of 1.2-1.3g/t, which is quite conservative in our view (refer to Figures 14 and 15 for our scenario analysis). A JORC release could increase our conviction on the stock, especially if it features an increase in gold grade. The current 27% upside potential represents long-term gold grade assumption of 1.6g/t; hence, we emphasise that a JORC report could be a crucial factor in determining further valuation upside for ARCI.

**Figure 15: Sensitivity analysis of long-term gold price and grade vs. target price**

Target price (Rp/sh)	1,450	Gold price (US\$/oz)						
		3,000	3,250	3,500	3,745	4,000	4,200	4,400
Gold grade (g/t)	1.0	410	540	670	800	930	1,030	1,140
	1.3	650	810	970	1,130	1,290	1,420	1,550
	1.6	880	1,080	1,270	1,450	1,650	1,800	1,960
	1.9	1,060	1,280	1,490	1,700	1,920	2,090	2,260
	2.2	1,220	1,450	1,690	1,910	2,150	2,340	2,520
	2.5	1,360	1,610	1,860	2,100	2,360	2,560	2,760
	2.8	1,480	1,740	2,010	2,270	2,540	2,750	2,960
	3.1	1,590	1,870	2,140	2,420	2,700	2,920	3,140
	3.4	1,690	1,980	2,270	2,550	2,840	3,080	3,310
	3.7	1,770	2,080	2,380	2,670	2,980	3,220	3,460
4.0	1,860	2,170	2,480	2,780	3,100	3,350	3,600	

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS  
NOTE: PRICING ASSUMPTION AT TERMINAL VALUE FY28F

**Figure 16: Changes in target price (%)**

Changes in target price (%)		Gold price (US\$/oz)						
		3,000	3,250	3,500	3,745	4,000	4,200	4,400
Gold grade (g/t)	1.0	-72%	-63%	-54%	-45%	-36%	-29%	-21%
	1.3	-55%	-44%	-33%	-22%	-11%	-2%	7%
	1.6	-39%	-26%	-12%	0%	14%	24%	35%
	1.9	-27%	-12%	3%	17%	32%	44%	56%
	2.2	-16%	0%	17%	32%	48%	61%	74%
	2.5	-6%	11%	28%	45%	63%	77%	90%
	2.8	2%	20%	39%	57%	75%	90%	104%
	3.1	10%	29%	48%	67%	86%	101%	117%
	3.4	17%	37%	57%	76%	96%	112%	128%
	4.0	28%	50%	71%	92%	114%	131%	148%

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

**What could trigger valuation upgrade?** JORC estimates for future projects and/or prefeasibility studies on underground projects or any data/document that could justify valuation/earnings upgrade. An updated JORC report could also provide insights into future production plans and the associated gold grades. Latest JORC release in 2020 assumes average gold grade of 1.2g/t (Fig 7).

## Key investment risks

### Downside risks ►

#### Lower gold prices

Declining gold prices may negatively impact ARCI's profitability as the company is a pure gold producing company and ASP closely tracks gold prices.

#### Operational risk: natural disaster

Force majeure (natural disasters, i.e. landslides, heavy rainfall) may cause delays in project development and slow down production growth. These external factors could negatively impact gold production.

#### Declining gold grade

As the mine matures, operational efficiency may decline and, during exploration or transitions to new pits, gold grades could drop significantly, potentially impacting overall production and consequently cost per tonne.

### Re-rating catalysts ►

#### Better-than-expected gold grade

Due to the landslide at the Araren pit, ARCI's gold grade decreased from 1.93g/t in 2021 to 1.07g/t in 2022. Following the completed remediation work in Apr 24, ARCI should be able to extract higher-grade gold from this pit.

#### Discovery of new gold deposit to support higher production

Continued drilling at Marawuwung and Kopra pits could lead to updated JORC resource estimates and support further underground development. Identified gold vein continuity and potential higher-grade ore discoveries could boost ARCI's production and profitability.

## SWOT analysis

### Strengths ►

#### Abundant gold resources

As of 31 Dec 20, Toka Tindung's gold mine resources amounted to 145.8 Mt with a gold grade of 1.2g/t, with a gold metal content of 5,528koz. Total reserves for the mine amounted to 98.3 Mt with a gold grade of 1.2g/t, with a gold metal content of 3,884koz (as per 31 Dec 20). Recent developments have pointed to high-grade

gold deposits from 1) the underground Kopra pit, and 2) Marawuwung extension in the eastern corridor.

### **Integrated gold operations**

ARCI operates an integrated gold business that ranges from mining and exploration at the Toka Tindung gold mine to ore processing via its carbon-in-leach (CIL) plant. ARCI also owns gold refining and smelting facilities, which produce high-purity gold products. Its gold minting and retail operations come under the “Emas Merah Putih” brand as ARCI diversifies its revenue streams by directly reaching consumers. This integrated model allows ARCI to optimise value creation across all stages of gold production, in our view.

### **Weaknesses >**

#### **Limited track record in underground mining**

ARCI's future growth strategy includes the development of the Kopra underground mine, which is the company's first underground project. However, underground mining has various risks, including landslides, safety incidents and potential failures in tailings storage facilities (TSF). Currently, the only major underground mining operation in the country is Freeport Indonesia (non-listed) which also experienced a landslide on 09 Sep 25.

### **Opportunities >**

#### **Rising demand for gold**

Gold price recently rallied above US\$3,700/oz, driven by accumulation by central banks/ETFs, US rate cuts and policy integrity (i.e. tariffs, uncertainty surrounding Fed's independence and Trump's policy stability) and geopolitical uncertainty (Russia-Ukraine conflict, US-China tensions, etc.). These factors may trigger additional demand for gold.

#### **Discoveries of gold deposit in unexplored pits**

To date, ARCI has explored less than 10% of its total concession area. An increase in gold prices could improve ARCI's cash flow, enabling the company to expand exploration efforts and potentially discover additional gold deposits.

### **Threats >**

#### **External factors i.e. natural disaster**

ARCI experienced landslide incidents at the Araren pit in Jan 22 and Apr 24, caused by heavy rainfall. The frequency of such adverse weather in this location may disrupt gold operations and consequently impact its financial performance.

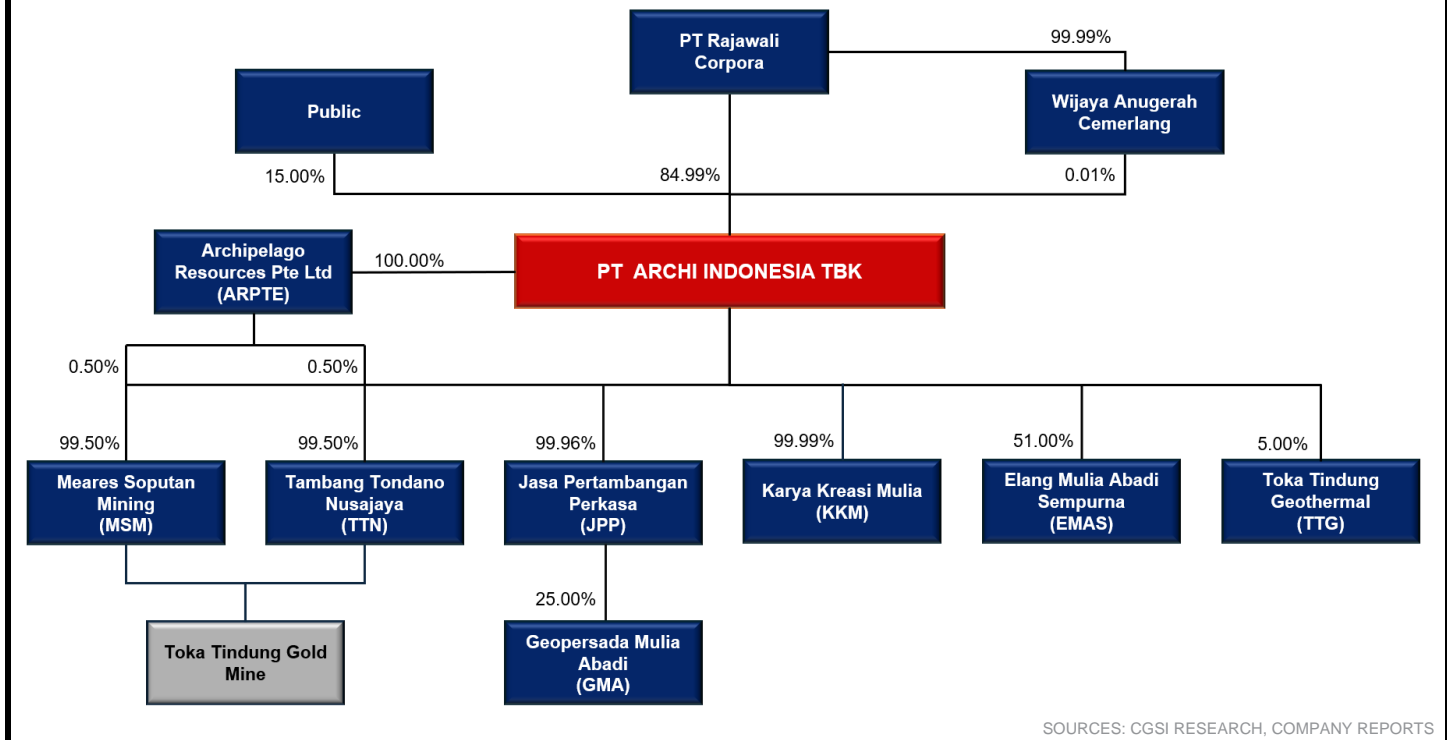
#### **Changes in/introduction of new government regulations**

Any changes in or introduction of new government regulations relating to gold mining or processing may impact ARCI's operations. Some precedents include higher royalty rate for gold and a potential export taxes on gold starting in FY26F.

## **Company Profile**

Archi Indonesia (ARCI IJ) is one of Indonesia's largest pure-play gold mining companies and operates the Toka Tindung gold mine in North Sulawesi. ARCI was founded in 2000 and is majority-owned by the Rajawali Group (non-listed) a conglomerate led by tycoon Peter Sondakh. The company poured first gold in 2011 at Toka Tindung, marking the transition from development to production. Rajawali privatised Archipelago Resources (the mine's former London-listed owner) in 2013, consolidating ARCI's ownership under the group. In June 21, ARCI went public on the Indonesia Stock Exchange, raising Rp2.8tr (c.US\$170m) in its IPO. The IPO funds were used primarily to repay debt (about 90–95% of proceeds). Today, Rajawali Corpora retains c.85% ownership of ARCI and the company is headquartered in Jakarta.

Figure 17: ARCI shareholder structure



SOURCES: CGSI RESEARCH, COMPANY REPORTS

### ARCI gold assets overview >

ARCI owns 100% in the Toka Tindung gold mine, located 35km northeast of the regional capital, Manado, in North Sulawesi, Indonesia, through wholly-owned subsidiaries, MSM (Meares Soputan Mining, non-listed) and TTN. Operational work has been done since 2009 with first commercial production in 2011. Toka Tindung owns two contract of work (COW) licences covering 39,817ha. These COWs are valid until 2041 (with options for two 10-year extensions). Toka Tindung mine consists of 6 pits: Marawuwung, Toka, Alaskar, Araren, Talawaan and Kopra.

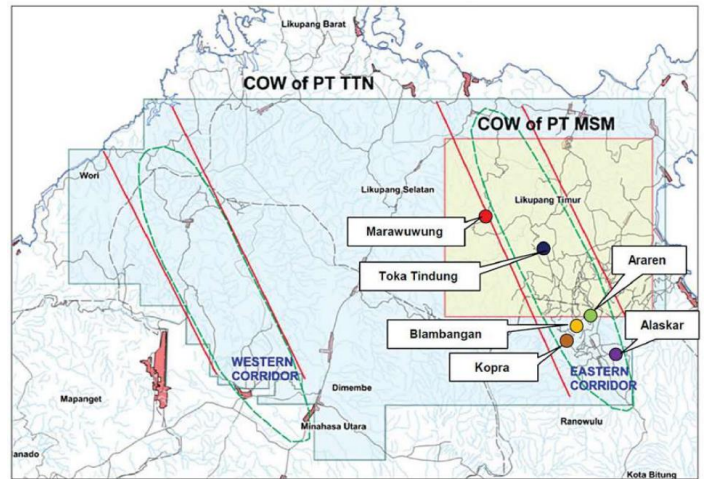
ARCI commenced gold processing operations in 2011, in parallel with the development of the Toka Tindung gold mine. Since then, ARCI has steadily expanded the plant's capacity through continuous debottlenecking and upgrades, increasing throughput from 1.7m tonnes to over 3.0m tonnes p.a. by 2018. This included the installation of a third ball mill to produce finer ore particles and enhance recovery rates. The facility uses a standard carbon-in-leach (CIL) design and has adequate tailings storage to support ongoing operations. As of today, the plant can process 4mtpa of gold ore.

Figure 18: ARCI operational mine



SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 19: ARCI concession area



SOURCES: CGSI RESEARCH, COMPANY REPORTS

### Company milestones ►

Figure 20: ARCI corporate action and milestones

Year	Completed Corporate Actions and Milestones
2010	Establishment of Archi Indonesia.
2011	First gold production of 61kozpa.
2015	<ul style="list-style-type: none"> <li>- MSM &amp; TTN among the first companies to carry out Contract of Work amendments, in accordance with new mining regulations.</li> <li>- Opening of Araren pit, which has high-grade gold ore reserves.</li> </ul>
2016	<ul style="list-style-type: none"> <li>- Gold production exceeded 200kozpa.</li> <li>- Increased processing plant capacity to 2.1mtpa.</li> <li>- Appointed and developed local company, SMA, as mining contractor.</li> </ul>
2017	Gold production capacity reached >250kozpa.
2018	Processing plant capacity exceeded 3.0mtpa.
2019	<ul style="list-style-type: none"> <li>- Established EMAS to expand further downstream. EMAS engages in gold trading, gold bar processing, jewellery, medals, and refining.</li> <li>- An additional 941koz of gold ore reserves.</li> </ul>
2020	<ul style="list-style-type: none"> <li>- Established GMA as in-house main mining contractor.</li> <li>- Addition of 1.6Moz ore reserves.</li> <li>- Initiated projects in the Western Corridor area.</li> </ul>
2021	<ul style="list-style-type: none"> <li>- IPO (Initial Public Offering) at IDX</li> <li>- Increased processing plant capacity to 4mtpa,</li> </ul>
2022	<ul style="list-style-type: none"> <li>- Remediation plan for Araren pit us in on track.</li> <li>- Feasibility study for refinery expansion.</li> </ul>
2023	<ul style="list-style-type: none"> <li>- Obtained long-term syndicated loan facilities for mine development.</li> <li>- EMAS refinery plant began operations in 3Q23.</li> </ul>
2024	<ul style="list-style-type: none"> <li>- Establishment of TTG, a JV company between ARCI and Ormat Geothermal Indonesia. This geothermal project location is in Bitung City with a capacity target of 40MW.</li> <li>- First underground mine exploration in Kopra Pit.</li> </ul>

SOURCES: CGSI RESEARCH, COMPANY REPORTS

## Management profile ➤

**Figure 21: ARCI's Board of Directors and Board of Commissioners**

Name	Role	Experience
<b>Board of Directors</b>		
Rudy Suhendra	President Director	Mr. Rudy Suhendra was appointed President Director in 2022. He obtained a Bachelor's degree in Accounting and Mnaagement Information Systems from Ohio State University, United States. He previously held positions as Deputy President Director at the Company, held several positions at PT Eagle High Plantation and had previous experience in auditing and business development. He is currently President Commissioner of several affiliated companies and President Director of Elang Mulia Abadi Perkasa.
Christian Emanuel David Sompie	Director	Mr. Christian Emanuel David Sompie was appointed Director in 2019. He obtained a Doctorate in Marine Science from Sam Ratulangi University, Manado and Master of Marine Science from Manado State University, Manado. He previously he held positions as President Director at PT Newmont Minahasa Raya, and has experience in relationship management and mining. He is currently President Director at PT Meares Soputan Mining and PT Tambang Tondano Nusajaya.
Hidayat Dwiputri Sulaksono	Director	Mr. Hidayat Dwiputri Sulaksono was appointed Director in 2022. He obtained a Bachelor's of Accounting degree from UGM, Yogyakarta and several certifications such as the CPA and CA. He previously held positions as Business Control Head at the Company and Manager at PWC. He is currently Commissioner at PT Meares Soputan Mining, PT Tambang Tondano Nusajaya, PT Karya Kreasi Mulia, and PT Jasa Pertambangan Perkasa.
<b>Board of Commissioners</b>		
Kenneth Ronald Kennedy Crichton	President Commissioner	Mr. Kenneth Ronald Kennedy Crichton was appointed as President Commissioner in 2022. He obtained his Bachelor's Degree in Mining Engineering from the University of New South Wales, Australia, as well as further qualifications in business and financial securities. He previously served as President Director at the Company and held senior positions in other companies. He is currently Managing Director of PT Rajawali Corpora and President Commissioner of several affiliated companies.
Rizki Indrakusuma	Commissioner	Mr. Rizki Indrakusuma was appointed as Commissioner in 2022. He obtained his Bachelor's of Law Degree from Parahyangan Catholic University, Bandung. He previously held several positions at PT Rajawali Corpora including Legal Director and General Manager, as well as Associate at DNC Law Firm. He is currently Managing Director of PT Rajawali Corpora and Commissioner at PT Elang Mulia Abadi Sempurna.
Abed Nego	Commissioner	Mr. Abed Nego was appointed as Commissioner in 2016. He obtained a Master's of Applied Finance Degree from Macquarie University, Australia and a Bachelor's Degree of Economics from IBII, Jakarta. He previously held positions as Commissioner in several affiliated companies and as Director at Karya Kreasi Mulia. He is currently Managing Director of PT Rajawali Corpora, President Commissioner of PT Fortune Indonesia and PT Golden Eagle Energy and Commissioner at PT Wijaya Anugerah Cemerlang.
Dr. Ir. Bambang Setiawan	Independent Commissioner	Dr. Ir. Bambang Setiawan was appointed as Independent Commissioner in 2021. He obtained a Doctorate in Mining from Ecole Nationale Supérieure Des Mines de Paris, France and a Mining Engineering degree from ITB, Bandung. He previously held positions as President Commissioner at PT Tambang Tondano Nusajaya and as Advisor at Weda Bay Nickel. He is currently an Independent Commissioner at PT GEMS, PT Thiess Contractors Indonesia, PT Kalimantan Surya Kencana and PT Jogja Magasa Iron.
Hamid Awaluddin	Independent Commissioner	Mr. Hamid Awaluddin was appointed as Independent Commissioner in 2021. He obtained a special education degree in International Human Rights Law from Lund University, Sweden and a Doctorate in Social Justice from American University, Washington; previously pursuing social/law-related education. He previously held positions as Commissioner and Independent Commissioner at PT Archi Indonesia. He is currently President Commissioner/Director at several firms and a Professor at the Faculty of Law Hasanuddin University, Makassar.
Jhoni Ginting	Independent Commissioner	Mr. Jhoni Ginting was appointed Independent Commissioner in 2022. He obtained a Master's of Law Degree from Airlangga University, Surabaya and Maritime Law from Wollongong University, Australia. He previously held positions as Director General at the Ministry of Law and Human Rights and as Commissioner at the PT Bukit Asam. He is currently a Supervisory Board member of Perum Bulog of the Republic of Indonesia.

SOURCES: CGSI RESEARCH, COMPANY REPORTS

**Figure 22: Peers comparison**

Company	Ticker	Rating	Target price	Current price	Market Cap (US\$m)	EV (US\$m)	P/E (x)			EV/EBITDA (x)			ROE (%)		
							FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Archi Indonesia	ARCI IJ	ADD	1,450	1,140	1,707	2,108	17.1	12.7	9.8	9.8	7.2	5.5	31%	30%	29%
<b>Indonesia peers</b>															
Merdeka Copper Gold	MDKA IJ	ADD	2,700	2,280	3,365	6,756	na	42.4	52.8	18.0	11.0	10.4	-2%	9%	6%
Merdeka Gold Resources	EMAS IJ	NR	na	4,460	4,352	4,535	na	na	na	na	na	na	na	na	na
Amman Mineral Internasional	AMMN IJ	NR	na	6,975	30,502	35,689	na	52.6	32.4	43.6	22.2	15.3	-1%	11%	15%
Bumi Resources Minerals	BRMS IJ	NR	na	955	8,165	8,060	na	na	na	80.6	63.9	50.8	5%	6%	7%
J Resources Asia Pasifik	PSAB IJ	NR	na	620	989	1,316	na	na	na	na	na	na	na	na	na
							na	47.5	42.6	47.4	32.4	25.5	1%	8%	10%
<b>Gold</b>															
Newmont Corp	NEM US	NR	na	87.0	95,510	96,625	15.2	13.2	12.3	8.2	7.5	7.3	20%	18%	16%
Barrick Gold Corp	ABX CN	NR	na	46.4	56,597	65,117	15.8	12.2	11.8	7.0	5.4	5.4	13%	16%	15%
Agnico Eagle Mines Ltd	AEM CN	NR	na	232.1	83,638	82,811	22.6	20.3	21.1	11.0	9.8	10.4	17%	17%	14%
Northern Star Resources	NST AU	NR	na	24.7	23,228	23,311	22.2	18.3	14.3	10.4	8.1	6.6	13%	12%	14%
Evolution Mining	EVN AU	NR	na	11.3	14,913	15,577	24.6	16.9	15.8	10.8	8.3	7.8	19%	24%	22%
Perseus Mining	PRU AU	NR	na	4.9	4,356	3,816	11.2	11.4	11.0	5.5	5.3	5.0	21%	17%	15%
Belleve Gold	BGL AU	NR	na	1.2	1,186	1,311	46.9	14.4	8.7	9.5	5.9	4.3	5%	13%	17%
Capricorn Metals	CMM AU	NR	na	13.8	3,905	3,692	35.8	20.4	15.5	18.6	12.3	9.5	30%	29%	27%
<b>Global gold average</b>							<b>24.3</b>	<b>15.9</b>	<b>13.8</b>	<b>10.1</b>	<b>7.8</b>	<b>7.0</b>	<b>17%</b>	<b>18%</b>	<b>17%</b>

SOURCES: CGSI RESEARCH ESTIMATES, BLOOMBERG, COMPANY REPORTS  
ESTIMATES FOR NOT RATED NOTES ARE FROM BLOOMBERG CONSENSUS

NOTE: AS OF 8 OCT 2025

## Appendix

As of Dec 24, data from the World Gold Council ranked Indonesia as the 8th largest gold-producing country globally, with an annual output of 140mt (equivalent to 4.5m oz). Domestically, the largest gold producer is Freeport Indonesia (unlisted), which operates the Grasberg mine and produced 1.8m oz of gold in FY2024. The second-largest producer is Amman Mineral (AMMN IJ – not rated), with an output of 803kozpa. However, both companies are facing production challenges in FY25F; Freeport Indonesia experienced an [underground mining accident](#), leading to a suspension of operations until 2026. Meanwhile, Amman Mineral has revised its gold production target down to 90koz for FY25F as its copper smelter undergoes a commissioning phase.

In light of these developments, ARCI is well-positioned to emerge as one of the top three gold producers in Indonesia, supported by its recovering production profile.

**The JORC Code (Joint Ore Reserves Committee Code)** is an internationally recognised reporting standard for the public disclosure of mineral resources and ore reserves. It is a professional code of practice that sets a standard for reporting of exploration results, mineral resources and ore reserves whereby classifications are in accordance with the levels of confidence in geological knowledge and technical and economic knowledge. The JORC Code is produced by the JORC Committee established in 1971 and is supported by the Australian mining industry and its professional organisations to develop and update the JORC code and maintain international reporting standards.

**Contract of Work (CoW)** is an agreement between the Indonesian government and an Indonesian legal entity (often with foreign ownership) to carry out mining business activities (exploration, development, production). It grants exclusive rights to mine within a defined area. The contract stipulates terms such as duration, profit-sharing with the government, obligations of the contractor, environmental responsibilities, etc. CoW holders are allowed to continue operations until the end of their contract term. They may also be able to have those contracts converted or transitioned into new licence types (IUPK, etc.) under certain requirements. The duration of the contract is usually long (20-30 years or more), depending on contract, with possible extensions or conversion – many CoWs have fixed life spans.



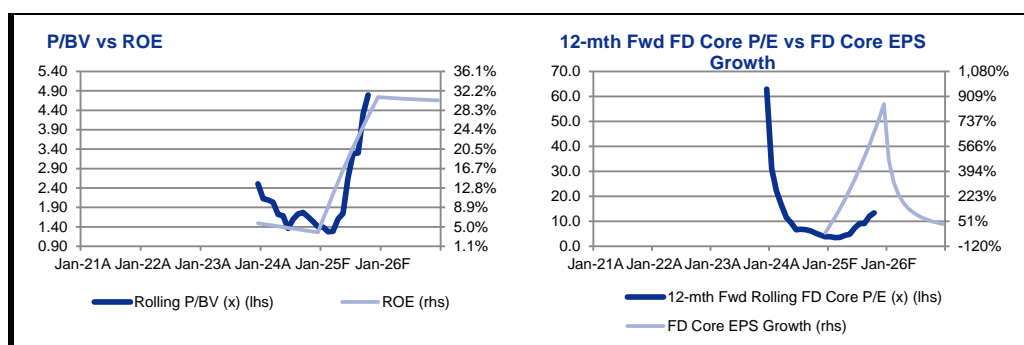
## ESG in a nutshell

ARCI has yet to be rated by LSEG. As per its FY24 sustainability report, ARCI reported use of electricity from renewable energy, while initiatives in waste/solid management have also seen strong progress this year. We believe investors should keep an eye on ARCI's development on Scope 3 measurements and progress of land reclamation activities.

<b>Keep your eye on</b>	<b>Implications</b>
Land reclamation activities.	In 2024, only 29% of its land reclamation target was achieved due to changes in mining sequence from the presence of active waste dump areas not yet finalised in design. Investors should look out for developments in ARCI's waste dump areas and progress of land reclamation.
<b>ESG highlights</b>	<b>Implications</b>
Implementation of renewable energy mix for operations.	The company has implemented the usage of B35 biodiesel for operational facilities such as vehicles, equipment and others facilities. ARCI also uses hydro, solar and geothermal electricity from PLN (SOE electricity company, non-listed) power plants for its gold ore processing plant, verified through a confirmation letter from PLN.
<b>Trends</b>	<b>Implications</b>
GHG Emissions from Scope 1 and Scope 2.	ARCI's commitment to using renewable energy is reflected in its Scope 2 GHG emissions, which are almost eliminated. Scope 1 however is still showing increasing GHG emissions, contributed by an increase in vehicle fuel consumption, with 2023/24 emissions amounting to 74,961/79,773 tonnes of CO <sub>2</sub> eq (+6% yoy).
Water and solid waste management.	Water used in ARCI's mining operations is entirely sourced from surface water reservoirs and the tailings storage facility. Total recycled water in 2023/24 amounted to 3,676,882/4,346,896 m <sup>3</sup> (+18% yoy). Additionally, waste management through the B3 waste management programme aims to reduce pollution, with total B3 waste in FY23/24 amounting to 3,756,456/3,319,624 tonnes (+13% yoy).

SOURCES: CGSI RESEARCH, COMPANY REPORTS

## BY THE NUMBERS



### Profit & Loss

(US\$m)	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
<b>Total Net Revenues</b>	<b>249.6</b>	<b>287.6</b>	<b>441.0</b>	<b>540.0</b>	<b>605.9</b>
<b>Gross Profit</b>	<b>69.8</b>	<b>60.5</b>	<b>203.5</b>	<b>264.3</b>	<b>318.7</b>
<b>Operating EBITDA</b>	<b>84.2</b>	<b>71.9</b>	<b>213.7</b>	<b>272.9</b>	<b>326.4</b>
Depreciation And Amortisation	(25.0)	(21.0)	(22.9)	(24.3)	(25.2)
<b>Operating EBIT</b>	<b>59.2</b>	<b>50.9</b>	<b>190.7</b>	<b>248.6</b>	<b>301.1</b>
Financial Income/(Expense)	(31.1)	(37.4)	(32.4)	(30.4)	(22.4)
Pretax Income/(Loss) from Assoc.	0.0	0.0	0.0	0.0	0.0
Non-Operating Income/(Expense)	0.1	7.1	5.7	0.0	0.0
<b>Profit Before Tax (pre-EI)</b>	<b>28.2</b>	<b>20.5</b>	<b>164.0</b>	<b>218.3</b>	<b>278.8</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>28.2</b>	<b>20.5</b>	<b>164.0</b>	<b>218.3</b>	<b>278.8</b>
Taxation	(13.4)	(10.1)	(64.0)	(85.1)	(108.7)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>14.8</b>	<b>10.4</b>	<b>100.1</b>	<b>133.1</b>	<b>170.1</b>
Minority Interests	(0.2)	0.0	0.0	0.0	0.0
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>14.6</b>	<b>10.5</b>	<b>100.1</b>	<b>133.1</b>	<b>170.1</b>
Recurring Net Profit	14.6	10.5	100.1	133.1	170.1
<b>Fully Diluted Recurring Net Profit</b>	<b>14.6</b>	<b>10.5</b>	<b>100.1</b>	<b>133.1</b>	<b>170.1</b>

### Cash Flow

(US\$m)	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
<b>EBITDA</b>	<b>84.2</b>	<b>71.9</b>	<b>213.7</b>	<b>272.9</b>	<b>326.4</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(41.2)	44.4	(11.0)	(4.4)	(4.1)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	(0.0)	7.1	5.7	0.0	0.0
Other Operating Cashflow	10.9	4.8	0.0	0.0	0.0
Net Interest (Paid)/Received	(31.1)	(37.4)	(32.4)	(30.4)	(22.4)
Tax Paid	(13.4)	(10.1)	(64.0)	(85.1)	(108.7)
<b>Cashflow From Operations</b>	<b>9.2</b>	<b>80.6</b>	<b>112.0</b>	<b>153.0</b>	<b>191.1</b>
Capex	(121.8)	(93.2)	(80.0)	(50.0)	(40.0)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	18.4	8.6	(2.9)	(10.5)	(3.2)
<b>Cash Flow From Investing</b>	<b>(103.4)</b>	<b>(84.6)</b>	<b>(82.9)</b>	<b>(60.5)</b>	<b>(43.2)</b>
Debt Raised/(repaid)	92.8	(0.7)	0.0	(50.0)	(150.0)
Proceeds From Issue Of Shares	0.0	0.0	0.0	0.0	0.0
Shares Repurchased					
Dividends Paid	0.0	0.0	0.0	0.0	0.0
Preferred Dividends					
Other Financing Cashflow	0.3	(0.1)	0.0	(0.0)	0.0
<b>Cash Flow From Financing</b>	<b>93.1</b>	<b>(0.8)</b>	<b>0.0</b>	<b>(50.0)</b>	<b>(150.0)</b>
Total Cash Generated	(1.0)	(4.8)	29.1	42.5	(2.0)
<b>Free Cashflow To Equity</b>	<b>(1.3)</b>	<b>(4.7)</b>	<b>29.1</b>	<b>42.5</b>	<b>(2.0)</b>
<b>Free Cashflow To Firm</b>	<b>(62.9)</b>	<b>33.7</b>	<b>61.5</b>	<b>122.8</b>	<b>170.3</b>

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

**BY THE NUMBERS... cont'd**
**Balance Sheet**

(US\$m)	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Total Cash And Equivalents	9.3	4.5	33.6	76.1	74.1
Total Debtors	19.1	22.4	34.3	42.0	47.1
Inventories	60.8	58.7	61.4	71.2	74.2
Total Other Current Assets	5.3	7.2	7.2	7.2	7.2
<b>Total Current Assets</b>	<b>94.6</b>	<b>92.8</b>	<b>136.5</b>	<b>196.5</b>	<b>202.6</b>
Fixed Assets	609.5	681.8	738.8	764.5	779.3
Total Investments	0.0	0.0	0.0	0.0	0.0
Intangible Assets	0.0	0.0	0.0	0.0	0.0
Total Other Non-Current Assets	99.5	90.9	93.7	104.3	107.4
<b>Total Non-current Assets</b>	<b>709.0</b>	<b>772.6</b>	<b>832.5</b>	<b>868.8</b>	<b>886.7</b>
Short-term Debt	49.2	64.3	99.9	92.4	69.9
Current Portion of Long-Term Debt					
Total Creditors	48.8	78.0	81.6	94.7	98.7
Other Current Liabilities	24.1	42.3	42.3	42.3	42.3
<b>Total Current Liabilities</b>	<b>122.2</b>	<b>184.6</b>	<b>223.7</b>	<b>229.4</b>	<b>210.8</b>
Total Long-term Debt	356.0	340.2	304.7	262.2	134.7
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	18.8	19.1	19.1	19.1	19.1
<b>Total Non-current Liabilities</b>	<b>374.8</b>	<b>359.3</b>	<b>323.8</b>	<b>281.3</b>	<b>153.8</b>
Total Provisions	44.0	48.5	48.5	48.5	48.5
<b>Total Liabilities</b>	<b>541.0</b>	<b>592.4</b>	<b>596.0</b>	<b>559.1</b>	<b>413.1</b>
<b>Shareholders' Equity</b>	<b>262.5</b>	<b>272.9</b>	<b>373.0</b>	<b>506.1</b>	<b>676.2</b>
Minority Interests	0.1	0.1	0.1	0.1	0.1
<b>Total Equity</b>	<b>262.6</b>	<b>273.0</b>	<b>373.0</b>	<b>506.2</b>	<b>676.2</b>

**Key Ratios**

	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Revenue Growth	15.3%	15.2%	53.3%	22.4%	12.2%
Operating EBITDA Growth	(2%)	(15%)	197%	28%	20%
Operating EBITDA Margin	33.7%	25.0%	48.4%	50.5%	53.9%
Net Cash Per Share (US\$)	(0.016)	(0.016)	(0.015)	(0.011)	(0.005)
BVPS (US\$)	0.011	0.011	0.015	0.020	0.027
Gross Interest Cover	1.89	1.35	5.89	8.19	13.47
Effective Tax Rate	47.7%	49.3%	39.0%	39.0%	39.0%
Net Dividend Payout Ratio	NA	NA	NA	NA	NA
Accounts Receivables Days	28.91	26.41	23.44	25.77	26.83
Inventory Days	113.4	96.3	92.3	87.8	92.4
Accounts Payables Days	110.8	102.2	122.7	116.7	122.9
ROIC (%)	5.1%	3.6%	15.7%	18.7%	21.6%
ROCE (%)	9.1%	7.1%	24.6%	28.7%	32.8%
Return On Average Assets	4.1%	3.5%	13.1%	14.9%	17.1%

**Key Drivers**

	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Gold ASP (US\$/oz)	1,908.2	2,496.5	3,500.0	3,600.0	3,672.0
Gold Production (k oz)	123.3	93.4	120.0	150.0	165.0

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

### DISCLAIMER

The content of this report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by and belongs to CGS International. Reports relating to a specific geographical area are produced and distributed by the corresponding CGS International entity as listed in the table below.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.

By accepting this report, the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth below and agrees to be bound by the limitations contained herein (including the "Restrictions on Distributions" set out below). Any failure to comply with these limitations may constitute a violation of law. This publication is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of CGS International.

The information contained in this research report is prepared from data believed to be correct and reliable at the time of issue of this report. CGS International may or may not issue regular reports on the subject matter of this report at any frequency and may cease to do so or change the periodicity of reports at any time. CGS International has no obligation to update this report in the event of a material change to the information contained in this report. CGS International does not accept any obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant, (ii) ensure that the content of this report constitutes all the information a prospective investor may require, (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, CGS International, its affiliates and related corporations shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof. In particular, CGS International disclaims all responsibility and liability for the views and opinions set out in this report.

Unless otherwise specified, this report is based upon sources which CGS International considers to be reasonable. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research.

Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of CGS International or any of its affiliates to any person to buy or sell any investments.

CGS International, its affiliates and related corporations and/or their respective directors, associates, connected parties and/or employees may own or have positions in securities of the company(ies) covered in this research report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities. Further, CGS International, its affiliates and their respective related corporations do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in securities of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS International or its affiliates may enter into an agreement with the company(ies) covered in this report relating to the production of research reports. CGS International may disclose the contents of this report to the company(ies) covered by it and may have amended the contents of this report following such disclosure.

The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report. The analyst(s) who prepared this research report is prohibited from receiving any compensation, incentive or bonus based on specific investment banking transactions or for providing a specific recommendation for, or view of, a particular company. Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations and the research personnel involved in the preparation of this report may also participate in the solicitation of the businesses as described above. In reviewing this research report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request.

Reports relating to a specific geographical area are produced by the corresponding CGS International entity as listed in the table below. The term "CGS International" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case except as otherwise stated herein, CGS International Securities Pte. Ltd. and its affiliates, subsidiaries and related corporations.

Jurisdiction	CGS International Entity	Regulated by
Hong Kong	CGS International Securities Hong Kong Limited	Securities and Futures Commission Hong Kong
Indonesia	PT CGS International Sekuritas Indonesia	Financial Services Authority of Indonesia
Malaysia	CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Securities Sdn. Bhd.)	Securities Commission Malaysia
Singapore	CGS International Securities Singapore Pte. Ltd.	Monetary Authority of Singapore
South Korea	CGS International Securities Hong Kong Limited, Korea Branch	Financial Services Commission and Financial Supervisory Service
Thailand	CGS International Securities (Thailand) Co. Ltd.	Securities and Exchange Commission Thailand

**Other Significant Financial Interests:**

(i) As of October 8, 2025 CGS International has a proprietary position in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) -

(ii) Analyst Disclosure: As of October 9, 2025, the analyst(s) who prepared this report, and the associate(s), has / have an interest in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) -

This report does not purport to contain all the information that a prospective investor may require. Neither CGS International nor any of its affiliates make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information and opinion contained in this report. Neither CGS International nor any of its affiliates nor their related corporations shall be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

This report is general in nature and has been prepared for information purposes only. It is intended for circulation amongst CGS International's clients generally and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. The information and opinions in this report are not and should not be construed or considered as an offer, recommendation or solicitation to buy or sell the subject securities, related investments or other financial instruments or any derivative instrument, or any rights pertaining thereto.

Investors are advised to make their own independent evaluation of the information contained in this research report, consider their own individual investment objectives, financial situation and particular needs and consult their own professional and financial advisers as to the legal, business, financial, tax and other aspects before participating in any transaction in respect of the securities of company(ies) covered in this research report.

The securities of such company(ies) may not be eligible for sale in all jurisdictions or to all categories of investors.

**Restrictions on Distributions**

**Australia:** Despite anything in this report to the contrary, this research is provided in Australia by CGS International Securities Singapore Pte. Ltd. ("CGS SG") and CGS International Securities Hong Kong Limited ("CGS HK"). This research is only available in Australia to persons who are "wholesale clients" (within the meaning of the Corporations Act 2001 (Cth) and is supplied solely for the use of such wholesale clients and shall not be distributed or passed on to any other person. You represent and warrant that if you are in Australia, you are a "wholesale client". This research is of a general nature only and has been prepared without taking into account the objectives, financial situation or needs of the individual recipient. CGS SG and CGS HK do not hold, and are not required to hold an Australian financial services license. CGS SG and CGS HK rely on "passporting" exemptions for entities appropriately licensed by the Monetary Authority of Singapore (under ASIC Class Order 03/1102) and the Securities and Futures Commission in Hong Kong (under ASIC Class Order 03/1103).

**Canada:** This research report has not been prepared in accordance with the disclosure requirements of Dealer Member Rule 3400 – Research Restrictions and Disclosure Requirements of the Investment Industry Regulatory Organization of Canada. For any research report distributed by CIBC, further disclosures related to CIBC conflicts of interest can be found at <https://researchcentral.cibcwm.com>.

**China:** For the purpose of this report, the People's Republic of China ("PRC") does not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region or Taiwan. The distributor of this report has not been approved or licensed by the China Securities Regulatory Commission or any other relevant regulatory authority or governmental agency in the PRC. This report contains only marketing information. The distribution of this report is not an offer to buy or sell to any person within or outside PRC or a solicitation to any person within or outside of PRC to buy or sell any instruments described herein. This report is being issued outside the PRC to a limited number of institutional investors and may not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose.

**France:** Only qualified investors within the meaning of French law shall have access to this report. This report shall not be considered as an offer to subscribe to, or used in connection with, any offer for subscription or sale or marketing or direct or indirect distribution of financial instruments and it is not intended as a solicitation for the purchase of any financial instrument.

**Germany:** This report is only directed at persons who are professional investors as defined in sec 31a(2) of the German Securities Trading Act (WpHG). This publication constitutes research of a non-binding nature on the market situation and the investment instruments cited here at the time of the publication of the information.

The current prices/yields in this issue are based upon closing prices from Bloomberg as of the day preceding publication. Please note that neither the German Federal Financial Supervisory Agency (BaFin), nor any other supervisory authority exercises any control over the content of this report.

**Hong Kong:** This report is issued and distributed in Hong Kong by CGS HK which is licensed in Hong Kong by the Securities and Futures Commission for Type 1 (dealing in securities) and Type 4 (advising on securities) activities. Any investors wishing to purchase or otherwise deal in the securities covered in this report should contact the Head of Sales at CGS HK. The views and opinions in this research report are our own as of the date hereof and are subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. CGS HK has no obligation to update its opinion or the information in this research report.

This publication is strictly confidential and is for private circulation only to clients of CGS HK.

CGS HK does not make a market on other securities mentioned in the report.

**Indonesia:** This report is issued and distributed by PT CGS International Sekuritas Indonesia ("CGS ID"). The views and opinions in this research report are our own as of the date hereof and are subject to change. CGS ID has no obligation to update its opinion or the information in this research report. This report is for private circulation only to clients of CGS ID. Neither this report nor any copy hereof may be distributed in Indonesia or to any Indonesian citizens wherever they are domiciled or to Indonesian residents except in compliance with applicable Indonesian capital market laws and regulations.

This research report is not an offer of securities in Indonesia. The securities referred to in this research report have not been registered with the Financial Services Authority (Otoritas Jasa Keuangan) pursuant to relevant capital market laws and regulations, and may not be offered or sold within the territory of the Republic of Indonesia or to Indonesian citizens through a public offering or in circumstances which constitute an offer within the meaning of the Indonesian capital market law and regulations.

**Ireland:** CGS International is not an investment firm authorised in the Republic of Ireland and no part of this document should be construed as CGS International acting as, or otherwise claiming or representing to be, an investment firm authorised in the Republic of Ireland.

**Malaysia:** This report is distributed in Malaysia by CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Securities Sdn. Bhd.) ("CGS MY") solely for the benefit of and for the exclusive use of our clients. Recipients of this report are to contact CGS MY, at Level 22, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur, Malaysia, in respect of any matters arising from or in connection with this report. CGS MY has no obligation to update, revise or reaffirm its opinion or the information in this research report after the date of this report.

**New Zealand:** In New Zealand, this report is for distribution only to persons who are wholesale clients pursuant to section 5C of the Financial Advisers Act 2008.

**Singapore:** This report is issued and distributed by CGS SG. CGS SG is a capital markets services licensee under the Securities and Futures Act 2001. Accordingly, it is exempted from the requirement to hold a financial adviser's licence under the Financial Advisers Act 2001 ("FAA") for advising on investment products, by issuing or promulgating research analyses or research reports, whether in electronic, print or other form. CGS SG is subject to the applicable rules under the FAA unless it is able to avail itself to any prescribed exemptions.

Recipients of this report are to contact CGS SG, 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #09-01, Singapore 018983 in respect of any matters arising from, or in connection with this report. CGS SG has no obligation to update its opinion or the information in this research report. This publication is strictly confidential and is for private circulation only. If you have not been sent this report by CGS SG directly, you may not rely, use or disclose to anyone else this report or its contents.

If the recipient of this research report is not an accredited investor, expert investor or institutional investor, CGS SG accepts legal responsibility for the contents of the report without any disclaimer limiting or otherwise curtailing such legal responsibility. If the recipient is an accredited investor, expert investor or institutional investor, the recipient is deemed to acknowledge that CGS SG is exempt from certain requirements under the FAA and its attendant regulations, and as such, is exempt from complying with the following:

- (a) Section 34 of the FAA (obligation to disclose product information);
- (b) Section 36 (duty not to make recommendation with respect to any investment product without having a reasonable basis where you may be reasonably expected to rely on the recommendation) of the FAA;
- (c) MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03];
- (d) MAS Notice on Recommendation on Investment Products [Notice No. FAA-N16];
- (e) Section 45 (obligation on disclosure of interest in specified products), and
- (f) any other laws, regulations, notices, directive, guidelines, circulars and practice notes which are relates to the above, to the extent permitted by applicable laws, as may be amended from time to time, and any other laws, regulations, notices, directive, guidelines, circulars, and practice notes as we may notify you from time to time. In addition, the recipient who is an accredited investor, expert investor or institutional investor acknowledges that as CGS SG is exempt from Section 36 of the FAA, the recipient will also not be able to file a civil claim against CGS SG for any loss or damage arising from the recipient's reliance on any recommendation made by CGS SG which would otherwise be a right that is available to the recipient under Section 36 of the FAA.

CGS SG, its affiliates and related corporations, their directors, associates, connected parties and/or employees may own or have positions in specified products of the company(ies) covered in this research report or any specified products related thereto and may from time to time add to or dispose of, or may be materially interested in, any such specified products. Further, CGS SG, its affiliates and its related corporations do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in specified products of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS SG does not make a market on the securities mentioned in the report.

Chan Swee Liang Carolina, the Group Chief Executive Officer of the CGS International group of companies (in which CGS SG is a member) is an independent non-executive director of City Developments Limited as of 29 Dec 2020. CGS SG is of the view that this does not create any conflict of interest that may affect the ability of the analyst or CGS SG to offer independent and unbiased analyses and recommendations.

**South Korea:** This report is issued and distributed in South Korea by CGS International Securities Hong Kong Limited, Korea Branch ("CGS KR") which is licensed as a cash equity broker, and regulated by the Financial Services Commission and Financial Supervisory Service of Korea. In South Korea, this report is for distribution only to professional investors under Article 9(5) of the Financial Investment Services and Capital Market Act of Korea ("FSCMA").

**Spain:** This document is a research report and it is addressed to institutional investors only. The research report is of a general nature and not personalised and does not constitute investment advice so, as the case may be, the recipient must seek proper advice before adopting any investment decision. This document does not constitute a public offering of securities.

CGS International is not registered with the Spanish Comision Nacional del Mercado de Valores to provide investment services.

**Sweden:** This report contains only marketing information and has not been approved by the Swedish Financial Supervisory Authority. The distribution of this report is not an offer to sell to any person in Sweden or a solicitation to any person in Sweden to buy any instruments described herein and may not be forwarded to the public in Sweden.

**Switzerland:** This report has not been prepared in accordance with the recognized self-regulatory minimal standards for research reports of banks issued by the Swiss Bankers' Association (Directives on the Independence of Financial Research).

**Thailand:** This report is issued and distributed by CGS International Securities (Thailand) Co. Ltd. ("CGS TH") based upon sources believed to be reliable (but their accuracy, completeness or correctness is not guaranteed). The statements or expressions of opinion herein were arrived at after due and careful consideration for use

as information for investment. Such opinions are subject to change without notice and CGS TH has no obligation to update its opinion or the information in this research report.

**Corporate Governance Report (CGR):** ([Thai CGR and Anti-Corruption of Thai Listed Companies - Click here](#))

The disclosure of the survey result of the Thai Institute of Directors Association (“IOD”) regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS TH does not confirm nor certify the accuracy of such survey result.

<b>Score Range:</b>	90 - 100	80 – 89	70 - 79	Below 70	No Survey Result
<b>Description:</b>	Excellent	Very Good	Good	N/A	N/A

**United Arab Emirates:** The distributor of this report has not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities or governmental agencies in the United Arab Emirates. This report is strictly private and confidential and has not been reviewed by, deposited or registered with UAE Central Bank or any other licensing authority or governmental agencies in the United Arab Emirates. This report is being issued outside the United Arab Emirates to a limited number of institutional investors and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Further, the information contained in this report is not intended to lead to the sale of investments under any subscription agreement or the conclusion of any other contract of whatsoever nature within the territory of the United Arab Emirates.

**United Kingdom and European Economic Area (EEA):** In the United Kingdom and European Economic Area, this material is also being distributed by CGS International Securities UK Ltd. (“CGS UK”). CGS UK is authorized and regulated by the Financial Conduct Authority and its registered office is at 53 New Broad Street, London EC2M 1JJ. The material distributed by CGS UK has been prepared in accordance with CGS International’s policies for managing conflicts of interest arising as a result of publication and distribution of this material. This material is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of CGS UK; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”), (c) fall within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc”) of the Order; (d) are outside the United Kingdom subject to relevant regulation in each jurisdiction, material(all such persons together being referred to as “relevant persons”). This material is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons. This material is categorised as non-independent for the purposes of CGS UK and therefore does not provide an impartial or objective assessment of the subject matter and does not constitute independent research. Consequently, this material has not been prepared in accordance with legal requirements designed to promote the independence of research and will not be subject to any prohibition on dealing ahead of the dissemination of research. Therefore, this material is considered a marketing communication.

**United States:** This research report is distributed in the United States of America by CGS International Securities USA Inc, a U.S. registered broker-dealer and an affiliate of CGS MY, CGS SG, CGS ID, CGS TH and CGS HK and is distributed solely to persons who qualify as “U.S. Institutional Investors” as defined in Rule 15a-6 under the Securities and Exchange Act of 1934. This communication is only for Institutional Investors whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. CGS International Securities USA, Inc. (“CGS US”), is a FINRA/SIPC member and takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS US.

CGS International Securities USA, Inc. does not make a market on other securities mentioned in the report.

CGS US has not managed or co-managed a public offering of any of the securities mentioned in the past 12 months.

CGS US has not received compensation for investment banking services from any of the company mentioned in the past 12 months.

CGS US neither expects to receive nor intends to seek compensation for investment banking services from any of the company mentioned within the next 3 months.

**United States Third-Party Disclaimer:** If this report is distributed in the United States of America by Raymond James & Associates, Inc (“RJA”), this report is third-party research prepared for and distributed in the United States of America by RJA pursuant to an arrangement between RJA and CGS International Securities Pte. Ltd. (“CGSI”). CGSI is not an affiliate of RJA. This report is distributed solely to persons who qualify as “U.S. Institutional Investors” or as “Major U.S. Institutional Investors” as defined in Rule 15a-6 under the Securities and Exchange Act of 1934, as amended. This communication is only for U.S. Institutional Investors or Major U.S. Institutional Investor whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major U.S. Institutional Investor must not rely on this communication. The delivery of this report to any person in the U.S. is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. If you are receiving this report in the U.S from RJA, a FINRA/SIPC member, it takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS US or RJA.  
<https://raymondjames.com/InternationalEquityDisclosures>

**Other jurisdictions:** In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is only for distribution to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

Distribution of stock ratings and investment banking clients for quarter ended on 30 September 2025

551 companies under coverage for quarter ended on 30 September 2025

	Rating Distribution (%)	Investment Banking clients (%)
Add	69.9%	1.3%
Hold	20.7%	0.5%
Reduce	9.4%	0.4%

**Spitzer Chart for stock being researched ( 2 year data )**

**Archi Indonesia (ARCI IJ)**

— Price Close



**Recommendation Framework**

**Stock Ratings**

Definition:

**Add** The stock's total return is expected to exceed 10% over the next 12 months.

**Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.

**Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

*The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.*

**Sector Ratings**

Definition:

**Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.

**Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.

**Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

**Country Ratings**

Definition:

**Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.

**Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.

**Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.