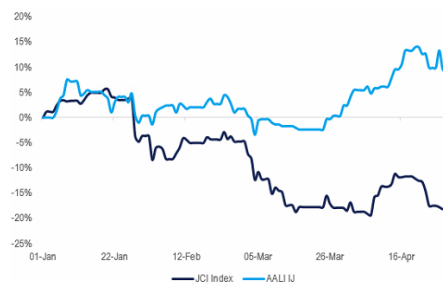


Stock Data

Target price	Rp7,400
Prior TP	Rp7,500
Current price	Rp8,050
Upside/downside	-8.1%
Shares outstanding (mn)	1,925
Market cap (Rp bn)	15,494
Free float	20%
Avg. 6m daily T/O (Rp bn)	9

Price Performance

	3M	6M	12M
Absolute	10.3%	1.9%	33.6%
Relative to JCI	24%	14.9%	28.4%
52w low/high (Rp)	5,725 – 8,000		



Major Shareholders

Astra International	79.7%
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1Q26 result: beat to consensus but in-line with ours

- 1Q26 core NP came at Rp535bn (-18% qoq; +44% yoy), reaching 28%/35% of our and consensus FY26F estimates.
- 1Q26 GPM (15.5%) missed on higher costs, but EBITDA margin (14.4%) still in-line, supported by lower selling expenses.
- Maintain HOLD, as potential upside from higher CPO prices may be offset by cost pressure from replanting acceleration.

1Q26 core NP beat consensus but in-line with ours

AALI reported 1Q26 core NP of Rp535bn (-18% qoq; +44% yoy), reaching 28%/35% of our and consensus FY26F estimates. This was 102% of our 1Q26F estimate (in-line) while beating consensus. Revenue was at Rp7.5tr (-15% qoq; +7% yoy), forming 22%/26% of our/consensus FY26F estimates (2-year mean: 23%). EBITDA stood at Rp1.1tr (-14% qoq; +29% yoy), at 27%/31% of FY26F (2-year mean: 20%). AALI maintained a zero-debt position as of end-Mar26 (unchanged from Dec25), broadly in-line with our FY26F assumption.

GPM came below estimate while EBITDA margin was in-line

GPM came at 15.5%, below our 1Q26F estimate of 17%, driven by higher other costs (315% of our estimate) and inventory expenses (-Rp398bn vs. our +Rp77bn estimate). However, EBITDA margin remained in-line at 14.4%, supported by lower opex - especially selling expenses.

FY26F strategy: accelerate replanting; higher capex guidance

AALI guides FY26F capex of Rp1.4tr (vs. Rp782bn in 2025), above our Rp936bn estimate. However, we see limited cash flow impact, with capex/EBITDA at a healthy 0.35x (5-year mean: 0.33x). Allocation is mainly for plantation (64%), followed by mill and port maintenance (20%). The company also targets higher replanting of 6-8k ha in FY26F (vs. 5k in 2025 and ~4k historical), above our 5k ha estimate.

Maintain HOLD call

AALI's share price has risen 9% YTD, still underperforming peers (+23-45%). We maintain HOLD, as earnings may face pressure in FY26F due to higher external purchases. Upside from higher CPO prices is likely limited amid ongoing replanting acceleration and cost pressure. We are reviewing our estimates pending further clarity. Key risks: weaker volume, tighter competition for external FFB/CPO, and regulatory changes.

Financial Summary (Rp bn)	2024A	2025A	2026F	2027F	2028F
Revenue	21,815	28,655	33,459	34,668	34,328
EBITDA	3,066	3,880	3,979	3,628	4,028
Core net profit	1,258	2,223	1,914	1,657	1,885
Core EPS	654	1,155	994	861	980
Core EPS growth	29%	77%	-14%	-13%	14%
ROE	6%	9%	8%	7%	7%
PER (x)	12.4	7.0	8.1	9.4	8.2
EV/EBITDA	5.2	3.5	3.4	3.4	2.8
Dividend yield	3%	4%	6%	5%	5%
IPS vs. consensus adj.			126%	113%	466%

Source: Company, Indo Premier

Share price closing as of: 28 Apr 2026

1Q26 result review

Fig. 1: Financial result in 1Q26

Financial result - in Rpbn unless stated otherwise	1Q26	1Q25	Growth yoy	4Q25	Growth qoq	IPC FY26F	% to IPC	Cons FY26F	% to Cons	2-year mean	1Q26F	% to IPS 1Q26F
Revenue	7,502	7,024	7%	6,536	15%	33,459	22%	28,713	26%	23%	7,494	100.1%
Cost of revenue	- 6,339	- 6,087	4%	- 5,167	23%	28,615					- 6,236	101.7%
Gross profit	1,163	937	24%	1,369	-15%	4,844	24%				1,258	92.4%
GPM	15.5%	13.3%		20.9%		14.5%					16.8%	
Opex	- 438	- 460	-5%	- 511	-14%	2,372					- 569	77.0%
EBIT	725	477	52%	858	-16%	2,471	29%	2,113	34%	17%	689	105.2%
EBIT margin	9.7%	6.8%		13.1%		7.4%					9.2%	
EBITDA	1,082	836	29%	1,255	-14%	3,979	27%	3,458	31%	20%	1,056	102.4%
EBITDA margin	14.4%	11.9%		19.2%		11.9%					14.1%	
Other income/expense (exc. JV and asso income)	- 150	- 66	127%	- 165	-9%	492					123	
JV and asso income	- 34	- 40	-14%	- 22	58%	78	44%				- 19	
Pretax income	540	371	46%	671	-19%	2,885					793	
Tax expense	- 152	- 86	77%	- 245	-38%	886					- 243	
Net profit attributable	373	277	35%	402	-7%	1,914	20%				526	
Core NP	535	373	44%	654	-18%	1,914	28%	1,515	35%	16%	526	101.7%
Core NP margin	7.1%	5.3%		10.0%		5.7%					7.0%	

Source: Company, Indo Premier

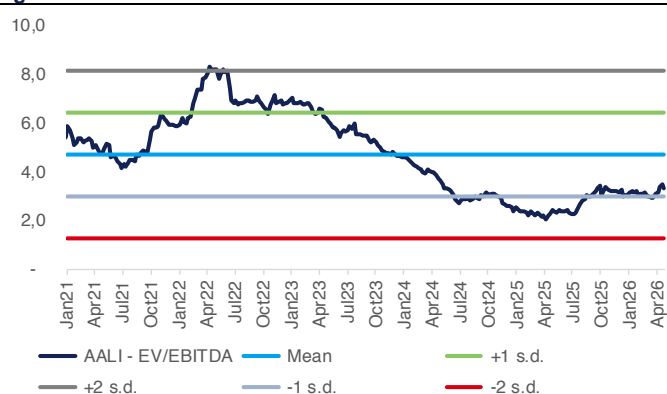
Valuation

Fig. 2: SOP valuation; a slight change in TP to Rp7,400 (vs. Rp7,500 previously) due to change in cash following higher-than-expected final DPR in May 2026

In Rpbn, unless stated otherwise	12M FWD	Remarks
EV/EBITDA Multiple (x)	3	At -1 s.d. below mean since 2021, as we expect earnings decline in FY26-27F
EBITDA	3,891	
EV	12,062	
Market cap	14,277	
Debt	90	
Cash	3,011	
Minority	706	
# share (bn)	2	
Implied price per share	7,418	
Rounded TP (Rp/sh)	7,400	

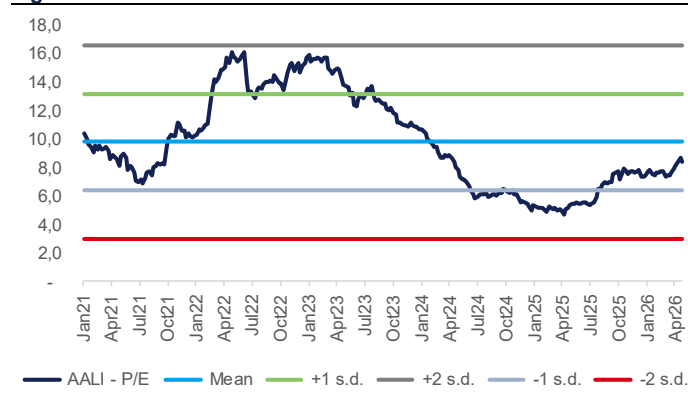
Source: Company, Indo Premier

Fig. 3: EV/EBITDA 12M forward



Source: Company, Bloomberg, Indo Premier

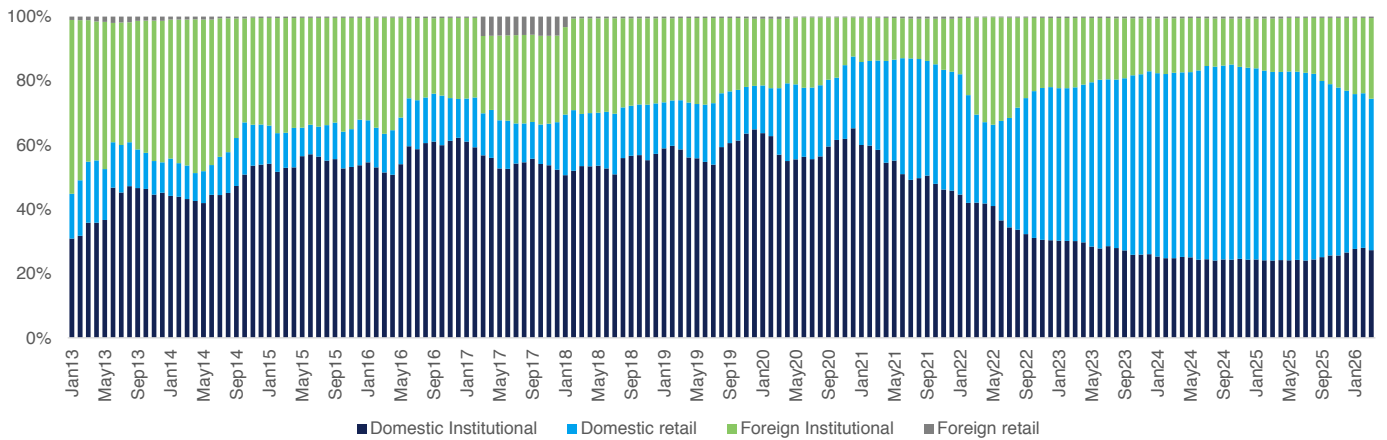
Fig. 4: P/E 12M forward



Source: Company, Bloomberg, Indo Premier

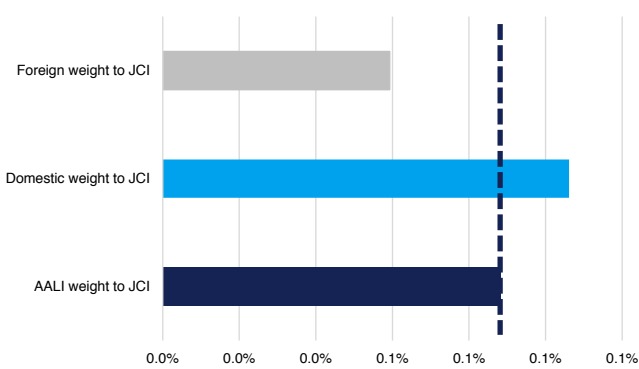
Share ownership

Fig. 5: Share ownership since 2013



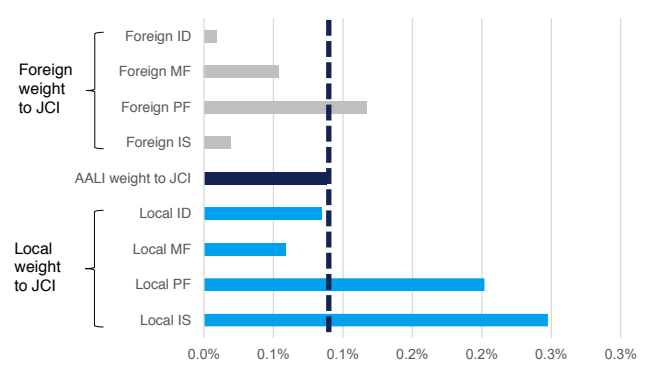
Source: KSEI, Indo Premier

Fig. 6: Share ownership in Mar26



Source: KSEI, Indo Premier

Fig. 7: Share ownership in Mar26



Source: KSEI, Indo Premier

Income Statement (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Net revenue	21,815	28,655	33,459	34,668	34,328
Cost of sales	(18,474)	(24,023)	(28,615)	(30,131)	(29,438)
Gross profit	3,341	4,631	4,844	4,538	4,891
Operating expenses	(1,682)	(2,214)	(2,372)	(2,467)	(2,474)
Operating profit	1,658	2,417	2,471	2,071	2,416
EBITDA	3,066	3,880	3,979	3,628	4,028
Net interest	(53)	141	286	296	293
Forex gain (loss)	(8)	44	-	-	-
Others	110	(375)	129	136	134
Pre-tax income	1,707	2,227	2,885	2,503	2,843
Income tax	(520)	(689)	(886)	(772)	(874)
Minority interest	(39)	(66)	(86)	(74)	(84)
Net income	1,148	1,472	1,914	1,657	1,885
Core net profit	1,258	2,223	1,914	1,657	1,885

Balance Sheet (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Cash & equivalents	3,236	2,756	2,719	3,889	5,156
Inventories	3,700	3,247	3,554	3,871	4,186
Other current assets	1,498	2,660	2,660	2,660	2,660
Total current assets	8,434	8,663	8,933	10,421	12,002
Fixed assets	8,456	7,782	7,235	6,669	6,082
Other non-current assets	11,903	10,603	12,461	12,509	12,626
Total non-current assets	20,360	18,384	19,697	19,178	18,708
Total assets	28,793	27,047	28,630	29,599	30,710
Current portion of LT loans	1,690	-	90	90	90
Other current liab.	1,548	2,000	2,446	2,525	2,467
Total current liab.	3,238	2,000	2,536	2,615	2,557
Long term loans	1,500	-	-	-	-
Other LT liab.	854	889	889	889	889
Total liabilities	5,591	2,889	3,425	3,504	3,446
Equity	4,808	4,808	4,808	4,808	4,808
Retained earnings	17,834	18,748	19,709	20,526	21,611
Minority interest	560	601	687	761	846
Total SHE + minority int.	23,202	24,158	25,204	26,095	27,264
Total liabilities & equity	28,793	27,047	28,630	29,599	30,710

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Net income	1,148	1,472	1,914	1,657	1,885
Depr. & amortization	1,294	1,096	1,507	1,557	1,611
Changes in working capital	(188)	(257)	139	(239)	(373)
Others	-	-	-	-	-
Cash flow from operating	2,254	2,311	3,560	2,975	3,124
Capex	(891)	(383)	(936)	(1,038)	(1,141)
Others	966	1,262	(1,884)	-	-
Cash flow from investing	75	879	(2,820)	(1,038)	(1,141)
Loans	(670)	(3,154)	90	-	-
Equity	(42)	33	(0)	0	0
Dividends	(479)	(591)	(953)	(841)	(800)
Others	10	41	86	74	84
Cash flow from financing	(1,182)	(3,670)	(777)	(766)	(716)
Changes in cash	1,147	(480)	(37)	1,170	1,267

Key Ratios	FY24	FY25	FY26F	FY27F	FY28F
Gross margin	15%	16%	14%	13%	14%
EBITDA margin	14%	14%	12%	10%	12%
Pre-tax margin	8%	8%	9%	7%	8%
Core net margin	6%	8%	6%	5%	5%
ROA	4%	8%	7%	6%	6%
ROE	6%	9%	8%	7%	7%
ROIC	6%	11%	9%	8%	9%
Net gearing (x)	(0.0)	(0.1)	(0.1)	(0.1)	(0.2)
Net debt to EBITDA (x)	(0.0)	(0.7)	(0.7)	(1.0)	(1.3)
Interest coverage (x)	12	28	521	475	527

SECTOR RATINGS

- 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

COMPANY RATINGS

- BUY** : Expected total return of 10% or more within a 12-month period
- HOLD** : Expected total return between -10% and 10% within a 12-month period
- SELL** : Expected total return of -10% or worse within a 12-month period

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