INDOPREMIER

PP London Sumatra Indonesia

BUY *(unchanged)*

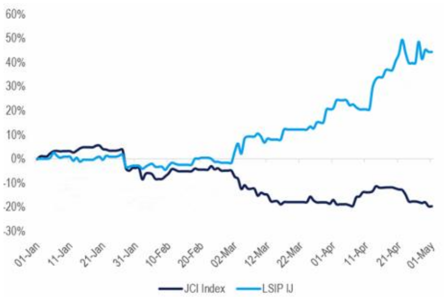
Company Update | Plantations | LSIP IJ | 01 May 2026

Stock Data

Target price	**Rp1,600**
Prior TP	*Rp1,600*
Current price	1,725
Upside/downside	*-7.2%*
Shares outstanding (mn)	6,820
Market cap (Rp bn)	11,764
Free float	40%
Avg. 6m daily T/O (Rp bn)	18

Price Performance

	3M	6M	12M
Absolute	48.7%	22.8%	47.4%
Relative to JCI	65.2%	37.6%	44.6%
52w low/high (Rp)		1,115 – 1,785	



Major Shareholders

Salim Ivomas Pratama	59.5%

Halima Yefany

PT Indo Premier Sekuritas

halima.yefany@ipc.co.id

+62 21 5088 7168 ext. 719

Aurelia Barus

PT Indo Premier Sekuritas

aurelia.barus@ipc.co.id

+62 21 5088 7168 ext. 719

1Q26 result: beat on higher sales volume and lower costs

- LSIP posted 1Q26 core NP of Rp355bn (-44% qoq; -12% yoy), exceeding our and consensus estimates at 115% of our 1Q26F.
- Sales volume was robust, supported by inventory drawdown, while cash margin improved on lower cash costs.
- Maintain BUY on stronger-than-expected earnings.

LSIP 1Q26 result: strong beat across the board

In 1Q26, LSIP reported core NP of Rp355bn (-44% qoq; -12% yoy), reaching 18%/19% of our and consensus FY26F estimates (3-Y mean: 17%) and 115% of our 1Q26F estimate, a beat. Revenue came at Rp1.3tr (-15% qoq; +3% yoy), accounting for 21%/24% of our and consensus FY26F estimates (3-Y mean: 21%) and 107% of our 1Q26F estimate. This was mainly driven by stronger-than-expected CPO revenue at Rp1tr (-9% qoq; +12% yoy). EBITDA stood at Rp439bn (-46% qoq; -16% yoy), representing 18% of our and consensus FY26F estimates (at 3Y mean) and 110% of our 1Q26F estimate, also above expectations. LSIP maintained at zero debt and cash of Rp7.8tr at end-Mar26 (vs. Rp7.6tr at end-Dec25), in line with our estimate.

Solid 1Q26 operational supported by sales volume and lower cash cost

Total palm product (CPO, PK, and derivatives) sales volume reached 92k tonnes (-16% qoq; +10% yoy), exceeding our 1Q26F estimate at 114%, driven by all product segments. CPO sales volume was 73k tonnes (-11% qoq; +12% yoy), while PK products reached 19k tonnes (-30% qoq; flat yoy). Sales volume exceeded production of 82k tonnes (-29% qoq; -1% yoy), indicating inventory drawdown. ASP was mixed: CPO ASP was in line (at 97%) at Rp14.3mn/t (+2% qoq; -1% yoy), while PK ASP was below expectation (at 91%) at Rp11.8mn/t (-3% qoq; -12% yoy). Cash cost came in lower (at 93%) at Rp9.6mn/t (+41% qoq; +5% yoy), driven by lower harvesting and indirect costs. As a result, cash margin exceeded expectations at Rp4.2mn/t (-38% qoq; -17% yoy), reaching 106% of our 1Q26F estimate.

Maintain BUY

We maintain our BUY, despite its share price outperforming peers by 44% YTD, supported by a strong 1Q26 results, attractive potential dividend yield of 6% p.a. in FY26–28F (35% DPR), and a cheaper valuation at 6x FY26F P/E (vs. peers at 8.1–8.2x). We are reviewing our estimates pending further details from the company. Key risks: stronger/weaker sales volume and rising fertilizer prices.

Financial Summary (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	4,563	5,512	6,321	6,642	6,618
EBITDA	2,092	2,330	2,505	2,628	2,745
Core net profit	1,608	1,849	1,988	2,086	2,168
Core EPS	236	271	291	306	318
Core EPS growth	88%	15%	7%	5%	4%
ROE	13%	13%	13%	12%	12%
PER (x)	7.3	6.4	5.9	5.6	5.4
EV/EBITDA	3.0	1.8	1.5	1.1	0.9
Dividend yield		4%	6%	6%	6%
IPS vs. consensus			108%	104%	110%

Source: Company, Indo Premier *Share price closing as of: 30 Apr 2026*

1Q26 result

Fig. 1: 1Q26 result

Financial result - in Rpbn unlesss stated oth	1Q26	1Q25	Growth yoy	4Q25	Growth qoq	IPS FY26F	% to IPC	Cons FY26F	% to Cons	3Y mean	IPS 1Q26F	% to IPS 1Q26F
Revenue	1,327	1,290	3%	1,555	-15%	6,321	21%	5,477	24%	21%	1,240	107.0%
Cost of revenue	- 902	- 789	14%	- 767	18%	3,848					- 850	
Gross profit	425	501	-15%	788	-46%	2,473	17%	2,407	18%	18%	390	108.8%
GPM	*32.0%*	*38.8%*		*50.7%*		*39.1%*					*31.5%*	
Opex	- 86	- 78	11%	- 80	8%	- 368					- 90	
EBIT	338	423	-20%	708	-52%	2,105	16%	2,119	16%	16%	301	112.6%
EBIT margin	*25.5%*	*32.8%*		*45.6%*		*33.3%*					*24.2%*	
EBITDA	439	520	-16%	808	-46%	2,505	18%	2,465	18%	18%	399	110.2%
EBITDA margin	*33.1%*	*40.3%*		*51.9%*		*39.6%*					*32.1%*	
Other income/expense (exc. JV and asso incon	129	46	180%	83	56%	299					75	
JV and asso income	- 0	- 2	-92%	- 4	-95%	- 6	3%				- 1	
Pretax income	468	467	0%	788	-41%	2,398					374	
Tax expense	- 74	- 75	-2%	- 148	-50%	- 412					- 64	114.3%
Net profit attributable	394	392	1%	640	-38%	1,988	20%				310	
Core NP	355	404	-12%	638	-44%	1,988	18%	1,848	19%	17%	310	114.6%
Core NP margin	*26.8%*	*31.4%*		*41.0%*		*31.4%*					*25.0%*	

Operational result - qoq	1Q26	1Q25	Growth yoy	4Q25	Growth qoq	IPC FY26F	% to IPC			3Y mean	IPS 1Q26F	% to IPS 1Q26F
Oil palm production highlights												
FFB processed (th tonne)	290	302	-4%	405	-28%	1,343	22%			21%	289	100.3%
FFB Nucleus	243	251	-3%	341	-29%	1,139	21%			21%	246	98.7%
FFB External (inc. Plasma and 3rd parties - t	47	51	-8%	64	-27%	204	23%			20%	43	109.4%
Total production CPO and PKO (th tonne)	82	83	-1%	115	-29%	374	21%			21%	81	101.3%
CPO (th tonne)	65	65	0%	90	-28%	292	22%			21%	63	102.6%
OER - shown in ops report	22.4%	21.5%	4%	22.2%	1%	21.9%	102%			98%	21.9%	102.3%
PK (th tonne)	17	18	-6%	25	-32%	82	21%			21%	18	96.4%
KER - shown in ops report	5.9%	6.0%	-2%	6.2%	-5%	6.1%	100%			99%	6.1%	96.1%
Sales volume	92	84	10%	109	-16%	377	24%			23%	81	113.6%
CPO (th tonne)	73	65	12%	82	-11%	290	25%			21%	63	115.3%
PK products - PK, PKO, PKE (th tonne)	19	19	0%	27	-30%	87	22%			24%	18	107.7%
Calculated ASP												
CPO (Rp/kg)	14,314	14,416	-1%	14,073	2%	14,114	101%				14,685	97.5%
PK (Rp/kg)	11,838	13,413	-12%	12,163	-3%	12,567	94%				12,982	91.2%
Planted area (th ha) - Nucleus only												
Oil palm	91.0	91.1	0%	90.8	0%	90.8	100%					
Mature	85.9	85.8	0%	85.7	0%	85.7	100%					
Immature	5.1	5.3	-5%	5.1	0%	5.1	100%					

Source: Company, Indo Premier

Valuation

Fig. 2: EV/EBITDA valuation

In Rpbn, unless stated otherwise	12M FWD	Remarks
EV/EBITDA Multiple (x)	1	At mean since 2021
EBITDA	2,461	
EV	2,707	
Market cap	10,992	
Debt	-	
Cash	8,283	
Minority	- 2	
# share (bn)	7	
Implied price per share	**1,612**	
Rounded TP (Rp/sh)	**1,600**	

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

Income Statement (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Net revenue	4,563	5,512	6,321	6,642	6,618
Cost of sales	(2,571)	(3,250)	(3,848)	(4,039)	(3,910)
Gross profit	**1,992**	**2,261**	**2,473**	**2,604**	**2,708**
Operating expenses	(288)	(321)	(368)	(387)	(385)
Operating profit	**1,704**	**1,940**	**2,105**	**2,217**	**2,323**
EBITDA	**2,092**	**2,330**	**2,505**	**2,628**	**2,745**
Net interest	216	275	280	286	278
Others	(147)	62	14	15	14
Pre-tax income	**1,773**	**2,278**	**2,398**	**2,517**	**2,615**
Income tax	(297)	(391)	(412)	(432)	(449)
Minority interest	(1)	(1)	(1)	(1)	(1)
Net income	**1,477**	**1,888**	**1,988**	**2,086**	**2,168**
Core net profit	**1,608**	**1,849**	**1,988**	**2,086**	**2,168**

Balance Sheet (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Cash & equivalents	5,454	7,597	8,129	8,746	9,420
Inventories	620	614	704	740	737
Other current assets	1,044	488	521	534	533
Total current assets	**7,117**	**8,699**	**9,354**	**10,020**	**10,690**
Fixed assets	5,050	5,129	5,864	6,609	7,364
Other non-current assets	1,675	1,711	1,711	1,711	1,711
Total non-current assets	**6,725**	**6,841**	**7,575**	**8,320**	**9,076**
Total assets	**13,842**	**15,540**	**16,929**	**18,340**	**19,766**
Short term bank loans	-	-	-	-	-
Current maturities of LT bank loans	-	-	-	-	-
Bonds payable	-	-	-	-	-
Other current liab.	678	920	981	1,000	987
Total current liab.	**678**	**920**	**981**	**1,000**	**987**
LT bank loans	-	-	-	-	-
Other LT liab.	607	624	624	624	624
Total liabilities	**1,285**	**1,544**	**1,604**	**1,624**	**1,611**
Equity	1,724	1,724	1,724	1,724	1,724
Retained earnings	10,835	12,276	13,603	14,993	16,431
Minority interest	(2)	(4)	(2)	(1)	0
Total SHE + minority int.	**12,557**	**13,996**	**15,324**	**16,716**	**18,155**
Total liabilities & equity	**13,842**	**15,540**	**16,929**	**18,340**	**19,766**

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Net income	1,477	1,888	1,988	2,086	2,168
Depr. & amortization	658	326	(394)	(405)	(416)
Changes in working capital	(684)	804	(63)	(30)	(9)
Others	-	-	-	-	-
Cash flow from operating	**1,451**	**3,018**	**1,531**	**1,652**	**1,743**
Capital expenditure	(215)	(406)	(340)	(340)	(340)
Others	(31)	(37)	-	-	-
Cash flow from investing	**(246)**	**(442)**	**(340)**	**(340)**	**(340)**
Loans	5	16	-	-	-
Equity	(0)	(4)	0	-	-
Dividends	(266)	(443)	(661)	(696)	(730)
Others	(1)	(1)	1	1	1
Cash flow from financing	**(263)**	**(432)**	**(659)**	**(694)**	**(729)**
Changes in cash	**943**	**2,143**	**531**	**617**	**674**

Key Ratios	FY24	FY25	FY26F	FY27F	FY28F
Gross margin	44%	41%	39%	39%	41%
EBITDA margin	46%	42%	40%	40%	41%
Pre-tax margin	39%	41%	38%	38%	40%
Core net margin	35%	34%	31%	31%	33%
ROA	12%	12%	12%	11%	11%
ROE	13%	13%	13%	12%	12%
ROIC	23%	29%	28%	26%	25%
Net gearing (x)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)
Net debt to EBITDA (x)	(2.6)	(3.3)	(3.2)	(3.3)	(3.4)
Interest coverage (x)	3,204	1,981	2,130	2,235	2,334

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

ANALYSTS CERTIFICATION

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

DISCLAIMERS

This research is based on information obtained from sources believed to be reliable, but we do not make any representation or warranty nor accept any responsibility or liability as to its accuracy, completeness or correctness. Opinions expressed are subject to change without notice. This document is prepared for general circulation. Any recommendations contained in this document do not have any regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is not and should not be construed as an offer or a solicitation of an offer to purchase or subscribe or sell any securities. PT Indo Premier Sekuritas or its affiliates may seek or will seek investment banking or other business relationships with the companies in this report.