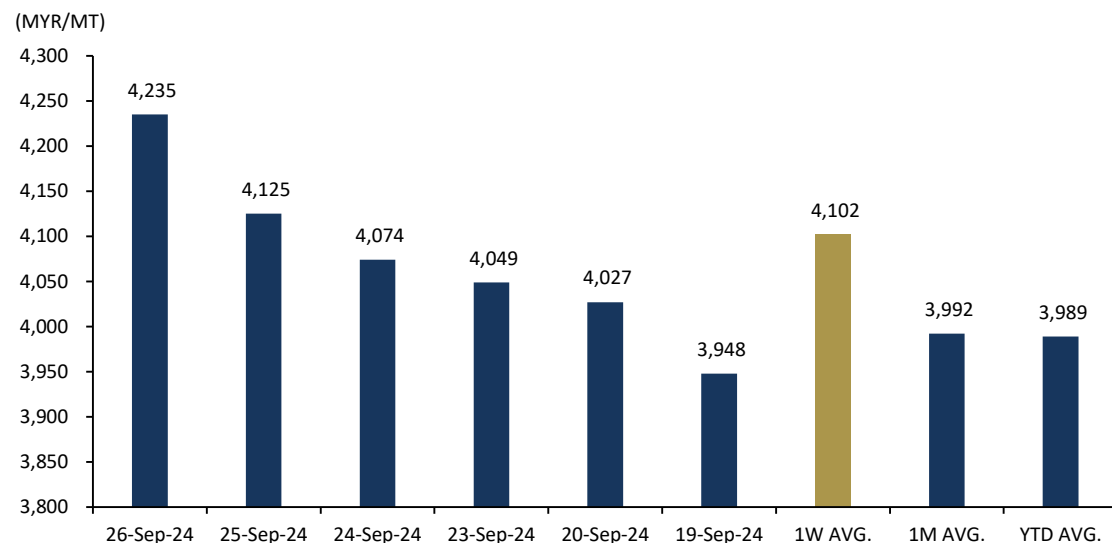
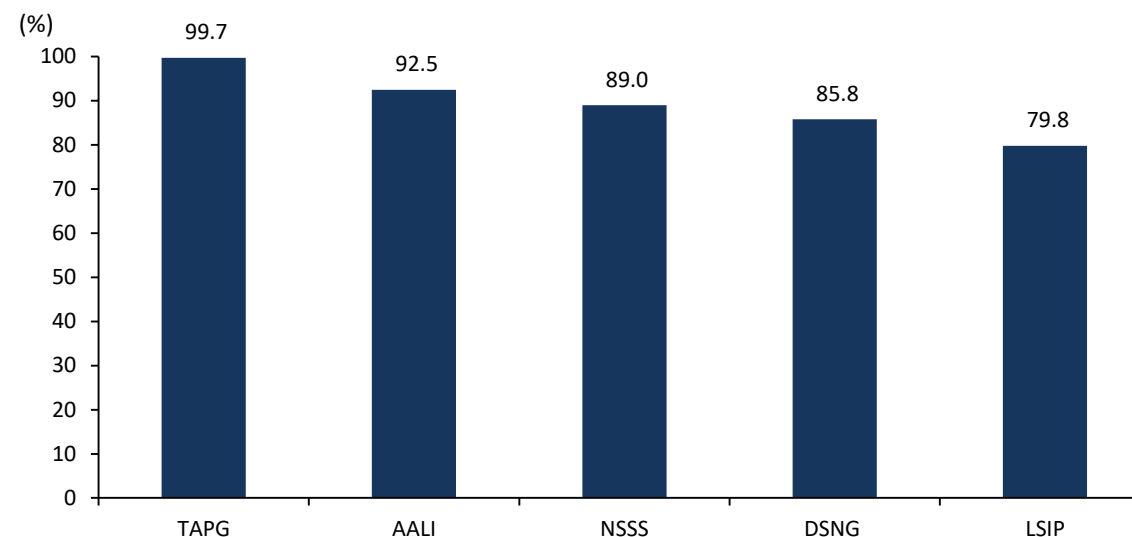


CPO Price Performance



CPO Contribution to 2Q24 Revenue, by Company



Recent Catalysts Driving the Price

- In 19-26 September 2024, CPO prices jumped +7.3% WoW, averaging MYR 4,102/MT, on expectations of higher demand as supply tightens.
- Central Asian nations are looking to increase stockpiles ahead of the upcoming festive season, while Europe is likely to seek additional supply due to shortages of alternatives, such as soybean oil.
- Indonesian CPO consumption rose +2% YoY in 7M24 while production declined -6% YoY, translating to lower inventories. Meanwhile, Malaysian CPO inventories plummeted -20% YoY in 8M24 to 953k tons. Both countries, which account for 85% of global supply, are facing challenges as smallholders hesitate to replant due to the 4-5 year maturity period for new trees.
- We retain our FY24 average forecast at MYR 4,100/MT (YTD: MYR 3,989/MT), with NSSS (TP IDR 265/sh) and TAPG (TP IDR 800/sh) as our top sector's picks, supported by their relatively young plantation profiles (<10 years old), reflecting higher crop and extraction yields.

Peer Comparables

Ticker	Mkt Cap (IDR Tn)	Rating	Last Price (IDR)	Rel. to JCI 5D (%)	2024F			
					EPS Growth (%)	P/E (x)	EV/Ha (USD)	ROE (%)
TAPG IJ	16.9	BUY	850	6.3	75.6	7.7	2,798	17.4
AALI IJ	13.0	HOLD	6,775	6.7	1.5	11.1	4,610	5.1
SSMS IJ	10.7	BUY	1,120	6.2	110.9	5.6	12,483	5
DSNG IJ	9.0	BUY	850	4.4	14.3	5.9	11,517	9.4
LSIP IJ	7.0	HOLD	1020	6.7	30.9	6.7	2,912	8.1
NSSS IJ*	4.6	BUY	193	4.7	344.2	99.7	14,580	4.1
Sector	61.1			6.0	72.0	14.6	7,057	9.4

*: FY24 figures are annualized