

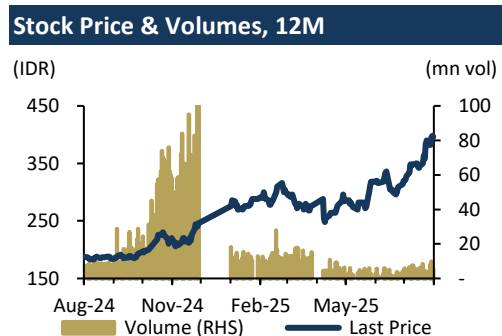
## BUY (Maintained)

Target Price (IDR) 550 (from 420)  
Potential Upside (%) 33

Company Data	
Cons. Target Price (IDR)	N.A
SSI vs. Cons (%)	N.A

Stock Information	
Last Price (IDR)	414
Market Cap. (IDR bn)	9,854
52-Weeks High/Low (IDR)	414/180
3M Avg. Daily Value (IDR bn)	1.3
Free Float (%)	36.1
Shareholders (%):	
PT Samuel Tumbuh Bersama	43.6
Public	36.1
Ir. Teguh Patriawan	10.7
PT Nusantara Makmur Lestari	9.6

Stock Performance				
(%)	YTD	1M	3M	12M
Absolute	50.0	29.4	44.8	120.2
JCI Return	6.5	9.0	11.4	2.9
Relative	43.5	20.4	33.4	117.3



**Company Background**  
Founded in 2008 and listed in 2023, NSSS, operates one of the youngest CPO plantations with average age of 10.7 years located in Central Kalimantan. NSSS, currently operates three estates and developing two others, with total 44,705 ha of land bank, of which 27,384 ha are planted. Leveraging direct piping system in its NSP and BSP estates, NSSS has the ability to efficiently produce and deliver CPO to customers' barges.

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## Upgrades

**Higher earnings: Rising yields & elevated prices on supply-demand shift.** We reiterate our positive view and upgrade our NSSS' earnings in 2025-27F ([Figure 25](#)) on the back of its young plantation profile allowing for rising yields ([Figure 11](#)) coupled with current elevated CPO prices forming a new equilibrium, underpinned by slowing supply growth in Malaysia and Indonesia. Note that CPO production in both countries had only risen 0–1% annually in recent years due to lack of replanting and limited workers. On the demand side, Indonesia's expanding biodiesel mandates continue to provide strong structural support with the B50 mandate in 2026-27 alone requiring 15–16mn tons of CPO annually, absorbing 19.7–21.0% of total CPO production. Supply constraints and price support could intensify further if the government were to accelerate replanting program, as new trees take around four years to mature, producing some 5 t/ha, compared to over-25-year-old trees at ~19 t/ha.

**Unlocking medium-term value through new CPO mill and planting.** NSSS indicates construction plan for a third CPO mill near its PMM estate with capacity of 45–60 tph, aimed at optimizing operations. Currently, all FFB in PMM must be transported to NSSS' second CPO mill, 160 km away for processing, causing higher logistic costs and lower OER. Furthermore, management is seeking to monetize its greenfield assets by initiating new plantings in BSSU (2025) and HMA (2028) along with further planting in PMM this year. The initiative is expected to expand the company's planting area by 1,500–2,000 ha per annum over the next seven years, while also offering strong operational synergies as both HMA and BSSU estates are located near the planned new CPO mill site.

**Poised to capture re-rating on industry tailwinds; raised TP to IDR 550 - BUY.** On valuation, we set DCF-based TP of IDR 550 for NSSS (WACC: 10.8%; terminal growth: 4.0%), implying 2026F EV/mature area of USD 29,824, 22.6% premium to regional peers ([Figure 24](#)). The premium reflects the company's relatively young average plantation age of 10.7 years, supporting higher FFB yields and volume growth potential. We also see room for a sector-wide re-rating driven by 1) limited new planting opportunities; 2) tightening supply amid rising biodiesel demand, signaling structural shift in industry dynamics; 3) constraints from increasingly restrictive HGU (Hak Guna Usaha) permit approvals. Channel checks with major producers indicate no new HGU issuances for greenfield developments over the past three years. This has shifted expansion strategies toward acquiring existing estates, driving asset valuations higher. Our cross-checks show that EV/ha, which historically ranged between USD 5k–8k, has now settled at higher range of USD 10k–13k ([Figure 12](#)). BUY. Risks to our call: weaker-than-expected CPO prices, regulatory changes, and adverse weather.

Forecasts and Valuations (@ IDR 414 per share)					
Y/E Dec	23A	24A	25F	26F	27F
Revenue (IDR bn)	1,185	1,490	2,013	2,508	2,558
Net Profit (IDR bn)	2	305	703	1,058	1,146
EV/Mature Area (USD/ha)	29,720	27,328	24,599	22,607	21,090
EV/EBITDA (x)	35.5	17.1	9.7	6.9	6.2
EPS (IDR)	0.1	12.8	29.5	44.5	48.1
EPS Growth (%)	(97)	13,361	131	50.5	8
P/E Ratio (x)	4,352.5	32.3	14.0	9.3	8.6
ROAE (%)	0.2	25.1	41.0	43.4	35.7
ROAA (%)	0.1	8.2	18.0	24.8	24.8
Interest Coverage (x)	1.2	3.1	6.3	10.4	13.9
Net Gearing (%)	175.5	118.0	48.8	10.2	NC

## Investment Thesis

**Unlocking medium-term value through new CPO mill and planting.** We recently met with NSSS' management to discuss its expansion strategy following the completion of its second CPO mill. Management outlined plans to construct a third mill near the PMM estate with a capacity of 45–60 tph. The facility is intended to optimize PMM's planted areas and address current inefficiencies, as all FFB from PMM currently must be transported 160 km to the second mill, increasing logistics costs and reducing OER. The new mill is expected to significantly enhance operational efficiency and margins.

*NSSS plans to build a third CPO mill with 45–60 tph capacity and commence new planting in 2025*

**Figure 1. NSSS' Second Mill, Kotawaringin Timur, Central Kalimantan**



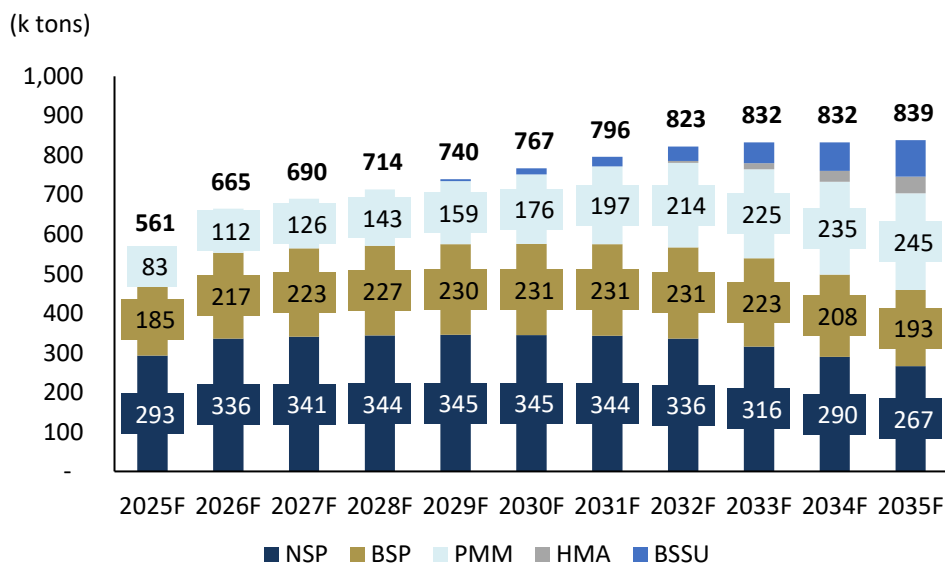
Sources: Company, SSI Research

*Second CPO mill with 60 tph capacity completed in 2023*

In addition, the management of NSSS is seeking to monetize its greenfield assets by initiating new plantings in BSSU (2025) and HMA (2028) along with further planting in PMM this year. The program targets 1,500–2,000 ha of additional matured area annually over the next seven years. HMA and BSSU currently hold total land banks of 7,918 ha and 6,603 ha, respectively. Both estates are strategically located near the planned PMM mill, creating strong operational synergies and supporting long-term growth.

*FFB production to remain robust thanks to NSSS' new planting initiative of 1.5-2k ha per annum, ...*

**Figure 2. NSSS FFB Production, 2025-35F**



Sources: Company, SSI Research

**Rising yields & elevated prices on supply-demand shift.** We expect current elevated CPO prices to form a new equilibrium, underpinned by slowing supply growth in Malaysia and Indonesia, alongside robust demand driven by Indonesia's expanding biodiesel mandates:

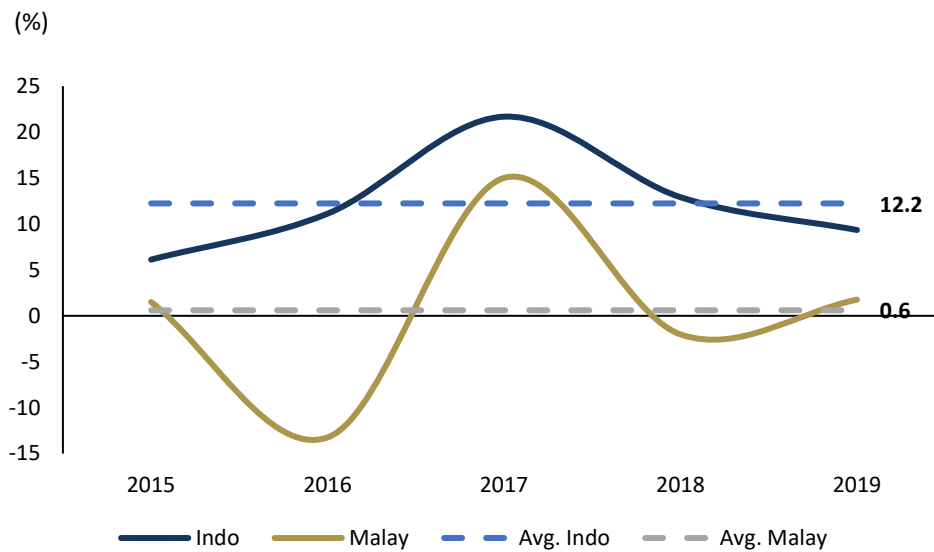
**1) Structural supply constraints remains firmly in place.** In recent years, both Indonesia and Malaysia have recorded only 0–1% annual CPO production growth, due to multiple structural factors. In Malaysia, upside is limited by persistent labor shortages post-COVID, with ~80% of the workforce dependent on foreign labor (mainly from Indonesia and Bangladesh), a land expansion cap following 2019 deforestation moratorium and the 50% forest cover mandate, and yield pressure as ~27% of the planted area is now over 20 years old. Meanwhile, potential growth in Indonesia is hindered by chronic under-delivery of Badan Pengelola Dana Perkebunan Kelapa Sawit' (BPD PKS) replanting program, with realizations consistently falling short of target. Smallholders, who account for ~45% of total planted area, continue to post low yields (~2.5 t/ha vs. significantly higher corporate estates) due to suboptimal fertilizer application, inferior planting material, limited mechanization, and weak replanting execution.

... leading to FFB production 2025-35F CAGR of 3.7%

*New price equilibrium due to slowing supply growth and rising demand from biodiesel program*

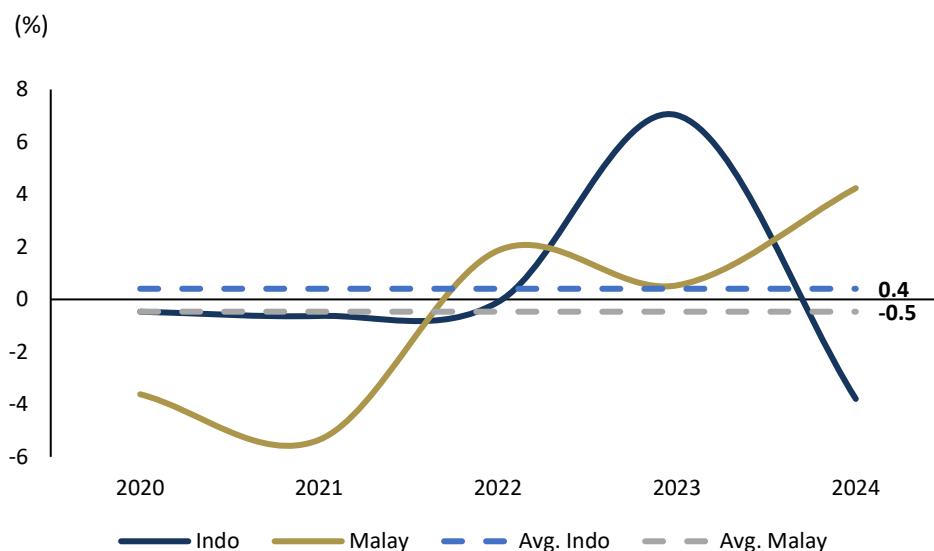
*In recent years, both Indonesia and Malaysia saw limited CPO production growth on the back of multiple structural factors*

**Figure 3. Indonesia & Malaysia's Supply Growth, 2015-2019**



Sources: Bloomberg, SSI Research

**Figure 4. Indonesia & Malaysia's Supply Growth, 2020-2024**

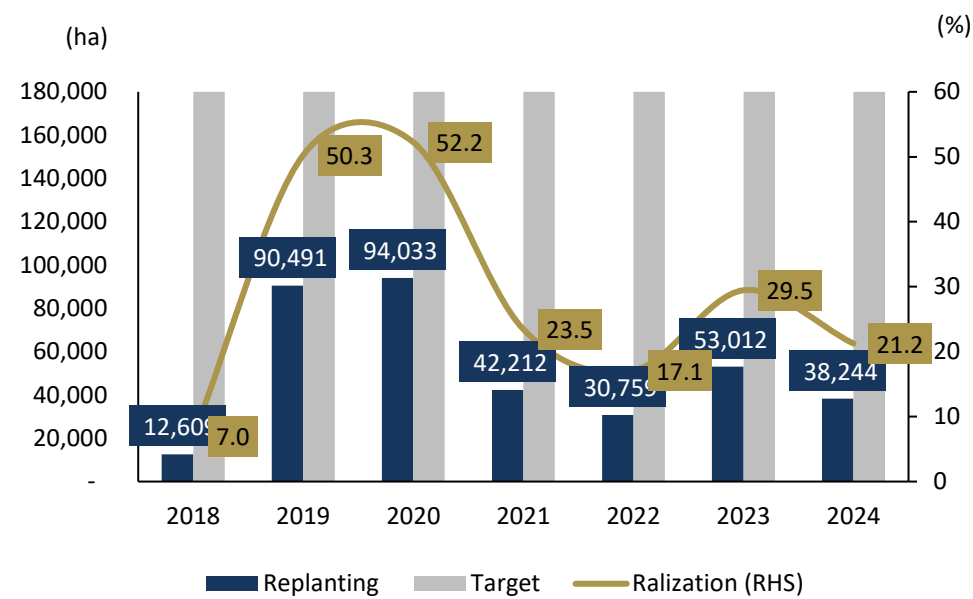


Sources: Bloomberg, SSI Research

Between 2015–2019, Indonesia's CPO production recorded average growth of 12.2% per annum, while Malaysia posted modest 0.6%; however, ...

..., in 2020–2024, growth dropped sharply to just 0.4% in Indonesia and turned negative at -0.5% in Malaysia, ...

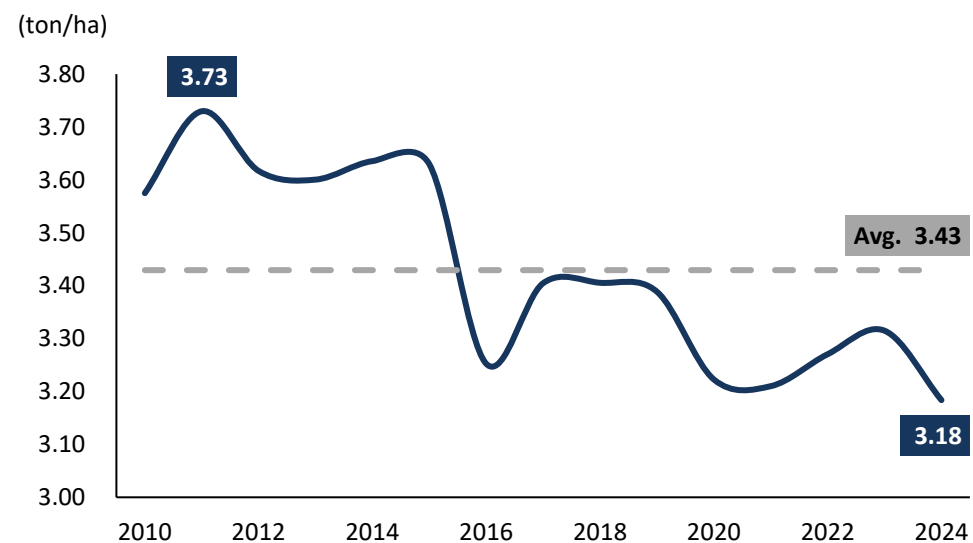
**Figure 5. Indonesia Palm Tree Replanting, 2018-24**



...largely due to structural constraints, including low realization of replanting program

Sources: BPDPKS, SSI Research

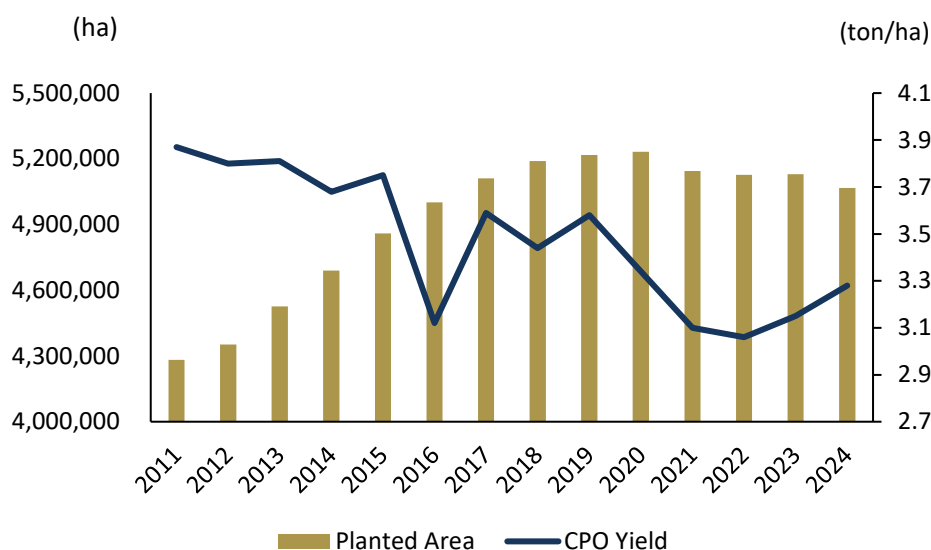
**Figure 6. Global CPO Yield/ha, 2010-24**



Over the past several years, CPO yields have continued to trend downward

Sources: CPOPC, SSI Research

**Figure 7. Malaysia's Palm Oil Planted Area and Yield, 2010-24**



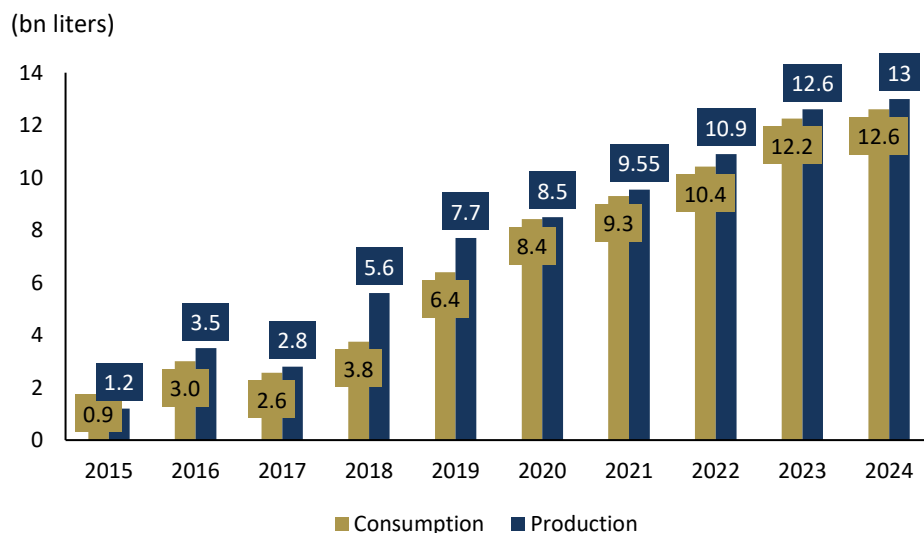
While Malaysia's total planted area has expanded, its CPO yield has moved in the opposite direction

Sources: CPOPC, SSI Research

**2) Indonesia's B50 biofuel mandate.** The transition from B30 to B40, with a target to reach B50 by 2026–27, represents a major structural shift in the market. B40 implementation alone is estimated to absorb 13–14 mn tons of CPO per year, while B50 would require around 15–16 mn tons, equivalent to roughly 19.7% and 21.0% of Indonesia's total CPO supply, respectively.

Changes in biodiesel mandate lead to ...

**Figure 8. Indonesia Biodiesel Production and Consumption, 2015-24**

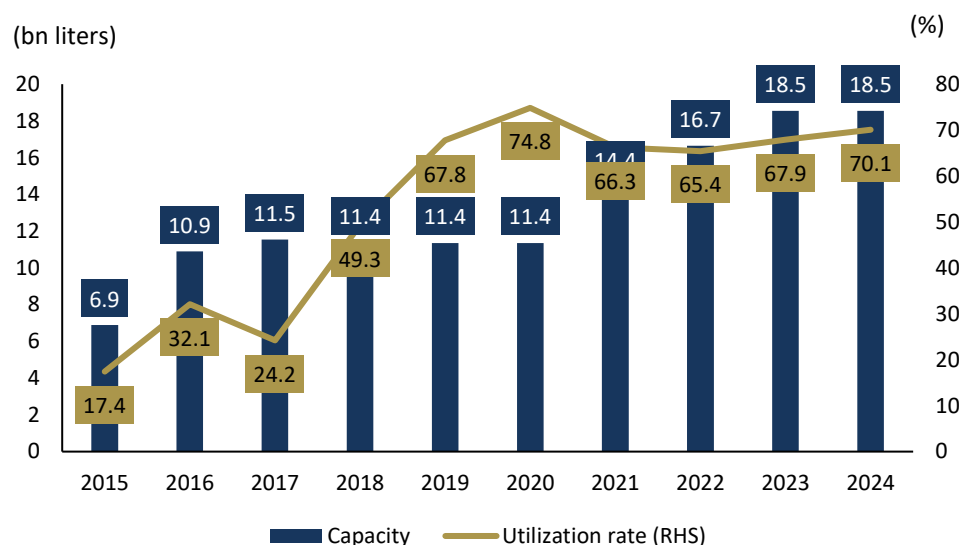


... higher biodiesel demand, supported in part by ...

Sources: USDA, SSI Research



**Figure 9. Indonesia's Biodiesel Refining Capacity, 2015-24**



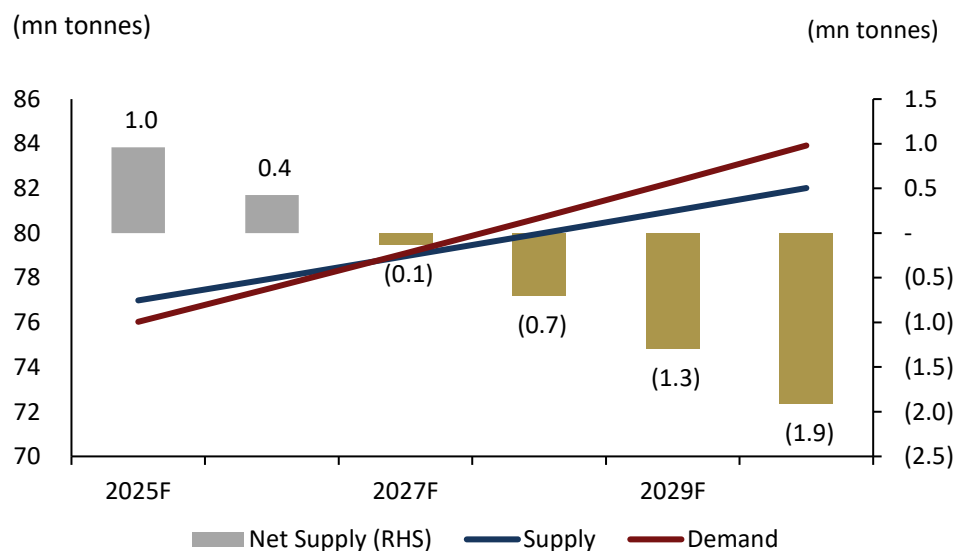
Sources: USDA, SSI Research

**Expect trend reversal in the near term.** We anticipate a shift in market dynamics over the next two years as limited supply growth, coupled with the upcoming B50 mandate, may move the market from oversupply to undersupply. This trend could accelerate if the government intensifies replanting efforts, considering that new trees require approximately four years to reach maturity, producing around 5 t/ha compared to over-25-year-old trees at ~19 t/ha, before peaking at 25 t/ha during their 25-year 'golden' production window.

... Indonesia's rapidly expanding biodiesel refining capacity

By 2027F, higher CPO usage for biofuel is expected to outstrip demand relative to supply, ...

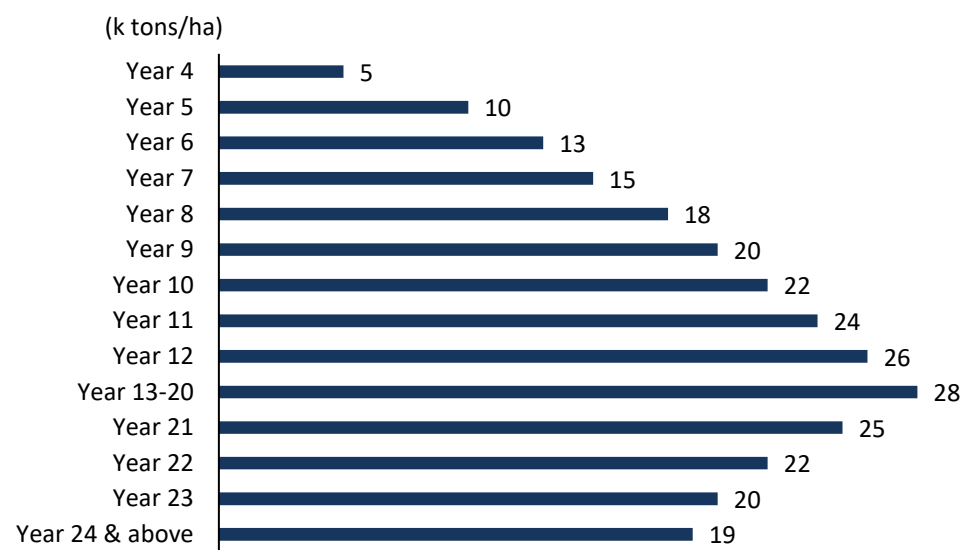
**Figure 10. CPO Demand & Supply Forecast (B50)**



Sources: Bloomberg, SSI Research

... triggering trend reversal

**Figure 11. FFB Production, per Tree Age**



Sources: Company, SSI Research

**Potential re-rating from recent regulatory changes.** Indonesia's CPO sector continues to face structural constraints stemming from HGU (Hak Guna Usaha) permits. Since the 2018 moratorium on new oil palm permits in primary forests and peatlands, approvals have been minimal. Although the moratorium officially ended in 2021, provincial re-issuance has remained slow. Channel checks with major CPO players indicate no new HGU approvals for greenfield areas in the past three years. This has driven existing players to pursue acquisitions of operational estates for expansion, pushing asset prices higher. Our findings show EV/ha valuations that once averaged USD 5k–8k have now re-rated to a new equilibrium of USD 10k–13k.

*It typically takes around eight years for newly planted areas to reach yield levels comparable to mature plantations*

*HGU policy changes have resulted in a new equilibrium for land prices, ...*

**Figure 12. Acquisitions of CPO Companies, 2015-2025**

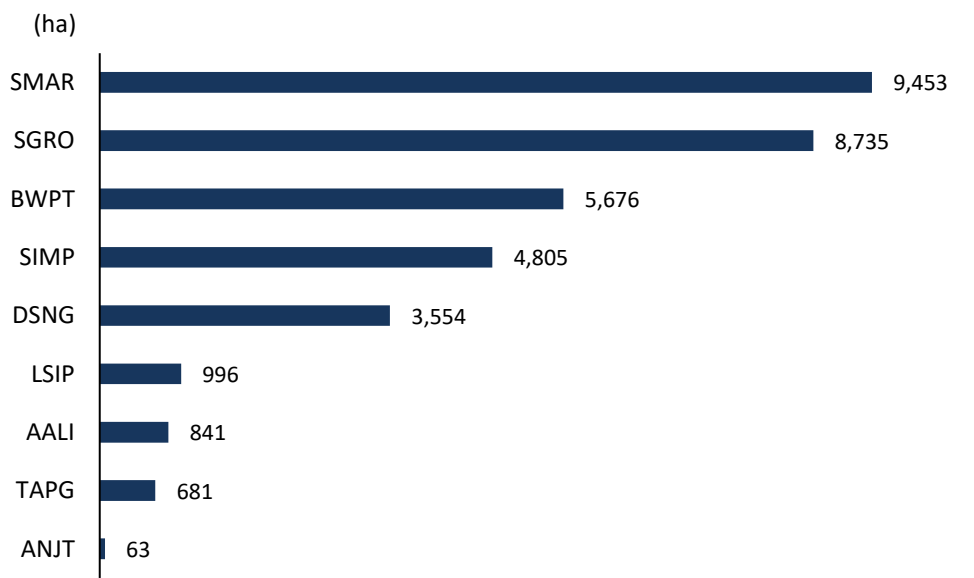
Year	Acquirer	Target (Location)	Plantation Area (ha)	Deal Value (USDmn)	Implied Cost/ha
2015	FGV Holdings	APL, Sarawak, Malaysia	24,622	160	6,498
2020	Golden Agri-Resources	PT Hindoli (Cargill)	20,000	110	5,500
2020	Socfin	Oil Palm Tanzania	18,500	150	8,108
2024	Presco Plc	GOPDC, Ghana	21,000	125	5,948
2025	M.P. Evans Group PLC	SKMA & SBS, East Kalimantan, ID	2,750	35	12,764

Sources: Various, SSI Research

*... with valuations jumping from USD 5–8k/ha to around USD 10–13k/ha in terms of EV/ha*



Figure 13. Rejection of HGUs, Decree of the Minister of Forestry No. 36 of 2025



Sources: Ministry of Forestry, SSI Research

Obtaining HGUs permits is becoming increasingly difficult due to government objective

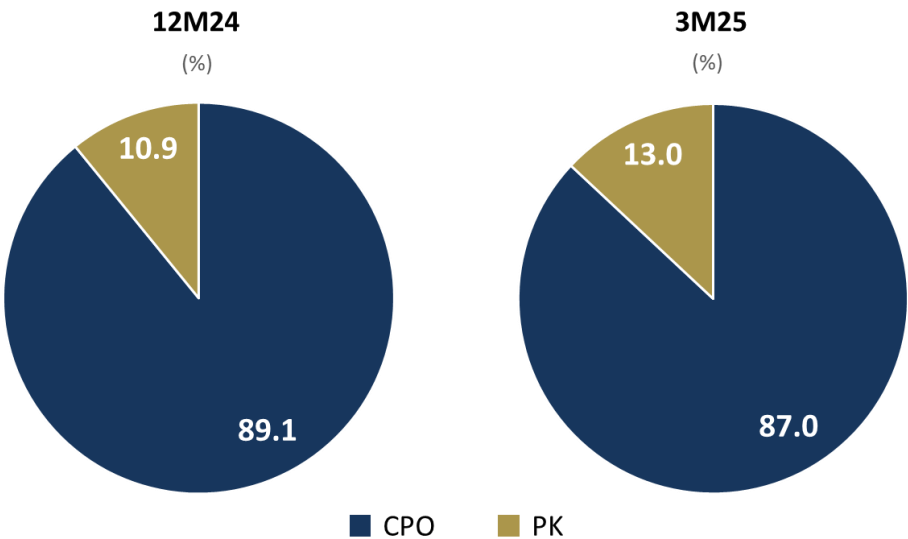
Appendix

Company Profile

PT Nusantara Sawit Sejahtera (NSSS), founded in 2008, engages in palm oil plantation operations and produces Fresh Fruit Bunches (FFB), Crude Palm Oil (CPO), and Palm Kernel (PK). NSSS aims to become a world-class, leading CPO producer and remains committed to responsibility and sustainability by continuously improving operations and managing natural resources, while prioritizing the welfare of stakeholders and local communities. The company operates through several subsidiaries, including PT Nusantara Sawit Persada (NSP) in Central Kalimantan, and PT Borneo Sawit Perdana (BSP), PT Prasetya Mitra Muda (PMM), PT Bina Sarana Sawit Utama (BSSU), and PT Hamparan Mitra Abadi (HMA), all located in Central Kalimantan. As of 2024, NSSS had a total planted area of 29,125 hectares (including plasma) and operational areas covering 44,705 hectares. In 2023, the company’s revenue was primarily derived from CPO (84.1%), followed by PK (7.9%) and FFB (8.0%). In 2024, NSSS ceased FFB sales and ramped up CPO production, leading to changes in revenue composition (89.1% from CPO and 10.9% from PK).

With 29,125 ha of planted area (including plasma) and 44,705 ha of land bank as of 2024, NSSS is already ISPO-certified and targets achieving RSPO certification over the long term, aligning with its ambition to become world-class CPO producer

Figure 14. Revenue Breakdown



In 1Q25, PK contribution saw positive growth, supported by favorable weather conditions that resulted in higher OER and a higher PK proportion in FFB.

Sources: Company, SSI Research

Figure 15. Location of Plantations



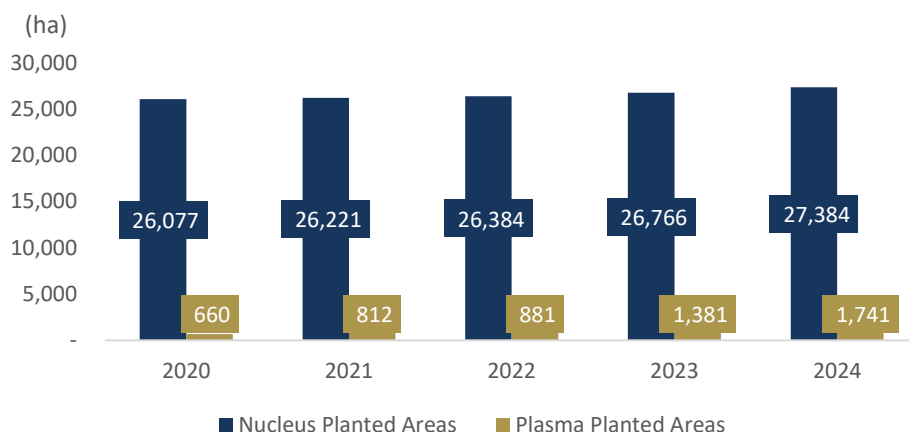
NSSS’ plantation assets are managed by its five subsidiaries, all strategically located in Central Kalimantan to ensure efficient logistics and improved accessibility

Sources: Company, SSI Research

**Involving plasma farmers.** NSSS actively engages surrounding communities through its nucleus–plasma program, fostering collaboration with plasma farmers. Under this scheme, the company’s subsidiaries support the management of plasma plantations adjacent to their core estates. As of 2024, plasma-planted areas had expanded to 1,741 hectares, contributing 6.0% to NSSS’ total planted area, up from 4.9% in 2023.

*NSSS fosters strong partnerships with local communities through its nucleus-plasma program*

**Figure 16. Nucleus and Plasma-Planted Areas**



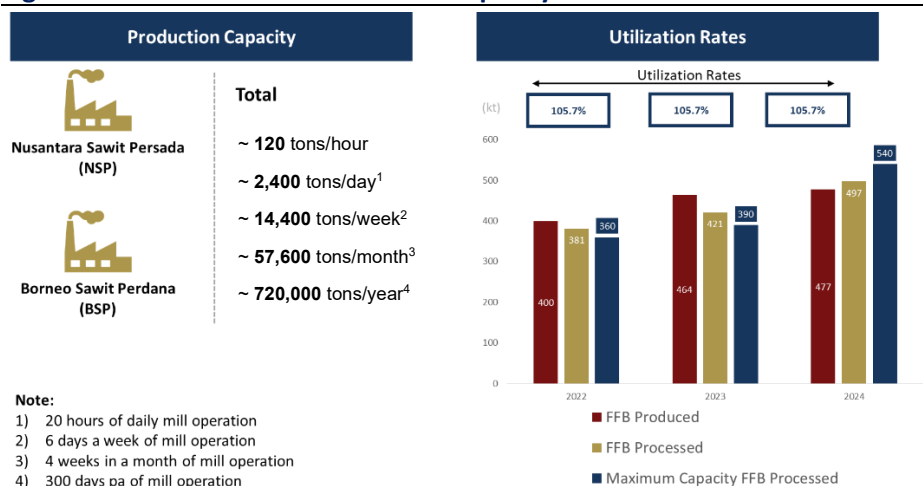
Sources: Company, SSI Research

*Plasma-planted areas account for 5.1% of the company’s total planted areas*

**NSP and BSP overview.** NSSS runs its palm oil processing through two subsidiaries, NSP and BSP, with a combined annual capacity of approximately 720,000 tons. The two mills have a capacity of 120 tons/hour, equal to 2,400 tons/day or 16,800 tons/week, based on 20-hour daily operations, six days per week, and 300 days annually. Utilization has been consistently strong, with total FFB processed reaching 381,000 tons in 2022, 421,000 tons in 2023, and 497,000 tons in 2024. This equates to utilization rates of 105.7% in 2022, 107.9% in 2023, and 92% in 2024, underscoring the mills’ operational efficiency. Although 2024 saw a slight moderation, NSP’s mill facilities have consistently run at or above capacity in previous years, highlighting NSSS’s ability to optimize resources and maintain high throughput across its processing operations.

*NSP and BSP have a combined utilization rate of 92%...*

**Figure 17. NSP and BSP’s Production Capacity**



Sources: Company, SSI Research

*...and production capacity of 720,000 tons/annum*

**NSSS’ strategic use of direct piping system to enhance efficiency and profitability.** In addition to current operational initiatives, NSP and BSP stand to gain from their strategic positioning between the Mentaya and Tualan rivers, which supports the installation of a direct piping system. This infrastructure connects the mills directly to specialized terminals, enabling more efficient transport of resources and products. The system is designed to reduce distribution costs, shorten delivery times, and lower maintenance expenses through the use of durable, high-quality materials. It also improves operational safety by minimizing risks of accidents and spills. Annual cost savings from this setup are estimated at around 2% of revenue, providing a meaningful boost to NSSS’s overall profitability.

*Direct piping system enables NSSS to reduce logistics costs and improve safety*

**Figure 18. NSSS Direct Piping System at NSP**



Sources: Company, SSI Research

*A 1.6 km pipeline directly connects the NSP mill to a specialized terminal in Kotawaringin Timur, facilitating the transportation of CPO via pressured air to reach the barge*

**Figure 19. NSSS Special Terminal at NSP**



Sources: Company, SSI Research

*NSSS is also equipped with special terminal where customers’ barge can dock ensuring a more efficient delivery system without needing a trucking system to transport to nearest port*

Figure 20. BSP Equipped with Direct Piping



Sources: Company, SSI Research

The BSP mill also adopts the direct piping system, completed in 2Q24 with a pipeline approx. 2.5 km from the terminal

Figure 21. Benefits of The Direct Piping System



**Low distribution cost**  
Does not require land vehicles to transport palm oil to the port located ~100km away from mills



**Faster delivery**  
Direct piping relies on natural force of gravity allowing for faster delivery than conventional trucking



**Low maintenance**  
Robustly built using relatively cheap materials with nearly zero cost of maintenance



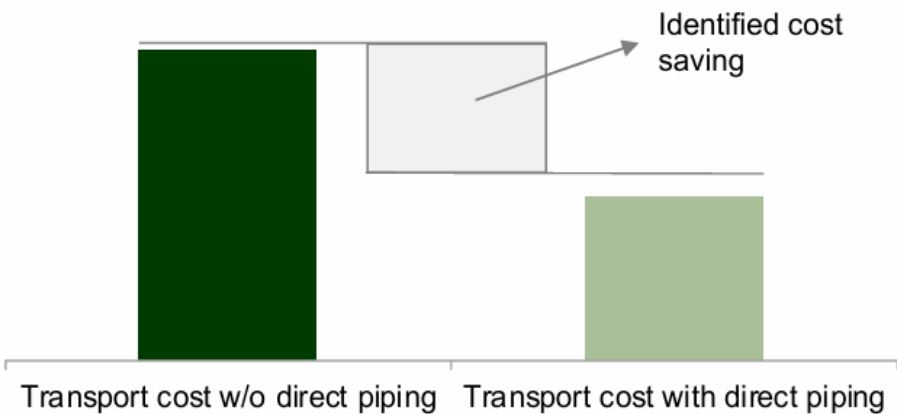
**Zero spillover**  
Since no land transport needed to deliver palm oil product, it minimizes accident and spillover risk

Annual cost saving of ~IDR 23 bn due to direct piping or ~2.2% of revenue

Direct piping systems ...

Sources: Company, SSI Research

Figure 22. Positive Impact on Financials






... boosting the company's profitability

Sources: Company, SSI Research



Figure 23. Management Profile

Board of Commissioners	Position	Years of Experience
 <p><b>Ester Hartati S (70 years old)</b> earned her Bachelor of Science from the University of San Francisco in 1975. She has been serving as the President Commissioner of PT Nusantara Sawit Sejahtera Tbk since 2022. In addition to her role in NSSS, she currently holds the position of Commissioner of PT Ocean Mitramas.</p>	<b>President Commissioner</b>	<b>48</b>
 <p><b>Robiyanto (48 years old)</b> earned his Doctorate in Economic Science from Universitas Diponegoro in 2015 and another Doctorate in Environmental Science from Universitas Katolik Soegijapranata in 2021. He has served as Commissioner of PT Nusantara Sawit Sejahtera Tbk since 2022. Beyond this role, he holds the position of Independent Commissioner at PT Samator Indo Gas Tbk and is a member of the Audit Committee at PT Polytama Propindo, along with other academic roles.</p>	<b>Commissioner</b>	<b>17</b>
 <p><b>Tungkot Sipayung (60 years old)</b> received his Doctorate in Agricultural Economics from Institut Pertanian Bogor, Indonesia, in 2000.</p>	<b>Independent Commissioner</b>	<b>25</b>

Board of Directors	Board of Directors	Years of Experience
 <p><b>Teguh Patriawan (76 years old)</b> earned his Master of Management from Institut PPM in 1991 and his Bachelor's in Forestry from Universitas Gadjah Mada. He has been serving as the President Director of PT Nusantara Sawit Sejahtera Tbk since 2022. His other roles include Director at PT Nusantara Sawit Persada, PT Borneo Sawit Perdana, and several other subsidiaries.</p>	<b>President Director</b>	<b>41</b>
 <p><b>Kurniadi Patriawan (37 years old)</b> earned his Bachelor of Science from the University of California in 2010. He has been serving as Director of PT Nusantara Sawit Sejahtera Tbk since 2022. In addition to his role in NSSS, he serves as Commissioner of PT Bina Palangka Makmur.</p>	<b>Director</b>	<b>13</b>
 <p><b>Miniwati Kasmita (59 years old)</b> earned her Bachelor's degree in Economics from Universitas Katolik Atma Jaya in 1990. She has served as Director of PT Nusantara Sawit Sejahtera Tbk since 2022. In addition to her role at NSSS, she also holds directorship positions at PT Nusantara Sawit Persada and several other affiliated companies.</p>	<b>Director</b>	<b>35</b>

Source: Company, SSI Research



## Valuation

On valuation, we set DCF-based TP of IDR 550 for NSSS (WACC: 10.8%; terminal growth: 4.0%), implying 2026F EV/mature area of USD 29,824, 22.6% premium to regional peers (Figure 24). The premium reflects the company's relatively young average plantation age of 10.7 years, supporting higher FFB yields and volume growth potential. We also see room for a sector-wide re-rating driven by 1) limited new planting opportunities; 2) tightening supply amid rising biodiesel demand, signaling structural shift in industry dynamics; 3) constraints from increasingly restrictive HGU (Hak Guna Usaha) permit approvals. Channel checks with major producers indicate no new HGU issuances for greenfield developments over the past three years. This has shifted expansion strategies toward acquiring existing estates, driving asset valuations higher. Our cross-checks show that EV/ha, which historically ranged between USD 5k–8k, has now settled at higher range of USD 10k–13k (Figure 12). BUY. Risks to our call: weaker-than-expected CPO prices, regulatory changes, and adverse weather.

*Premium valuation supported by young average plantation age and potential sector re-rating*

**Figure 24. Peer Comparables**

Company Ticker	Mkt. Cap (IDR tn)	Rating	Last Price (IDR)	Target Price (IDR)	Upside (%)	EPS Gwt 26F (%)	P/E 26 (x)	EV/ha (USD)	ROE (%)	DY (%)
TAPG IJ	29.9	BUY	1,505	1,400	(7.0)	10.3	8.7	14,026	28.2	6.9
DSNG IJ*	14.7	BUY	1,385	1,043	(24.7)	14.1	7.6	14,005	12.1	1.9
SSMS IJ	13.5	BUY	1,420	2,500	76.1	30.6	11.8	17,242	40.1	3.2
AALI IJ*	13.1	BUY	6,800	6,678	-1.8	-11.3	11.8	2,386	4.7	4
NSSS IJ	9.9	BUY	414	550	32.9	50.5	9.3	22,607	43.4	N.A
LSIP IJ*	9.1	BUY	1,330	1,405	5.6	0.9	11	1,964	11	5.7
<b>Indonesian Sector</b>	<b>90.1</b>				<b>9.0</b>	<b>13.7</b>	<b>11.1</b>	<b>12,948</b>	<b>21.8</b>	<b>4.2</b>
Company Ticker	Mkt. Cap (IDR tn)	Rating	Last Price (MYR)	Target Price (MYR)	Upside (%)	EPS Gwt 26F (%)	P/E 26 (x)	EV/ha (USD)	ROE (%)	DY (%)
SDG MK*	126.7	HOLD	4.8	5.1	7.3	(22.0)	19.1	19,666	8.6	3.0
KLK MK*	83.4	BUY	19.4	22.3	14.6	111.6	16.4	28,909	8.7	3.1
IOI MK*	89.7	BUY	3.8	4.2	10.9	18.6	17.0	40,014	10.9	2.8
GENP MK*	17.3	BUY	5.0	6.2	24.7	4.1	13.3	9,875	6.1	4.5
FGV MK*	18.3	HOLD	1.3	1.2	(9.5)	28.1	14.3	7,784	6.0	3.2
TAH MK*	6.6	HOLD	3.9	4.4	13.0	(4.1)	9.3	13,457	9.4	7.6
HAPL MK*	5.9	BUY	1.9	2.4	22.9	(25.8)	10.4	7,445	7.2	6.0
<b>Malaysian Sector</b>	<b>347.8</b>				<b>10.3</b>	<b>24.7</b>	<b>17.0</b>	<b>25,694</b>	<b>9.0</b>	<b>3.2</b>
<b>Regional Sector</b>	<b>437.9</b>				<b>10.1</b>	<b>22.4</b>	<b>15.8</b>	<b>23,072</b>	<b>11.6</b>	<b>3.4</b>

Sources: Bloomberg, SSI Research

**Figure 25. Earnings Forecast Changes**

(IDR bn)	25F			26F			27F		
	Old	New	%	Old	New	%	Old	New	%
Revenue	1,777	2,013	13.3	2,023	2,508	24.0	2,023	2,558	26.5
Gross Profit	794	1,036	30.4	906	1,399	54.5	906	1,466	61.9
EBIT	722	963	33.5	830	1,322	59.3	830	1,386	67.1
EBITDA	781	1,116	43.0	893	1,477	65.3	893	1,552	73.8
Net Profit	443	703	58.9	526	1,058	101.0	589	1,146	94.6

Sources: SSI Research

*We reiterate our positive view and upgrade our NSSS' earnings through 2027F*

## Financial Highlights

Profit and Loss					
Y/E Dec (IDR Bn)	23A	24A	25F	26F	27F
<b>Revenues</b>	<b>1,185</b>	<b>1,490</b>	<b>2,013</b>	<b>2,508</b>	<b>2,558</b>
Cost of Goods Sold	(882)	(905)	(977)	(1,109)	(1,092)
<b>Gross Profit</b>	<b>303</b>	<b>585</b>	<b>1,036</b>	<b>1,399</b>	<b>1,466</b>
Operating Expenses	(103)	(66)	(73)	(78)	(80)
<b>Operating Profit</b>	<b>199</b>	<b>519</b>	<b>963</b>	<b>1,322</b>	<b>1,386</b>
<b>EBITDA</b>	<b>330</b>	<b>670</b>	<b>1,116</b>	<b>1,477</b>	<b>1,552</b>
Net Interest Expenses	(151)	(146)	(127)	(86)	(48)
Other Incomes (Costs)	(4)	(15)	2	2	2
<b>Pre-tax Profit</b>	<b>51</b>	<b>407</b>	<b>822</b>	<b>1,237</b>	<b>1,340</b>
Income Tax	(49)	(102)	(119)	(179)	(194)
<b>Net Profit</b>	<b>2</b>	<b>305</b>	<b>703</b>	<b>1,058</b>	<b>1,146</b>

*NSSS is expected to achieve 2025F revenue of IDR 2.0tn (+35.1% YoY) and net profit of IDR 703bn (+130.8%) driven by elevated CPO prices and strong volume growth*

Balance Sheet					
Y/E Dec (IDR Bn)	23A	24A	25F	26F	27F
Cash & equivalents	243	386	646	969	1,100
Receivables	33	50	66	82	84
Inventories	250	139	174	197	194
Others	109	144	169	181	194
<b>Total Current Assets</b>	<b>636</b>	<b>720</b>	<b>1,055</b>	<b>1,430</b>	<b>1,572</b>
Fixed Assets	905	920	885	849	955
Other Non-Current Assets	2,132	2,088	2,147	2,153	2,286
<b>Total Assets</b>	<b>3,672</b>	<b>3,728</b>	<b>4,087</b>	<b>4,431</b>	<b>4,814</b>
ST. Bank loans	-	60	50	38	25
Payables	254	94	80	91	90
Other Current Liabilities	424	533	470	387	301
<b>Total Current Liabilities</b>	<b>678</b>	<b>627</b>	<b>550</b>	<b>478</b>	<b>391</b>
LT. Debt	1,847	1,613	1,336	1,013	680
Other LT Liabilities	85	123	132	132	132
<b>Total Liabilities</b>	<b>2,611</b>	<b>2,363</b>	<b>2,018</b>	<b>1,623</b>	<b>1,203</b>
Minority Interest	0	0	0	0	0
<b>Total Equity</b>	<b>1,061</b>	<b>1,365</b>	<b>2,068</b>	<b>2,809</b>	<b>3,611</b>

*NSSS remains on solid financial footing with net gearing of 48.8%, improving from 118% in 2024*

Cash Flow					
Y/E Dec (IDR Bn)	23A	24A	25F	26F	27F
Net Profit	2	305	703	1,058	1,146
D&A	(129)	(151)	(153)	(155)	(165)
Changes in Working Capital	258	284	43	185	121
<b>Operating Cash Flow</b>	<b>131</b>	<b>438</b>	<b>594</b>	<b>1,088</b>	<b>1,102</b>
Capital Expenditure	(254)	(69)	(24)	(24)	(175)
Others	(71)	(105)	32	(22)	(40)
<b>Investing Cash Flow</b>	<b>(324)</b>	<b>(175)</b>	<b>8</b>	<b>(47)</b>	<b>(215)</b>
<b>Free Cash Flow</b>	<b>(193)</b>	<b>263</b>	<b>602</b>	<b>1,041</b>	<b>887</b>
Net - Borrowing	85	361	0	0	0
Dividend Paid	0	0	0	(317)	(344)
Other Financing	311	(481)	(343)	(401)	(412)
<b>Financing Cash Flow</b>	<b>395</b>	<b>(120)</b>	<b>(343)</b>	<b>(718)</b>	<b>(756)</b>
Net - Cash Flow	202	144	259	323	131
Cash at beginning	40	243	386	646	969
Cash at ending	243	386	646	969	1,100

Ample cash flow to fund its capex

Key Ratios					
Y/E Dec	23A	24A	25F	26F	27F
Gross Profit Margin (%)	25.6	39.3	51.5	55.8	57.3
Operating Margin (%)	16.8	34.8	47.9	52.7	54.2
EBITDA Margin (%)	27.8	45.0	55.4	58.9	60.7
Pre-Tax Margin (%)	4.3	27.3	40.8	49.3	52.4
Net Profit Margin (%)	0.2	20.4	34.9	42.2	44.8
Debt to Equity (%)	198.4	146.4	80.0	44.7	23.3
Net Gearing (%)	175.5	118.0	48.8	10.2	NC

Margin expansions supported by higher FFB yields and improved operational efficiencies

Major Assumptions					
Y/E Dec	23A	24A	25F	26F	27F
FFB Nucleus Yield (tons/ha)	17.4	17.5	19.9	22.8	23.3
FFB Plasma Yield (tons/ha)	10.2	12.1	14.7	16.4	15.3
OER (%)	21.7	21.2	22.5	22.5	22.5
KER (%)	4.5	4.2	4.5	4.5	4.5
ASP (IDR/kg)	10,796	12,842	12,964	13,322	13,588
CPO Sales Volumes (k tons)	91	106	134	162	162

FFB yield is expected to increase to 19.9 tons/ha, supported by growing proportions of mature, high-yielding plantations in the company's estates

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