SAMUEL SNAPSHOT

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COMPANY CORNER 19 August 2026

DEWA IJ

DH

PT Darma Henwa Tbk

Operating Earnings Inflection Ahead

SSI SUMMARY – DEWA is on target to achieve operating earnings inflection starting in 3Q26, helped by three catalysts: 1) PAMA's 26mn bcm KPC share to be fully booked, 2) OPEX normalization, and 3) Sebuku adding up to 55mn bcm waste removal (+c.40%) and lifting 5mn tons of coal volumes (+c.29%). Additional future upside lies in Sulawesi's nickel mining services project and Aceh's Gayo gold mine developments. BUY with IDR600 TP.

SSI RATING

BUY

TARGET PRICE: **IDR 600** (Based on SOTP)

UPSIDE: ▲ 30.4%

Cons. TP (IDR)	710
Last Price (IDR)	460
52-Week High/Low (IDR)	865/210
Shares Out (bn)	40.7
Market Cap (IDRtn)	18.7
Goldwave Capital (%)	9.4
Others/Public (%)	36.1/54.5

2Q26 Top-line

2Q26 revenues rose to IDR 1.7tn (+6.9% QoQ, +8.7%YoY), bringing 1H26 sales to IDR 3.2tn (+3.1% YoY), in line with our and consensus estimates (43.1%/44.3%). The stronger topline was supported by higher removals of materials amounting to 41mbcm (+11.2% YoY).

2Q26 Bottom-line

Given strong 2Q26 gross margin of 21% (2Q25: 15%), higher opex-to-sales to 7.6% still allowed 13% operating margin (2Q25: 11%). 1H26 core net profit reached IDR 156bn with IDR 60bn (-40.0% QoQ; -42.4% YoY) in 2Q26, but including Pendopo Energi Batubara's IDR 229bn gain, net profit was in line with SSI/consensus estimates (54.3%/58.7%).

Operational Data

When the new management took over, volumes from in-house operations increased from 41% in 2Q23 to 89% in 2Q26, reflecting DEWA's continued shift toward internal execution and supporting gross margin expansion from 7.4% in 2Q23 to 20.7% in 2Q26. Meanwhile, materials moved also increased to 41 mn bcm (+11.2% YoY).

3Q26/26F Preview

We expect stronger quarters ahead driven by: 1) the full contribution from PAMA's 26 mn bcm share at KPC, which commenced end-May 2026; 2) normalized OPEX following ongoing cost-cutting initiatives, and 3) additional income contribution from Sebuku coal project.

Positive Catalysts

Sebuku's additional 55 mn bcm waste removal (+c.40%) and 5 mn tons coal production (+c.29%) is on target to lift DEWA's volumes, while Gayo gold mine development in Aceh offers further re-rating potential.

Negative Sentiments

We see DEWA as among the most disadvantaged under the current mining permit (RKAB) policy uncertainty, with risks of: 1) delays on its upcoming nickel project, and 2) further pressure as early expansions have raised leverage (2Q26 net gearing: 48.9x) and brought negative FCF.

Share-Price Relative

Stock Performance

(%)	YTD	1M	3M	12M
Absolute	(36.9)	23.9	(10.9)	(19.9)
JCI Return	(25.4)	8.9	(7.4)	(14.3)
Relative	(11.6)	14.9	(3.5)	(5.6)

Company Background

Established in 1991 and listed in 2007, PT Darma Henwa Tbk (DEWA), currently managed by the Salim Group, is an integrated mining services provider offering mining support, machinery repair, equipment rental, and infrastructure construction. In the future, DEWA, through its subsidiary, plans to diversify into gold mining in Aceh.

SOURCES DEWA 2Q26 results & company filings; SSI Research. Analyst: Juan Harahap.

DISCLAIMER

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Figure 1. DEWA's 2Q26 Results

(IDRbn)	2Q26	QoQ %	YoY %	1H25	1H26	y-y %	vs FY26F	vs cons
Revenue	**1,657**	**6.9**	**8.7**	**3,109**	**3,206**	**3.1**	**44.7**	**44.3**
Gross Profit	343	27.8	49.5	476	612	28.5	46.1	45.7
Operating Profit	217	12.4	33.0	348	410	17.6	41.4	38.9
Net Profit	**262**	**182.1**	**163.9**	**168**	**354**	**110.9**	**54.3**	**58.7**
Key ratios (%)								
GPM (%)	*20.7*	–	–	*15.3*	*19.1*	–	–	–
OPM(%)	*13.1*	–	–	*11.2*	*12.8*	–	–	–
NPM(%)	*15.8*	–	–	*5.4*	*11.0*	–	–	–

Sources: Company, SSI Research

Figure 2. Peer Comparables

Company	Market Cap	PER (x)		EV/EBITDA (x)		PBV (x)		ROE (%)		Net Gearing
Ticker	(USD mn)	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	Current
UNTR IJ	4,949.0	8.3	6.3	3.8	3.3	0.8	0.8	9.5	12.4	N.C.
DEWA IJ	1,025.1	30.5	14.3	10.6	6.3	2.0	1.7	7.8	11.5	48.9
Domestic	**5,974.1**	**12.1**	**7.7**	**5.0**	**3.8**	**1.0**	**0.9**	**9.2**	**12.2**	**N.C.**
MIN AU	9,112.8	15.5	13.7	7.1	6.9	3.1	2.4	21.0	16.9	145.4
NWH AU	2,313.9	19.0	17.0	7.3	6.8	4.7	4.2	25.3	25.9	23.8
SRG AU	1,762.5	25.2	22.4	12.7	11.7	5.0	4.5	19.3	19.9	5.7
PRN AU	1,520.5	11.9	11.1	3.9	3.8	1.1	1.1	9.8	10.0	16.3
MAH AU	1,385.3	15.9	14.1	4.8	4.5	2.3	2.2	15.2	15.3	15.0
NOA CN	386.9	10.2	7.7	3.8	3.6	1.2	1.1	9.8	11.2	179.9
EHL AU	360.8	5.9	5.7	2.2	2.2	0.6	0.6	11.4	10.5	27.0
Global	**16,842.7**	**16.4**	**14.6**	**7.0**	**6.7**	**3.2**	**2.6**	**19.4**	**17.4**	**89.9**

Sources: Company, SSI Research

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