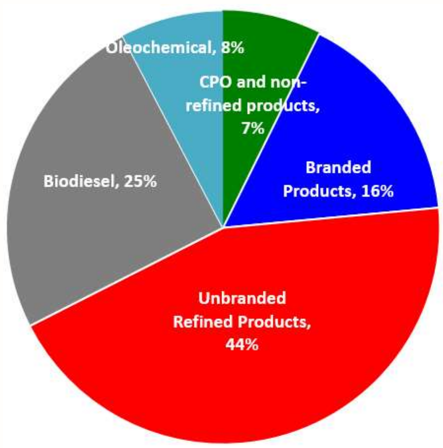
Smartnews - March 2026

- SMART reported a robust first quarter 2026 performance, with an increase in EBITDA and net profit to Rp 1.66 trillion and Rp 830 billion, respectively
- This achievement underscores the resilience of our integrated business model and the continued execution of our strategy to drive value creation across the business value chain

FINANCIAL PERFORMANCE

In billion Rupiah	1Q 2026	1Q 2025	Change
Net sales	20,734	21,158	-2%
Cost of goods sold	17,782	19,089	-7%
Gross profit	2,952	2,069	43%
Income from operations	1,325	462	187%
EBITDA	1,659	1,106	50%
Net profit attributable to owners of the parent company	830	134	518%



Net sales in the first quarter 2026 declined slightly by 2% to Rp 20.7 trillion, primarily due to lower sales volumes and partly offset by higher average selling price.

With our focus on pursuing higher value-added products, the contribution of refined branded and unbranded products (including biodiesel and oleochemicals) expanded to 93% from 84% of total sales in the first quarter of last year. CPO and other non-refined product sales represented the remaining 7%.

Cost of goods sold for the three-month period ended 31 March 2026 decreased by 7% to Rp 17.78 trillion from Rp 19.09 trillion in the previous year, mostly due to lower raw material costs following a decline in sales volume.

In line with the increase in gross profit, income from operations for the quarter also expanded to Rp 1.32 trillion, partly offset by a modest increase in operating expenses. The increase in operating expenses was largely due to higher general and administrative expenses related to an increase in salaries, wages, and employees' benefits.

As a result, EBITDA increased by 50% to Rp 1.66 trillion, from Rp 1.11 trillion in the first quarter of 2025. The bottom line was further supported by an 80% reduction in foreign exchange losses and a 27% decline in financial expenses. Consequently, net profit attributable to the owners of the parent company surged to Rp 830 billion, resulting in earnings per share of Rp 289.

FINANCIAL POSITION

In billion Rupiah	31-Mar-26	31-Dec-25	Change
Assets	45,894	45,203	2%
Liabilities	22,610	22,768	-1%
Equity attributable to owners of the parent company	23,269	22,420	4%
Debt to Equity ratio (times)	0.68x	0.73x	

As of 31 March 2026, the Company's total assets grew by 2% to Rp 45.9 trillion from Rp 45.2 trillion at the end of 2025. The increase was mainly attributable to higher accounts and other receivables, fixed assets, bearer plants as well as long-term investments, partly offset by a decrease in inventories.

Total liabilities as per end of March 2026 stood at Rp 22.6 trillion, slightly lower compared to that at end of 2025. The decrease was primarily attributable to lower bank loan balance, partly offset by the issuances of bond and sukuk ijarah in February 2026. As of 31 March 2026, bank loans (including bonds payable and sukuk ijarah) totaled Rp 15.9 trillion, a slight decrease compared to Rp 16.4 trillion at the end of 2025. As such, the gearing ratio further improved to 0.68x.

Total equity attributable to owners of the parent company increased to Rp 23.3 trillion as of 31 March 2026, from Rp 22.4 trillion at the end of 2025. The Company's retained earnings were higher at Rp 20.4 trillion compared to Rp 19.5 trillion as at end 2025 resulting from the current quarter's income.

PLANTATION STATISTICS

As of 31 March 2026, the Company's palm plantation area stood at approximately 136,000 hectares, comprising 116,700 hectares of mature estates and 19,300 hectares of immature estates. Nucleus and plasma estates amounted to 103,300 and 32,700 hectares, respectively.

Description	1Q 2026	1Q 2025	Change
FFB produced - MT	447,057	502,512	-11%
CPO produced - MT	115,325	117,244	-2%
PK produced - MT	29,553	31,259	-5%
Oil extraction rate - %	20.6	20.1	0.5%
Kernel extraction rate - %	5.3	5.4	-0.1%

In first quarter 2026, SMART's harvested fruit decreased to 447 thousand tonnes, mainly impacted by the land preparation for replanting and the Eid holiday in March 2026. Consequently, CPO and PK production moderated to 115 thousand tonnes and 30 thousand tonnes, respectively. Oil kernel extraction improved to 20.6% while kernel extraction rates stood at 5.3%.

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<u>For further information, please contact:</u>

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