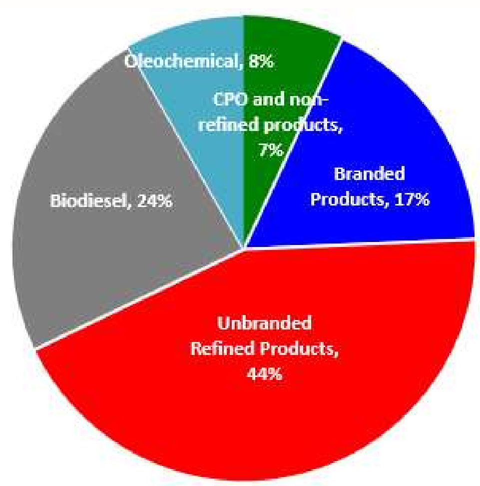
Smartnews - June 2026

- SMART reported a robust financial performance in first half 2026 driven by its solid integrated business model and higher selling prices
- EBITDA increased to approximately Rp 4.34 trillion while net profit almost tripled to Rp 2.34 trillion

FINANCIAL PERFORMANCE

In billion Rupiah	1H 2026	1H 2025	Change
Net sales	43,730	43,266	1%
Cost of goods sold	36,802	38,903	-5%
Gross profit	6,928	4,363	59%
Income from operations	3,159	1,136	178%
EBITDA	4,337	2,376	83%
Net profit attributable to owners of the parent company	2,344	825	184%



First half 2026 net sales grew slightly to Rp 43.7 trillion as higher average selling prices were partly offset by lower sales volume.

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 82% of total sales in the same period last year. CPO and other non-refined product sales represented the remaining 7%.

Cost of goods sold for the six-month period ended 30 June 2026 decreased by 5% to Rp 36.8 trillion from Rp 38.9 trillion in the previous year, mostly due to lower raw material costs following a decline in sales volume.

Income from operations for the current period expanded to Rp 3.16 trillion in line with the increase in gross profit, partly offset by the increase in operating expenses. Higher operating expenses largely came from selling expenses primarily due to the increase in export levy tariff since March 2026 as well as higher transportation costs.

Consequently, EBITDA expanded by 83% to Rp 4.34 trillion, from Rp 2.38 trillion in the first half of 2025. Despite higher foreign exchange losses, net profit attributable to the owners of the parent company surged to Rp 2.34 trillion, supported by higher share in net earnings of associates and lower financial expenses. Earnings per share stood at Rp 816.

FINANCIAL POSITION

In billion Rupiah	30-Jun-26	31-Dec-25	Change
Assets	50,399	45,203	11%
Liabilities	26,263	22,768	15%
Equity attributable to owners of the parent company	24,120	22,420	8%
Debt to Equity ratio (times)	0.74x	0.73x	

As of 30 June 2026, the Company's total assets grew by 11% to Rp 50.4 trillion from Rp 45.2 trillion at the end of 2025. The increase was mainly attributable to higher inventories, accounts and other receivables, prepaid taxes, fixed assets as well as bearer plants, partly offset by a decrease in cash and cash equivalents.

Total liabilities as per end of June 2026 stood at Rp 26.3 trillion, 15% higher compared to that at end of 2025. The increase was primarily attributable to higher bank loan balance, the issuances of bond and sukuk ijarah in February 2026 as well as higher accounts payable. As of 30 June 2026, bank loans (including bonds payable and sukuk ijarah) totaled Rp 17.9 trillion, a 9% increase compared to Rp 16.4 trillion at the end of 2025. Nevertheless, the gearing ratio of 0.74x remained at healthy level.

Total equity attributable to owners of the parent company increased to Rp 24.1 trillion as of 30 June 2026, from Rp 22.4 trillion at the end of 2025. The Company's retained earnings were higher at Rp 21.1 trillion compared to Rp 19.5 trillion as at end 2025 resulting from the current period's profit, deducted by the final dividend distribution for 2025's net profit in June 2026.

PLANTATION STATISTICS

As of 30 June 2026, the Company's palm plantation area stood at approximately 134,500 hectares, comprising 114,100 hectares of mature estates and 20,400 hectares of immature estates. Nucleus and plasma estates amounted to 101,900 and 32,600 hectares, respectively.

Description	1H 2026	1H 2025	Change
FFB produced - MT	953,323	1,062,480	-10%
CPO produced - MT	250,242	246,979	1%
PK produced - MT	64,760	65,530	-1%
Oil extraction rate - %	20.7	20.3	0.4%
Kernel extraction rate - %	5.4	5.4	-

The decline in harvested fruit volumes was mainly impacted by the land preparation for replanting. However, CPO and PK production remained stable at 250 thousand tonnes and 65 thousand tonnes, respectively, in the first semester of 2026. Oil kernel extraction improved to 20.7% while kernel extraction rates maintained at 5.4%.

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For further information, please contact:

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