

5 May 2025



PT Nusantara Sawit Sejahtera Tbk

**Company Presentation 1Q25** 

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### **Key Investment Highlights**



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- As the world's largest producer of CPO accounting for 59% of global production, Indonesia plays a pivotal role in the global palm oil market
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- Favorable CPO Industry outlook backed by well supported prices due to resilient demand
- 3
- Global soybean shortage should provide further price support for CPO
- T
- CPO as edible oil is defensive and expected to grow more than 4% CAGR through 2028
- W.
- NSSS has the youngest age profile of 9.8 years, paving the way for the highest growth vs its comparables
- 3

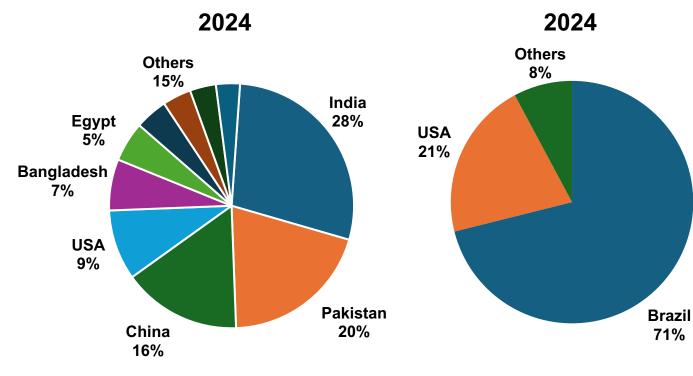
Most attractive valuation in the sector with 2025F PEG of 0.3x

# II. Industry Outlook

### **Trade War Effect on Indonesia's CPO Industry**







### **China Soybean Import**

### □ Trade Pattern Shifts

Potential slowdown from USA and China on Indonesia's CPO export; however, we expect minimal impact due to CPO's defensive nature

☐ China Imports & Soybean Substitution

Rising tariffs on U.S. soybeans will likely result in China's increasing palm oil imports as an alternative to soybean oil, providing support to CPO volumes

### □ Price Volatility

CPO prices fluctuate with tariffs, policy changes, supply chain risk, and trade pattern shifts in soybean and other edible oil alternatives

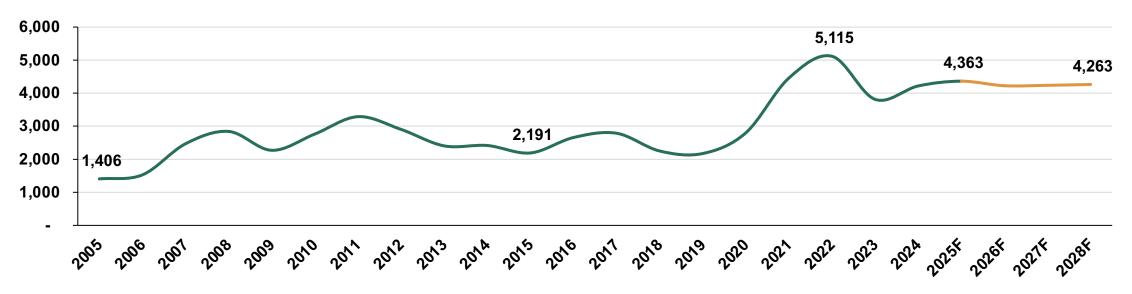
### □ Strategic Outlook

Indonesia needs to diversify export markets and grow its biodiesel program, assuming oil prices rise from current levels

### Global CPO Market Trend: On an Uptrend



Average Yearly CPO Price, 2005-2028F (In MYR)



Palm oil	2022A	2023A	2024A	2025F	2026F
Consumption ('000 tonnes)	75,265	81,190	82,240	83,621	84,995
% change		7.9	1.3	1.7	1.6
Production ('000 tonnes)	77,490	81,685	81,175	83,575	85,099
% change		5.4	-0.6	3.0	1.8

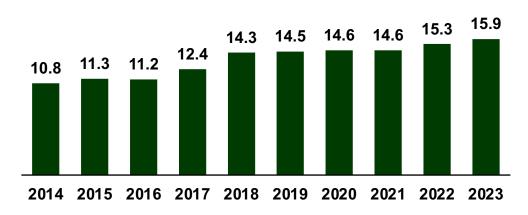
- Prices are projected to rise to MYR 4,363 in 2025 as La Niña disrupts supply and Indonesia's B40 biodiesel adding to CPO usage. By 2026, prices may reach MYR 4,417, driven by strong China and India demand as trade shifts away from EU due to stricter sustainability regulations.
- ☐ By 2026, CPO consumption is expected to hit 85 mn tonnes, driven by demand from India, China, and domestic demand in Indonesia from biofuel policies.

Sources: EIU commodity, Bloomberg

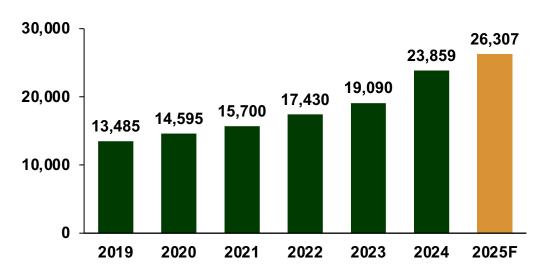
### Indonesia's CPO Outlook: Potential Decline in CPO Volumes



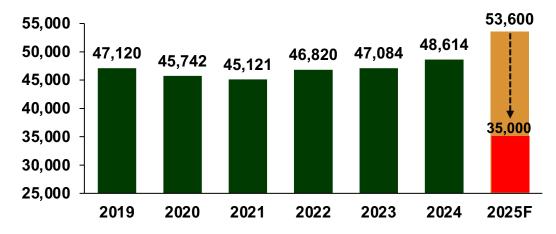
Indonesia CPO plantation area, 2014 - 2023 (mn ha)



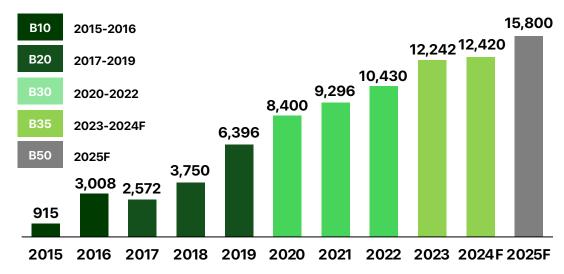
Indonesia CPO Consumption, 2019 - 2025F ('000 tons)



Indonesia CPO Production, 2019 - 2025F ('000 tons)



Biodiesel Implementation 2015 - 2025F ('000 tons)



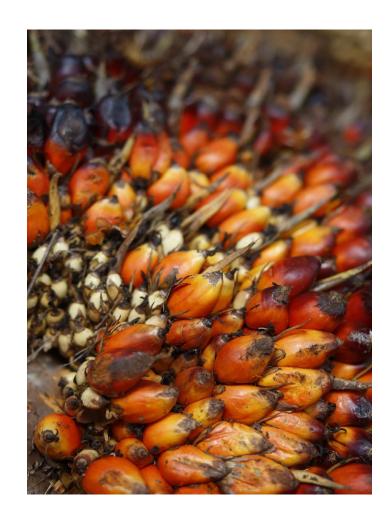
Sources: U.S Department of Agriculture, Infosawit

# III. About NSSS and Peer Comparables

### **Executive Summary**



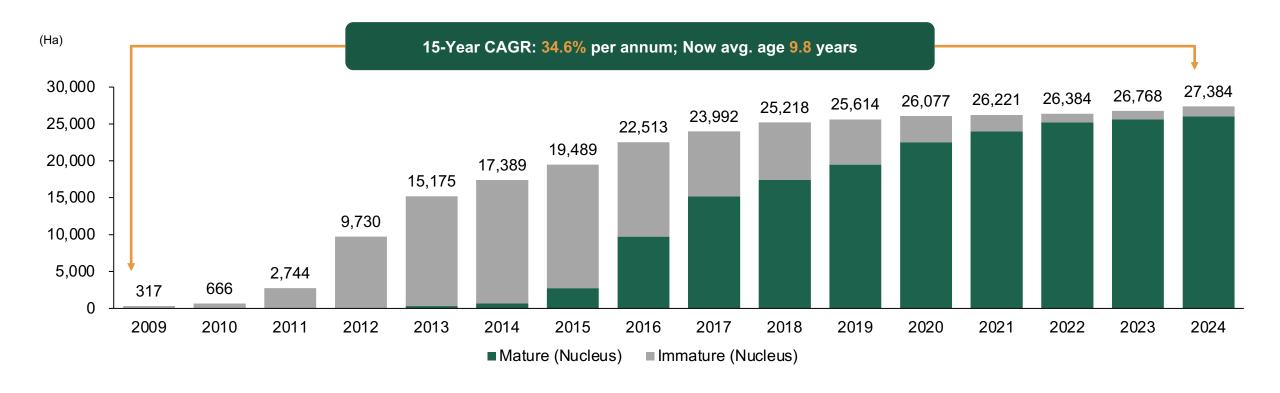
- ☐ Nusantara Sawit Sejahtera Tbk (NSSS) was established in 2009
- ☐ An integrated upstream palm oil plantation company comprised of 5 palm oil estates located in Central Kalimantan with 1Q25 total planted area of 29,408 including plasma
- □ PKS and Plantation is near the river translating to lower FFA and transportation cost through the direct piping system
- ☐ Young average plantation age of 9.8 years in 2024
- □ Solid profitability performance with 2024 EBITDA margin reaching 47.4%.
- □ Robust FFB production growth with 2018-24 CAGR of 12.2%



### **Company Milestones**



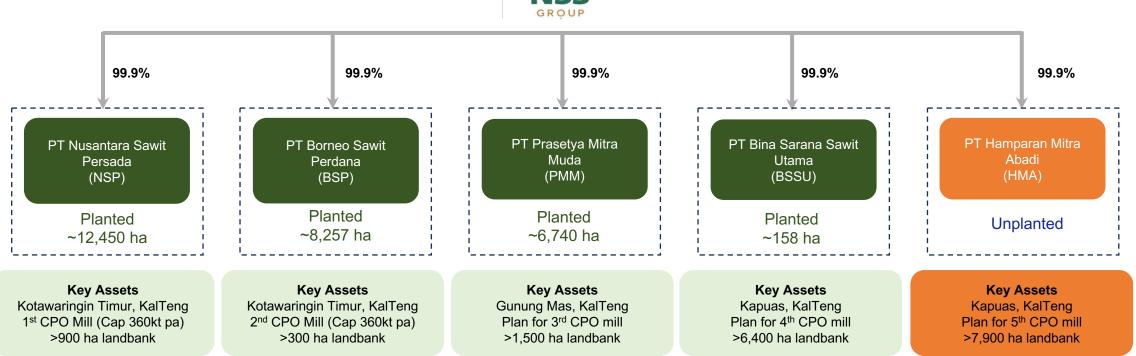




### Positioned in Central Kalimantan with Sizeable Landbank







NSSS' growth remains sustainable, with more than 17,000 ha unplanted landbank

### **NSSS plantations: Strategically Located**

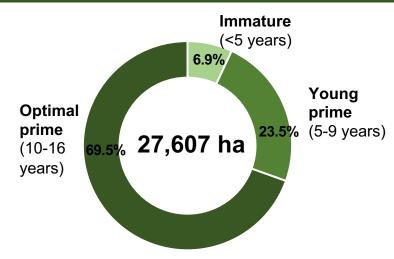


### **Map of NSSS plantations**



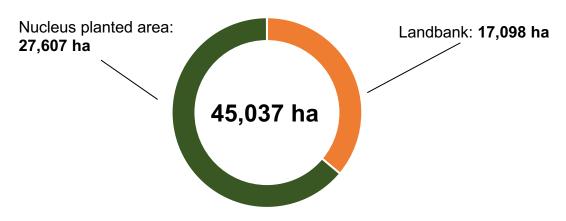
In Central Kalimantan near the Tualan and Mentaya rivers

### NSSS plantation age profile – as of Mar 2025

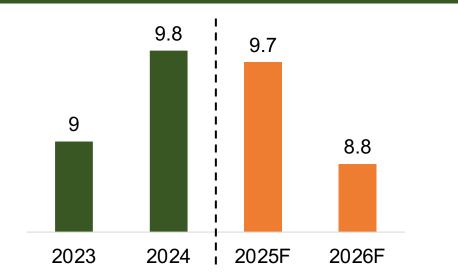


Majority of the plants are reaching its optimal yield

### Landbank breakdown – as of Mar 2025



### Impact of new planting on weighted average age



### Mill Production Capacity: Doubled



### **CPO** mill production capacity



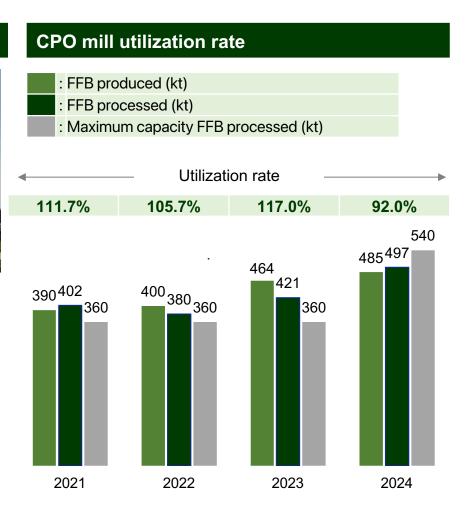
Nusantara Sawit Persada (NSP)

Borneo Sawit Perdana (BSP)



### Notes:

- 1) 20 hours of daily mill operation
- 2) 6 days in a week of mill operation
- 3) 300 days pa of mill operation after deducting national holidays



### **Direct Piping & Special Terminals**



### **NSSS** direct piping system at NSP



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

### **NSSS** special terminal at NSP



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

### **BSP** equipped with direct piping



The BSP mill also adopts the direct piping system, completed in 2Q24 with a pipeline approx. 1.5 km from the terminal. The second facility is located 30km away from the first facility still within the same region

Notes: NSP - Nusantara Sawit Persada, BSP - Borneo Sawit Persada

### **Cost Efficiency on Direct Piping System**



### 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

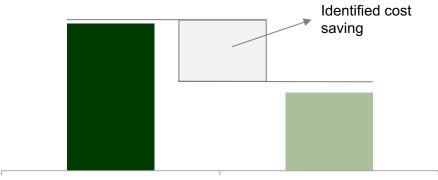


### Zero spillover

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

### Positive impact on financials



Transport cost w/o direct piping Transport cost with direct piping



### **NSSS** is the Most Leveraged to CPO Price vs its Peers



Companies	Target	market	Product to Customers								
Companies	Local	Exports	PO Seeds	FFB	СРО	PK	РКО	Oleochemicals	Biodiesel	Others	
NSSS				Yes	Yes	Yes					
FAPA				Yes	Yes	Yes	Yes				
TAPG					Yes	Yes				Yes	
SSMS					Yes	Yes	Yes				
STAA				Yes	Yes	Yes	Yes				
TLDN					Yes	Yes				Yes	
DSNG				Yes	Yes	Yes	Yes				
ANJT				Yes	Yes	Yes	Yes				
LSIP			Yes		Yes					Yes	
SMAR					Yes			Yes	Yes		

Notes: CPO = Crude Palm Oil, FFB = Fresh Fruit Bunch, PK = Palm Kernel, PKO = Palm Kernel Oil

**Every 10% CPO price hike translates to 28% bottom line increase for NSSS** 

### Financials and Ratios FY24: Most attractive on PEG



Financial data	UoM	NSSS	TAPG	DSNG	AALI	LSIP
Revenue	IDRbn	1,490	9,671	10,119	21,815	4,563
Revenue CAGR (2021-2026)	%	12.8	10.3	8.5	-0.6	3.3
EBITDA	IDRbn	705.9	3,747	3,096	3,095	2,099
EBITDA margin	%	47.4	38.7	30.6	14.2	46.0
Net profit	IDRbn	305	3,241	1,141	1,187	1,476
Net Profit CAGR (2021-2026)	%	19.6	21.4	15.8	-13.7	2.7
Net profit margin	%	20.4	33.5	11.3	5.4	32.3
Total asset	IDRbn	3,728	14,307	17,412	28,793	13,842
Total equity	IDRbn	1,365	11,276	9,897	23,202	12,557
Net debt	IDRbn	1,611	NC	5,176	NC	NC
Ratios	UoM	NSSS	TAPG	DSNG	AALI	LSIP
ROE	%	22.3	28.7	11.5	5.1	11.8
PE	X	21.6	4.7	8.8	10.0	4.5
PEG	X	0.0	2.0	0.6	-0.8	4.9
EPS Growth	%	13,357.1	2.3	14.1	-13.3	0.9

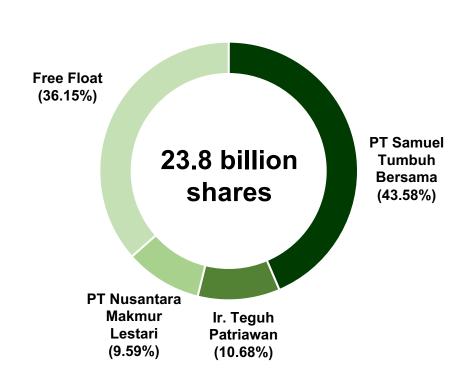
Sources: Bloomberg, company presentation, financial statement, ID analysis

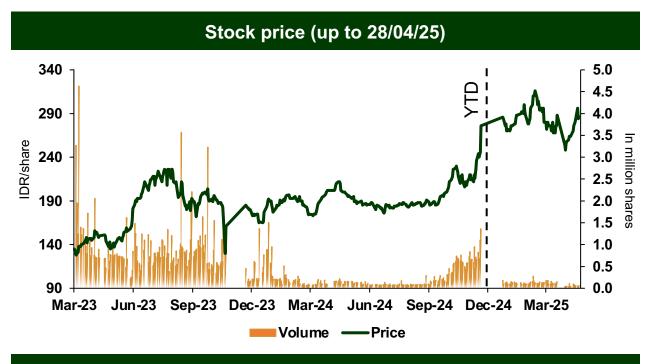
# IV. Shareholder Structure and Stock Performance

### **Shareholders Structure and Stock Performance**

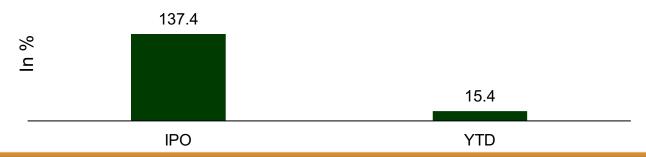


### **Current shareholders structure (as of 28/04/25)**





### **Relative performance to IHSG**



# V. Management

### Seasoned Management with proven track record





Ester Hartati S | President Commissioner

- President Commissioner of NSS since 2022.
- Over three decades of experience in the agribusiness & fishery industry
- Commissioner of PT Ocean Mitramas



Teguh Patriawan | President Director

- President Director of NSS since 2008
- Over four decades of experience in the industry
- o CEO of PT Binasawit Abadipratama (1993-2008)
- President Director of Surya Dumai (1986-1993)
- Director of Sola Gratia Group (1981-1986)



Robiyanto | Commissioner

- Commissioner of NSS since 2021
- Audit Committee member of PT Samator Indo Gas Tbk (2021-2022)
- Audit Committee member of PT Polytama Propindo, a subsidiary of Pertamina, (2020-2022)
- Worked in the Strategic Planning division at PT Aneka Gas Industri Tbk (2007-2018)



Kurniadi Patriawan | Director

- Director of NSS since 2021
- Over a decade of experience in the palm oil industry
- Oversees the Group's business strategy, day-to-day operations, and sales and marketing
- Sales Trading Manager (2016-2021)



Dr. Tungkot Sipayung | Independent Commissioner

- Independent Commissioner of NSS since 2024
- Founder & Executive Director of PASPI (2013 Present)
- Advisory Team for Coordinating Ministry of Economic Affairs, addressing EU's Renewable Energy Directives (RED II) policy
- Chair of the Cross-Ministry team for Indonesia's Palm Oil Industry roadmap



Miniwati Kasmita | Finance Director

- Finance Director of NSS since 2017
- Over three decades of experience in the industry
- AVP of Accounting at PT Sinarmas Agro Resources & Technology Tbk (1990-2016)
- Accountant at PT. Dharma Samudera Fishing Industries (1989-1990)

# VI. Operational and Financial Overview

### **Operational & Financial Summary: Highest Growth**

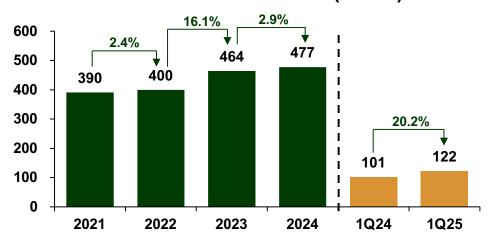


Operational data	1Q25	4Q24	1Q24 C	QoQ (%)	YoY (%)	2024	2023	YoY (%)
FFB nucleus (ktons)	122	143	101	(14.7)	20,2	477	464	2.9
CPO (ktons)	28	31	22	(10.1)	26.1	106	91	15.6
FFB yield (tons/ha)	4.7	5.5	3.9	-	-	18.3	18.1	-
OER (%)	22.3	21.0	21.6	-	-	21.2	21.7	-
Financial Summary (IDR bn)	1Q25	4Q24	1Q24 C	QoQ (%)	YoY (%)	2024	2023	YoY (%)
Revenue	476	535	278	(11.0)	71.4	1,490	1,185	25.8
EBITDA	270	295	89	(8.5)	202.6	706	333	111.7
EBIT	229	263	52	(12.9)	327.2	553	203	172.9
Pretax profit	194	226	17	(14.4)	1,063.4	406	51	701.5
Net profit	162	169	6	(4.1)	2,724.8	305	2	14,453.0

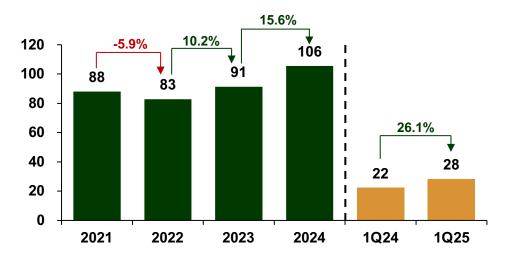
### **Operational Performance: Improving Throughout**



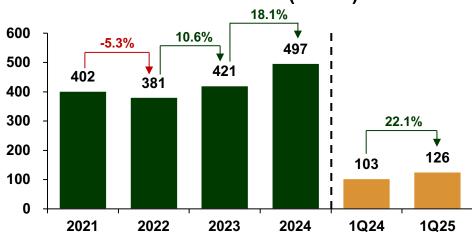
### **FFB Nucleus Production (ktons)**



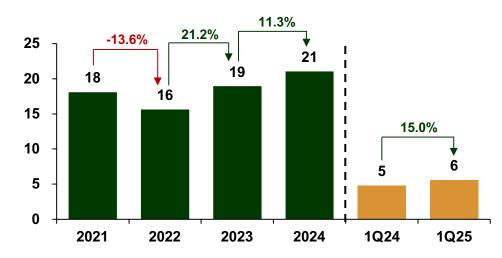
**CPO Production (ktons)** 



### FFB Processed (ktons)

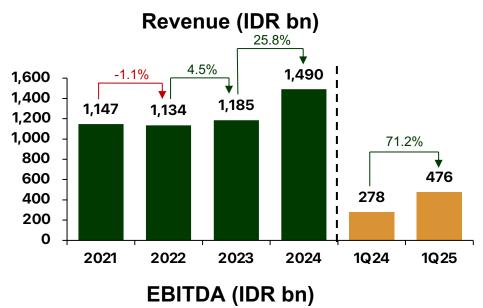


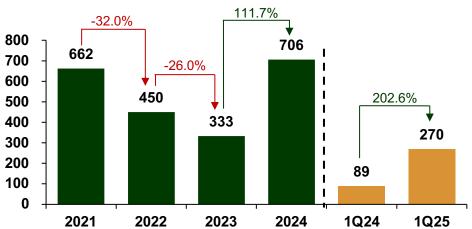
**PK Production (ktons)** 



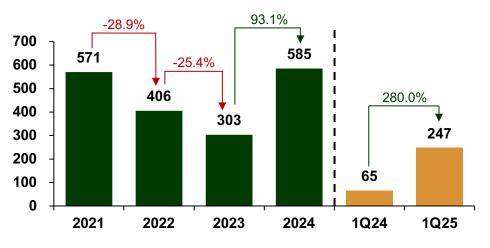
### Financial Performance: Fast Growth Across the Board



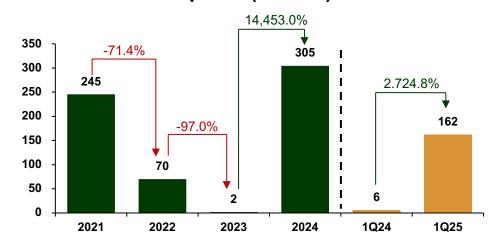




### **Gross profit (IDR bn)**



Net profit (IDR bn)



### **Balance sheet: Solid Improvements**



Balance sheet (IDR bn)	Mar 25	Dec 24	Dec 23	Dec 22
Assets				_
Cash and cash equivalents	337	386	243	40
Receivables	71	142	37	33
Biological assets	126	129	79	73
Other assets	3,253	3,071	3,313	2,889
Total assets	3,787	3,728	3,672	3,035
Liabilities				
Payables	172	176	385	185
Bank loans	1,893	1,998	2,106	2,105
Other liabilities	196	189	120	116
Total liabilites	2,261	2,363	2,611	2,405
Total equity	1,526	1,365	1,061	630
Net gearing (%)	101.8	118.0	175.5	327.6
Interest coverage (x)	6.5	4.2	(1.9)	(1.6)

# VII. Future Developments

### **Future Developments**





Plantation Expansion Prioritizing new planting to boost fresh fruit bunch (FFB) output and strengthen long-term production performance in BSSU & HMA



New Production Facility

With operations targeted to commence in 2028F, development of 3<sup>rd</sup> palm oil mill will significantly expand processing capacity and capture more value from upstream activities



Operational Improvements

Exploring technological upgrades, to improve production efficiencies, lower costs, and enhance sustainability



### **Upstream CPO**





NSSS produces Fresh fruit bunches (FFB) from their palm oil trees, which are then processed to get Crude palm oil (CPO) and Palm kernels (PK) from its two mills.

### **CSR Commitments**





- Start integrated service posts for the toddlers' public health program
- Construct clinics for public health
- Arrange water treatment facilities for distribution of clean drinking water









- Provide basic nursery & toddler care for employee's children
- Fund teachers' salaries
- Provide school buses for the transportation of students







- Construct and provide employee housing
- Road maintenance along the site
- Increase the participation of women in the CPO industry









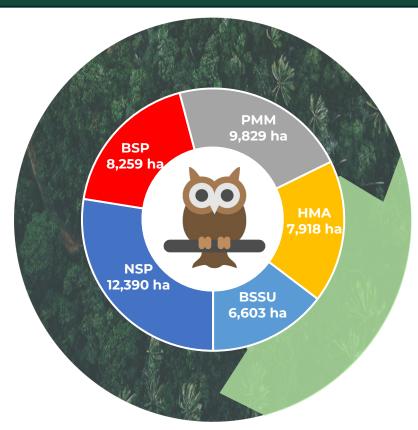




### **ESG Commitments**



### **ISPO Implementation**



As of Dec 2024, NSSS is 100% ISPO certified in line with the Indonesian government's effort to achieve Sustainable Development Goals (SDG's).

### **Proper Waste Management**







Qualified and secure waste management provide environmental benefits.

### Owls for natural pest control: a sustainable solution



Starting in 2024, NSSS has begun building owl shelters in its plantation areas, leveraging their natural hunting abilities to sustainably manage rodent populations. This supports balanced ecosystem and organic methods to maintain crop health.

### Revenue Breakdown



Details	1Q25	4Q24	1Q24	QoQ (%)	YoY (%)	2024	2023	YoY (%)
Sales volume (tons)								
CPO	29,007	29,505	22,005	(1.7)	31.8	103,729	92,255	12.4
PK	5,719	5,454	4,630	4.9	23.5	20,613	18,760	9.9
Price (IDR/kg)								
CPO	14,123	13,049	11,444	8.2	23.4	12,802	10,796	18.6
PK	10,744	8,969	5,647	19.8	90.3	7,860	5,007	<i>57.0</i>
Revenue (IDR bn)								
CPO	414	476	252	(13.0)	64.3	1,328	996	33.3
PK	62	59	26	5.1	138.5	162	94	72.5

CPO and PK sales volumes increased in 1Q25, and higher ASPs for both products further boosted revenues. The strong pricing was supported by lingering supply tightness from the previous El Niño, which had disrupted yields and tightened market supply.

### **New Mill Impact on CPO & PK Output**





## Plantations & Operations FY24: Relatively In-line with Sector



Plantation data	UoM	NSSS	TAPG	DSNG	AALI	*LSIP
Net profit	IDR bn	305	3,241	1,141	1,187	1,476
Net profit/ha	IDR mn/ha	11.4	21.6	11.0	4.5	-
Average age	Years	9.8	13.2	14.3	16.5	-
Total planted area	Ha	29,125	160,800	110,700	284,831	111,367
Nucleus	Ha	27,384	135,600	82,800	212,602	91,152
Mature	Ha	26,209	128,200	79,900	193,261	-
Immature	Ha	1,398	7,400	2,900	19,341	91,152
Plasma	Ha	1,464	25,200	27,900	72,229	25,200
Mature	Ha	560	22,000	24,200	72,229	-
Immature	Ha	904	3,200	3,700	0	
Operational data	UoM	NSSS	TAPG	DSNG	AALI	*LSIP
Raw material production:						
FFB production (nucleus)	Ton	477,288	2,946,013	1,661,979	3,002,685	1,173,000
FFB yield	Ton/Ha	18.1	23.1	20.3	14.1	10.5
Crude palm oil (CPO)	Ton	105,570	916,269	601,508	1,125,388	287,000
Oil extraction rate	%	21.2	23.1	23.9	19.0	-
Palm kernel (PK)	Ton	21,062	129,975	114,210	234,121	-
Kernel extracation rate	%	4.2	4.9	4.5	4.0	-
Capacity data	UoM	NSSS	TAPG	DSNG	AALI	*LSIP
Total number of CPO mill	Qty	2	18	12	32	12
Total CPO mill capacity	Tph	120	995	675	1,570	540
FFB processed	Ton	496,925	3,962,409	2,515,086	5,915,220	
Utilization rate	%	92.0	66.4	62.1	62.8	-

Notes: " \* " refers to companies that has not updated its FY24 plantation data

### **Valuation Peer Comparables 2025F**



Company	Mkt. Cap	Last Price	Target Price	Upside	EPS Gwt 25F	PEG	P/E 25	EV/ha	ROE	DY
Ticker	(IDR tn)	(IDR)	(IDR)	(%)	(%)	(x)	(x)	(USD)	(%)	(%)
NSSS IJ	6.9	288	420	45.8	45.3	0.3	15.5	19,475	24.5	N.A
TAPG IJ	19.5	980	1,300	32.7	10.3	0.5	5.7	8,826	28.2	10.6
SSMS IJ	15.0	1,570	2,451	56.1	30.6	0.4	13.1	18,691	40.1	2.9
AALI IJ	11.6	6,025	6,678	10.8	(11.3)	N.A	11.3	2,294	4.7	6.3
DSNG IJ	8.2	770	1,043	35.5	14.1	0.4	6.3	9,705	12.1	3.9
LSIP IJ	8.0	1,170	1,405	20.1	0.9	8.0	7.4	1,767	11.0	6.5
Indonesian Sector	69.0			34.3	13.9	1.3	9.5	9,266	22.6	5.9
Company	Mkt. Cap	Last Price	Target Price	Upside	EPS Growth (%)	EG	P/E 25	EV/ha	ROE	DY
Ticker	(IDR tn)	(MYR)	(MYR)	(%)	24-25	(x)	(x)	(USD)	(%)	(%)
SDG MK	123.6	4.7	5.1	9.6	(22.0)	N.A	19.1	18,200	8.6	3.1
KLK MK	84.4	19.7	22.3	12.9	111.6	0.2	17.2	28,966	8.7	3.0
IOI MK	87.5	3.7	4.2	13.3	18.6	0.9	17.4	38,781	10.9	2.9
GENP MK	16.7	4.8	6.2	28.6	4.1	3.2	13.3	9,441	6.1	4.3
FGV MK	16.4	1.2	1.2	0.6	28.1	0.4	12.1	6,822	6.0	3.6
TAH MK	6.8	4.0	4.4	8.3	(4.1)	N.A	10.0	14,076	9.4	6.3
HAPL MK	5.9	1.9	2.4	23.5	(25.8)	N.A	9.9	7,157	7.2	6.2
Malaysian Sector	341.2			12.1	25.4	0.5	17.2	14,076	9.0	3.2



# THANK YOU

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