DEWA — 2Q26 Results MIXED, as headline earnings flattered by unrealised mark-to-market gain while revenue lags consensus

2Q26 · Revenue +8.7% yoy to IDR 1.7 Tn | Operating Profit +18.9% yoy to IDR 217 Bn | EBITDA +22.9% yoy to IDR 494 Bn | Net Profit +120.6% yoy to IDR 262 Bn | Gross Margin 20.7% (+4.4pp yoy) | Unrealised fair-value gain IDR 229 Bn

Revenue (2Q26)	Operating Profit (2Q26)	EBITDA (2Q26)	Net Profit (2Q26)
IDR 1.7 Tn	IDR 217 Bn	IDR 494 Bn	IDR 262 Bn
+8.7% YoY | +6.9% QoQ	+18.9% YoY | +12.4% QoQ	+22.9% YoY | +11.7% QoQ	+120.6% YoY | +182.1% QoQ

KEY TAKEAWAYS

- 2Q26 revenue rose **8.7% YoY and 6.9% QoQ to IDR 1.66 Tn**, but 1H26 revenue of IDR 3.21 Tn is only 3.1% ahead of 1H25 and **just 43.7% of the FY26 consensus of IDR 7.34 Tn** — a clear top-line **miss** against the 50% half-year pace. Growth is entirely a Kaltim Prima Coal story: KPC revenue reached IDR 1.22 Tn in 2Q26, up 22.3% YoY, while Arutmin slipped 4.1% YoY to IDR 438 Bn despite the IDR 10.5 Tn renewal signed in January 2026. Third-party revenue, IDR 71 Bn in 2Q25, was nil in 1H26, leaving the group 100% related-party.
- 2Q26 gross profit jumped **37.8% YoY to IDR 343 Bn and gross margin expanded 4.4pp YoY to 20.7%**, as subcontractor cost collapsed 52.6% YoY to IDR 156 Bn and fleet depreciation rose to IDR 266 Bn — internalisation swapping a variable cost for a fixed one. It does not reach the operating line: **general and administrative expense rose 89.7% YoY to IDR 127 Bn**, so 2Q26 operating profit advanced only 18.9% YoY to IDR 217 Bn and operating margin 1.1pp to 13.1%. 2Q26 EBITDA rose 22.9% YoY to IDR 494 Bn, a 29.8% margin; on the Bloomberg basis 1H26 EBITDA is 59.6% of FY26F, 48.1% ex the gain.
- 2Q26 net profit of **IDR 262 Bn rose 120.6% YoY and 182.1% QoQ**, taking 1H26 to 69.6% of FY26F. Quality is poor: 2Q26 carries an **IDR 229 Bn unrealised fair-value gain on unquoted equity (IDR 186 Bn after tax)**. Ex that, 2Q26 net profit was IDR 76 Bn, -18.3% QoQ and -36.1% YoY, and 1H26 only 33.1%. 2Q26 finance cost doubled YoY to IDR 137 Bn on an IDR 46 Bn loan penalty.
- **1H26 capex of IDR 1.66 Tn is already 75% of FY26 consensus capex of IDR 2.21 Tn**, bank debt has risen 30.8% since December 2025 to IDR 4.54 Tn and the current ratio has fallen to 0.71x from 1.15x. **DEWA breached the minimum 1.0x modified current ratio covenant on the syndicated facility**, sought a waiver on 22 June 2026 and received creditors' approval via BBCA as facility agent on 30 July 2026. Watch 3Q26 for first revenue from the US$1.3 Bn Sebuku Sejaka contract and whether the ratio is restored without a further waiver.

INCOME STATEMENT · IDR Bn, Consolidated

(IDR Bn)	2Q25	1Q26	2Q26	QoQ	YoY	1H25	1H26	YTD YoY
Revenue	1,524	1,549	1,657	+6.9%	+8.7%	3,109	3,206	+3.1%
Gross Profit	249	269	343	+27.8%	+37.8%	496	612	+23.5%
Operating Income	182	193	217	+12.4%	+18.9%	368	410	+11.4%
EBITDA	402	442	494	+11.7%	+22.9%	784	936	+19.4%
Net Profit	119	93	262	+182.1%	+120.6%	187	354	+89.0%

Note: the 1H25 comparative is restated in the 2Q26 filing — cost of revenues is IDR 19.4 Bn lower than first reported, lifting 1H25 gross profit and net profit alike. 1Q25 was not restated, so the whole restatement falls into derived 2Q25.

PT Darma Henwa Tbk (DEWA IJ)

2Q26 Earnings Flash · Consolidated · 10 August 2026

MARGIN

(Ratio %)	2Q25	1Q26	2Q26	QoQ pp	YoY pp	1H25	1H26	YTD pp
Gross Margin	16.3%	17.3%	20.7%	+3.4pp	+4.4pp	16.0%	19.1%	+3.1pp
Operating Margin	12.0%	12.4%	13.1%	+0.6pp	+1.1pp	11.8%	12.8%	+0.9pp
EBITDA Margin	26.4%	28.5%	29.8%	+1.3pp	+3.5pp	25.2%	29.2%	+4.0pp
Net Profit Margin	7.8%	6.0%	15.8%	+9.8pp	+8.0pp	6.0%	11.1%	+5.0pp

REVENUE SEGMENTATION · IDR Bn, external revenue by counterparty

(IDR Bn)	2Q25	1Q26	2Q26	QoQ	YoY	1H25	1H26	YTD YoY
PT Kaltim Prima Coal	997	1,126	1,219	+8.3%	+22.3%	2,048	2,345	+14.5%
PT Arutmin Indonesia	457	423	438	+3.4%	-4.1%	928	861	-7.2%
Third parties	71	–	–	*n.m*	-100.0%	132	–	-100.0%
Total	**1,524**	**1,549**	**1,657**	**+6.9%**	**+8.7%**	**3,109**	**3,206**	**+3.1%**

OPERATIONAL PERFORMANCE · disclosed cost inputs and capital expenditure

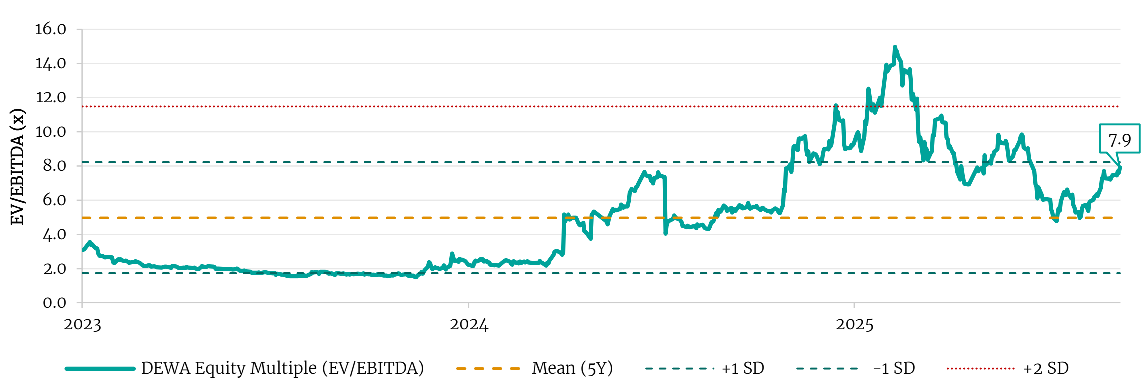
Key Metric (IDR Bn)	2Q25	1Q26	2Q26	QoQ	YoY	1H25	1H26	YTD YoY
Subcontractor cost	328	323	156	-51.9%	-52.6%	792	479	-39.5%
Fleet depreciation	203	233	266	+14.2%	+30.7%	368	498	+35.6%
Repair & maint.	206	217	241	+11.1%	+16.8%	398	458	+15.0%
Equipment rental	74	78	141	+79.2%	+88.9%	79	219	+177.0%
Hauling	159	136	152	+11.8%	-4.5%	339	288	-15.0%
Fuel	61	49	55	+12.4%	-10.1%	117	103	-11.8%
Capex	334	253	1,405	+455.1%	+320.1%	1,200	1,658	+38.3%

1H26 ACTUAL vs. BLOOMBERG CONSENSUS · % OF FY26F (1H26 PACE = 50%)

Metric (IDR Bn)	1H26 Actual	FY26F Cons.	% of FY26F	Verdict
Revenue	3,206	7,343	43.7%	Miss
Operating Income	667	876	76.2%	Beat
EBITDA	1,194	2,004	59.6%	Beat
Net Profit	354	509	69.6%	Beat

Source: PT Darma Henwa Tbk financial statements; Bloomberg consensus.

VALUATION · DEWA 5-YEAR EV/EBITDA BAND



Current EV/EBITDA 7.9x as of 07 Aug 2026 vs. 5-year mean 5.0x (+1 SD 8.2x / -1 SD 1.7x / +2 SD 11.5x); -2 SD is negative and is not plotted.
Source: Bloomberg.

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