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PT Hanjaya Mandala Sampoerna Tbk. (HMSP IJ)

2Q26 Earnings Flash · Consolidated · 6 August 2026

aldiracita SEKURITAS INDONESIA

HMSP — 2Q26 Results BROADLY IN-LINE, as SKM-led pricing lifts margins while hand-rolled kretek keeps shrinking

2Q26 · Revenue +11.0% yoy to IDR 29.3 Tn | Operating Profit +61.0% yoy to IDR 2.6 Tn | EBITDA +50.2% yoy to IDR 2.9 Tn | Net Profit +917.5% yoy to IDR 2.1 Tn | 1H26 market share 29.6% (-1.4pp yoy)

Revenue (2Q26)	Operating Profit (2Q26)	EBITDA (2Q26)	Net Profit (2Q26)
IDR 29.3 Tn	IDR 2.6 Tn	IDR 2.9 Tn	IDR 2.1 Tn
+11.0% YoY | +7.7% QoQ	+61.0% YoY | +3.7% QoQ	+50.2% YoY | +2.9% QoQ	1H26 at 51.7% of FY26F consensus

KEY TAKEAWAYS

- 2Q26 revenue rose 11.0% YoY and 7.7% QoQ to IDR 29.3 Tn, lifting 1H26 revenue 2.4% YoY to IDR 56.5 Tn, or **49.6% of the FY26 Bloomberg consensus and therefore IN-LINE** at the halfway mark. The growth is priced, not shipped: 2Q26 shipment volume was broadly flat at 20.3 bn sticks, down 0.3% YoY against an industry up 3.4%, so market share slipped to 30.1% from 31.2% in 2Q25 and to 29.6% in 1H26 from 31.0%. Inside the mix, 2Q26 machine-made kretek (SKM) revenue jumped 23.1% YoY to IDR 17.7 Tn and now carries 60.4% of quarterly revenue against 54.5% in 2Q25, while hand-rolled kretek (SKT) fell 5.1% YoY in 2Q26 and 13.3% YoY in 1H26.
- 2Q26 gross profit rose 21.3% YoY to IDR 5.6 Tn and **2Q26 gross margin widened 1.6pp YoY to 19.2%**, helped by an **excise burden that eased to 60.2% of revenue from 60.8% in 2Q25 with no 2026 tariff increase, against raw-material cost up 11.3% YoY.** 2Q26 operating profit rose 61.0% YoY to IDR 2.6 Tn and EBITDA 50.2% YoY to IDR 2.9 Tn, both flattered by a soft 2Q25 base; sequentially they grew only 3.7% and 2.9% as advertising and promotion snapped back to IDR 776 Bn from IDR 348 Bn in 1Q26. The 1H26 operating margin of 9.0%, up 1.7pp YoY, is the cleaner read, and both lines sit IN-LINE at 48.8% and 47.6% of FY26F.
- 2Q26 net profit of IDR 2.1 Tn is up 917.5% YoY and 4.0% QoQ, taking 1H26 to IDR 4.2 Tn, **97.1% higher YoY and 51.7% of FY26F consensus** — IN-LINE, and the only line running ahead of the 50% pace. The YoY comparison flatters: 2Q25 carried IDR 505 Bn of net other expenses and an 82.3% effective tax charge against 22.6% in 2Q26, leaving a base of only IDR 210 Bn.
- HMSP earns disproportionately in the second half. **1H25 was 43.1% of FY25 operating profit and 32.2% of FY25 net profit**, so 1H26 at 48.8% and 51.7% of consensus is running ahead of its own seasonality rather than merely level with it. What settles FY26 is the 2027 excise tariff, normally issued around September to October, and whether SKM pricing can keep outrunning the SKT volume drain into 3Q26. **At a blended-forward P/E of 9.7x, near its 5-year -1SD of 9.2x and below the 11.6x mean, the valuation already reflects HMSP's market-share loss and reliance on price-led rather than volume-led earnings growth.**

INCOME STATEMENT · IDR Tn, Consolidated

(IDR Bn)	2Q25	1Q26	2Q26	QoQ	YoY	1H25	1H26	YTD YoY
Revenue	26.38	27.2	29.29	+7.7%	+11.0%	55.17	56.5	+2.4%
Gross Profit	4.63	5.00	5.61	+12.2%	+21.3%	9.65	10.61	+10.0%
Operating Income	1.6	2.49	2.58	+3.7%	+61.0%	4.00	5.07	+26.7%
EBITDA	1.94	2.83	2.91	+2.9%	+50.2%	4.65	5.73	+23.1%
Net Profit	0.21	2.06	2.14	+4.0%	+917.5%	2.13	4.19	+97.1%

MARGIN

(Ratio %)	2Q25	1Q26	2Q26	QoQ pp	YoY pp	1H25	1H26	YTD pp
Gross Margin	17.5%	18.4%	19.2%	+0.8pp	+1.6pp	17.5%	18.8%	+1.3pp
Operating Margin	6.1%	9.2%	8.8%	-0.3pp	+2.7pp	7.3%	9.0%	+1.7pp
EBITDA Margin	7.3%	10.4%	9.9%	-0.5pp	+2.6pp	8.4%	10.1%	+1.7pp
Net Profit Margin	0.8%	7.6%	7.3%	-0.3pp	+6.5pp	3.9%	7.4%	+3.6pp

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REVENUE SEGMENTATION · IDR Bn, third-party and related-party net revenue

(IDR Bn)	2Q25	1Q26	2Q26	QoQ	YoY	1H25	1H26	YTD YoY
Machine-made kretek	14,372	16,536	17,691	+7.0%	+23.1%	30,065	34,227	+13.8%
Hand-rolled kretek	9,101	7,773	8,636	+11.1%	-5.1%	18,934	16,409	-13.3%
Machine-made white	1,247	1,369	1,304	-4.7%	+4.5%	3,013	2,672	-11.3%
Hand-rolled white	230	220	217	-1.5%	-5.8%	489	437	-10.7%
Smoke-free products	688	637	593	-6.8%	-13.9%	1,131	1,230	+8.7%
Export	455	467	551	+17.8%	+21.1%	1,013	1,018	+0.5%
Others	291	203	300	+47.4%	+2.9%	528	503	-4.7%
Total	**26,384**	**27,204**	**29,291**	**+7.7%**	**+11.0%**	**55,173**	**56,495**	**+2.4%**

OPERATIONAL PERFORMANCE

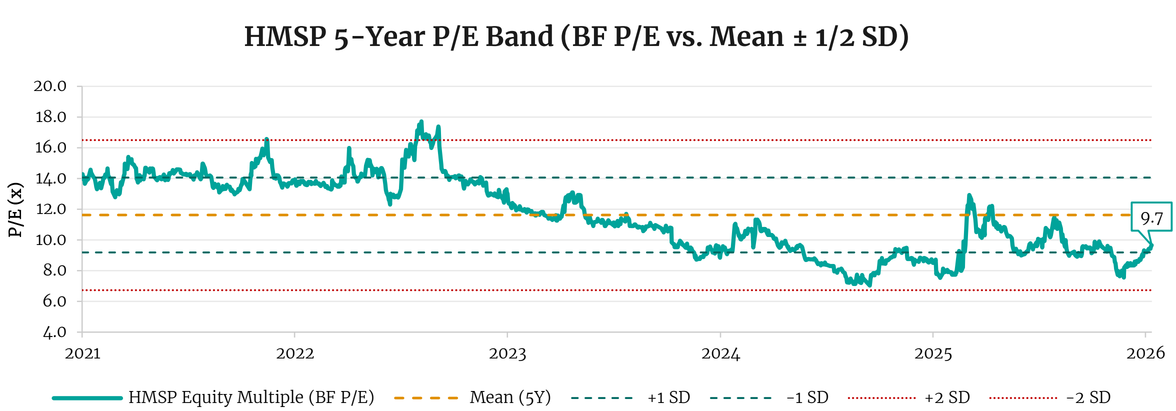
Key Metric	Unit	2Q25	1Q26	2Q26	QoQ	YoY	1H25	1H26	YTD
Sales volume	bn	20.3	18.6	20.3	+9.2%	-0.3%	39.3	38.8	-1.2%
Market share	%	31.2%	29.1%	30.1%	+1.0pp	-1.1pp	31.0%	29.6%	-1.4pp
Industry volume	bn	65.2	63.8	67.4	+5.6%	+3.4%	126.8	131.2	+3.5%
SKM revenue mix	%	54.5%	60.8%	60.4%	-0.4pp	+5.9pp	54.5%	60.6%	+6.1pp
SKT revenue mix	%	34.5%	28.6%	29.5%	+0.9pp	-5.0pp	34.3%	29.0%	-5.3pp
Excise tax	IDR Tn	16.05	16.77	17.63	+5.1%	+9.8%	33.71	34.40	+2.1%
Excise / revenue	%	60.8%	61.7%	60.2%	-1.5pp	-0.6pp	61.1%	60.9%	-0.2pp
A&P spend	IDR Bn	799	348	776	+123.0%	-2.9%	1,404	1,124	-19.9%
Capex	IDR Bn	260	153	86	-43.9%	-66.9%	486	239	-50.7%

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

Metric (IDR Tn)	1H26 Actual	FY26F Cons.	% of FY26F	Verdict
Revenue	56.50	113.90	49.6%	In-Line
Operating Income	5.07	10.39	48.8%	In-Line
EBITDA	5.73	12.05	47.6%	In-Line
Net Profit	4.19	8.12	51.7%	In-Line

Source: PT Hanjaya Mandala Sampoerna Tbk financial statements; Philip Morris International market data; Bloomberg consensus.

VALUATION · HMSP 5-YEAR BLENDED-FORWARD P/E BAND



Current blended-forward P/E 9.7x as of 5 August 2026 vs. 5-year mean 11.6x (+1 SD 14.1x / -1 SD 9.2x / +2 SD 16.5x / -2 SD 6.7x). Source: Bloomberg.

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