



PT DHARMA SATYA NUSANTARA TBK (DSNG.IJ) INVESTOR NEWSLETTER

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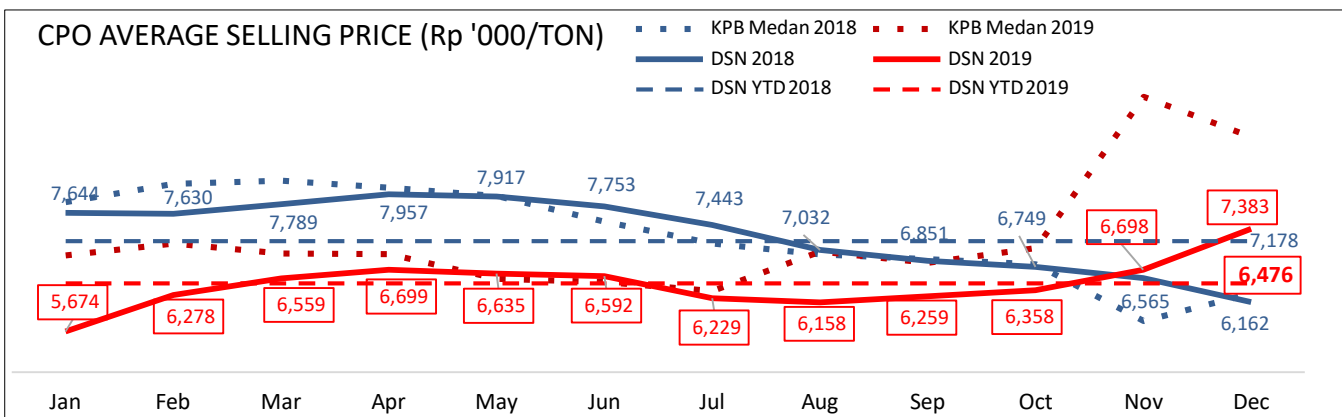
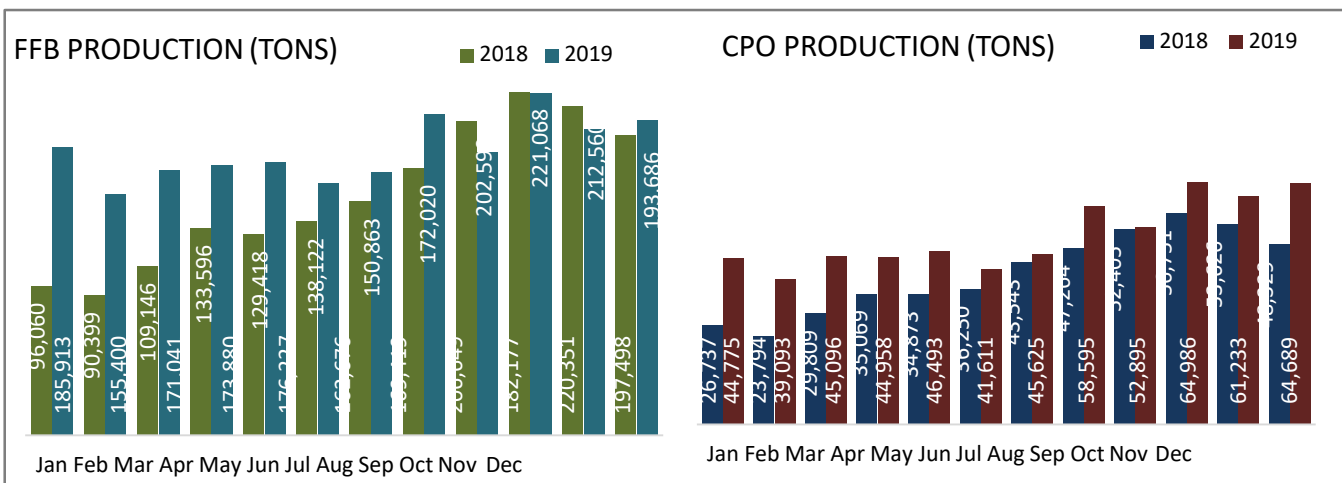
In 2019, our FFB production reached 2.2 million tons, an increase of 19% against last year following our increasing mature area. The productivity of our mills also demonstrated an improvement throughout 2019 with CPO production increased by 25% compared to the same period last year. Meanwhile, our blended FFA level continued to remain low at 2.67%, generating premium quality CPO.

During 2019, the Company sold 666 thousand tons CPO, an

increase of 46% against the same period last year. PKO sales volume also rose by 90% as PKO sales volume in the second half of 2019 doubled the first half sales volume.

Our realized ASP for CPO throughout 2019 was Rp 6.5 million per ton, 10% lower against Rp 7.2 million per ton for the same period last year. We've started to see the hike of CPO price in Q4 following the expectation of low CPO stock in both Malaysia and Indonesia, resulting a 10% increase in QoQ ASP.

	FY2019	FY2018	YoY(%)	Q1-2019	Q2-2019	Q3-2019	Q4-2019	QoQ
Plantation Performance								
FFB Production (tons)	2,204,345	1,849,528	19.2	512,354	512,782	558,244	620,964	11.2
- FFB Nucleus (tons)	1,864,850	1,587,667	17.5	438,178	433,886	471,027	521,759	10.8
- FFB Plasma (tons)	339,495	261,861	29.6	74,177	78,896	87,217	99,205	13.7
Mill Performance								
FFB Processed (tons)	2,597,096	2,070,609	25.4	559,880	580,015	652,051	805,151	25.3
CPO Production(tons)	610,050	488,449	24.9	128,964	133,062	157,116	190,908	21.5
PK Production (tons)	105,808	82,061	28.9	20,287	22,499	28,660	34,361	19.9
PKO Production (tons)	31,462	29,370	7.1	6,658	7,431	7,834	9,539	21.8
CPO OER (%)	23.49	23.59	(0.4)	23.03	22.94	24.10	23.71	(1.6)
FFA (%)	2.67	2.77	(3.7)	2.63	2.53	2.66	2.80	5.4
Sales Performance								
CPO (tons)	665,993	454,889	46.4	165,908	135,274	162,972	201,839	23.8
PK (tons)	31,172	16,373	90.4	5,796	5,762	9,092	10,522	15.7
PKO (tons)	32,011	28,004	14.3	7,001	5,004	10,005	10,001	0.0
CPO ASP (Rp '000/Ton)	6,476	7,178	(9.8)	6,137	6,646	6,215	6,851	10.2



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PLANTED AREA

As of December 2019, the company's total planted area, including nucleus and plasma, reached 112,450 hectares, with an average age of 9.9 years old. The addition of 4,039 ha new planting in 2019 has resulted in our plantation's average age younger, from 10.3 years old to 9.9 years old in 2019.

	Planted (ha) (as of Dec 2019)	Average Age (yrs)	Planted Hectareage	
			Mature (ha)	Total Planted (ha)
Nucleus		10.7	78,878	84,566
Plasma		7.2	22,921	27,884
Total		9.9	101,799	112,450

WOOD PRODUCTS BUSINESS

During 2019, wood panel products showed a significant improvement in performance with both sales volume and revenue increased by 15% and 13%, respectively. Meanwhile, our engineered flooring sales revenue decreased by 21% following lower sales volume and average selling price. Engineered flooring

sales volume declined by 15% compared to last year due to the decreasing demands from the export markets, particularly USA. Overall, our wood product business still generated positive contribution to the Company's profit

	FY-2019	FY-2018	YoY (%)	Q1-2019	Q2-2019	Q3-2019	Q4-2019	QoQ
Sales Volume								
Panel (m3)	96,622	83,751	15.4	22,354	22,547	25,913	25,808	(0.4)
Engineered flooring (m2)	931,668	1,093,848	(14.8)	230,964	200,747	241,625	258,332	6.9
Average Selling Price (ASP)								
Panel (Rp million /m3)	5.92	6.06	(2.3)	6.11	6.13	5.73	5.75	0.4
Engineered flooring (Rp 'million/m2)	0.39	0.42	(7.2)	0.39	0.39	0.39	0.38	(2.2)
Revenue								
Panel (Rp million)	571,648	507,381	12.7	136,622	138,314	148,377	148,335	0.0
Engineered flooring (Rp 'million)	360,685	456,506	(21.0)	90,225	79,190	93,478	97,792	4.6

FINANCIAL SUMMARY

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