PEFINDO
CREDIT RATING AGENCY

Rating Summary

March 11, 2025

PT Dharma Satya Nusantara Tbk

Credit Rating(s)

General Obligation (GO)	$_{id}$A+/Stable
SR Bond I 2020	$_{id}$A+

Rating Period

March 7, 2025 – March 1, 2026

Published Rating History

Mar 2024	$_{id}$A/Stable
Mar 2023	$_{id}$A/Stable
Mar 2022	$_{id}$A/Stable
Mar 2021	$_{id}$A-/Stable
Mar 2020	$_{id}$A-/Stable

PEFINDO has raised the rating of PT Dharma Satya Nusantara Tbk (DSNG) and its Shelf-Registered Bond I Year 2020 rating to $_{id}$A+ from $_{id}$A. Outlook for the corporate rating is stable. The rating action reflects our view on the Company's strengthening business position, mainly attributable to higher yield from the replanting program, the plantation profile that is a majority in prime age, and the stable price of crude palm oil (CPO). We also expect DSNG to be more conservative on its capital expenditure strategy on a sustained basis, resulting in an improved financial profile. The corporate rating reflects DSNG's favorable plantation profile, strong financial profile, and stable demand for palm oil. The rating is constrained by the Company's less integrated business profile as well as exposure to fluctuating commodity prices and severe weather.

The rating may be raised if DSNG is able to increase its plantation area significantly while maintaining its favorable plantation profile, resulting in higher revenue and EBITDA, combined with a more integrated palm oil business model. The rating may be lowered if its revenue and EBITDA fall significantly short of projection, resulting from higher costs and lower output than expected. The rating may also be lowered if DSNG incurs significantly higher debt without being compensated by improved business performance.

DSNG is a palm oil plantation company engaged in the upstream industry, including plantations and production of CPO and palm kernel oil (PKO). Its operations are mainly in the eastern parts of Kalimantan. At the end of 2024, it owned a total plantation area of 112,673 hectares (ha). As of December 31, 2024, DSNG's shareholders consisted of PT Triputra Investindo Arya (27.6%), PT Krishna Kapital Investama (14.6%), PT Tri Nur Cakrawala (7.4%), PT Mitra Aneka Guna (6.3%), Arianto Oetomo (5.4%), Andrianto Oetomo (5.4%), and others, including the public (33.1%).

Rating Definition

Debt security rated $_{id}$A indicates that the issuer's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian issuers, is strong. However, the issuer's capacity is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated issuers. The plus (+) sign indicates that the rating is relatively strong within its category.

Financial Highlights

As of/for the year ended	Dec-2024 (Audited)	Dec-2023 (Audited)	Dec-2022 (Audited)	Dec-2021 (Audited)
Total adjusted assets [IDR bn]	17,064.0	15,869.5	15,083.1	13,483.8
Total adjusted debt [IDR bn]	5,596.2	5,486.0	5,398.3	5,306.4
Total adjusted equity [IDR bn]	9,685.7	8,671.5	7,934.3	6,799.6
Total sales [IDR bn]	10,119.2	9,498.7	9,633.7	7,124.5
EBITDA [IDR bn]	2,934.0	2,379.4	2,970.2	1,905.1
Net income after MI [IDR bn]	1,142.5	839.8	1,206.8	727.2
EBITDA margin [%]	29.0	25.0	30.8	26.7
Adjusted debt/EBITDA [X]	1.9	2.3	1.8	2.8
Adjusted debt/adjusted equity [X]	0.6	0.6	0.7	0.8
FFO/adjusted debt [%]	33.4	30.0	39.4	23.0
EBITDA/IFCCI [X]	5.3	5.2	6.5	4.0
USD exchange rate [IDR/USD]	16,162	15,416	15,731	14,269

FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense
EBITDA = Operating Profit + Depreciation Expense + Amortization Expense
IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)
MI= Minority Interest

The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.

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