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DSNG GROUP

DSNG
INVESTOR NEWSLETTER

SOLID MOMENTUM TO BEGIN THE YEAR

Profit and Loss	3M-2025	3M-2024	%	FY 2024
Revenue	2,678,809	2,230,464	20.1	10,119,220
- Palm Oil	2,350,009	1,904,800	23.4	8,784,344
- Wood Product	284,896	268,937	5.9	1,152,074
- Renewable Energy	43,904	56,727	(22.6)	182,802
Cost of Revenue	(1,884,851)	(1,617,434)	16.5	(7,115,019)
Gross Profit	793,958	613,030	29.5	3,004,201
-Margin %	*29.6%*	*27.5%*	-	*29.7%*
Profit Before Tax	497,983	307,930	61.7	1,640,016
-Margin %	*18.6%*	*13.8%*	-	*16.2%*
EBITDA	861,228	634,917	35.6	3,096,491
-Margin %	*32.1%*	*28.5%*	-	*30.6%*
Profit	366,958	229,293	60.0	1,141,375
-Margin %	*13.7%*	*10.3%*	-	*11.3%*
Core Profit*	386,335	249,432	54.9	1,181,098
-Margin %	*14.4%*	*11.2%*	-	*11.7%*

**Core Profit calculated from net profit & adjusted to the unrealized foreign exchange gains/losses, net of tax effects.*

Financial Position	31-Mar-25	31-Dec-24	%	FY 2024
Total Asset	17,635,653	17,412,416	1.3	17,412,416
Total Liabilities	7,371,380	7,515,101	(1.9)	7,515,101
Equity	10,264,273	9,897,315	3.7	9,897,315

PT Dharma Satya Nusantara Tbk (DSNG) reported a total revenue of Rp 2.7 trillion for 1Q-2025, an increase of 20% YoY. The increase was mainly due to the high ASP of the CPO and the PKO, resulting in Palm Oil's revenue growth of 23% YoY and increasing the dominance of this segment to 88% of DSNG's total revenue.

The Wood segment demonstrated resilience amid softer market demand, delivering a 6% YoY increase in revenue. In contrast, the Renewable Energy segment saw a 23% YoY revenue decline, primarily due to shipment deferment, which is expected to be recognized in the second quarter of 2025.

Cost of revenue rose by approximately 17% YoY, mainly driven by higher external fruit purchases within the Palm Oil segment. Operational costs remained well-managed overall, with labor cost increases aligned with the government's 2025 wage adjustments. Despite these pressures, the Company delivered robust results, with EBITDA and net profit margins improving to 32% and 14%, respectively—representing strong YoY growth of 36% and 60%.

Total assets grew modestly by 1%, while total liabilities declined by nearly 2%, reflecting prudent balance sheet management and strengthened financial positioning. Importantly, only 17% of the Group's total debt is denominated in USD, underscoring the Company's resilience against currency volatility and reinforcing a solid foundation for sustainable growth.

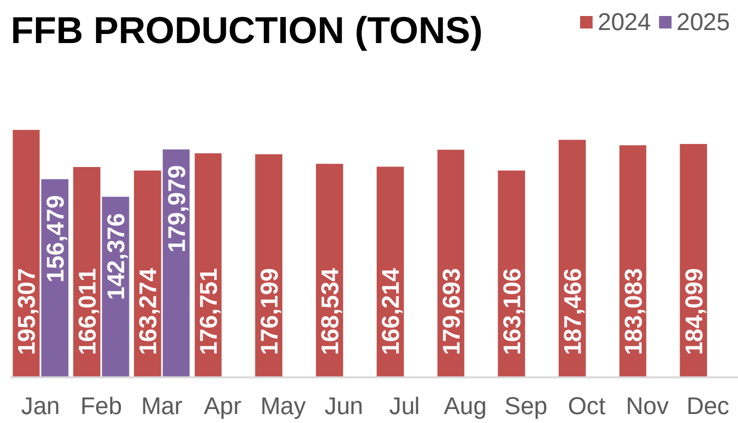
PALM OIL

Fresh Fruit Bunch (FFB) production in the first quarter declined by 9%, primarily due to the lingering impact of the rainfall shortage experienced in early 2024. However, production began to recover in March 2025, signaling encouraging momentum for the months ahead. The decline was also partly attributable to the Company's ongoing replanting program, which has resulted in the felling of over 3,000 hectares to date.

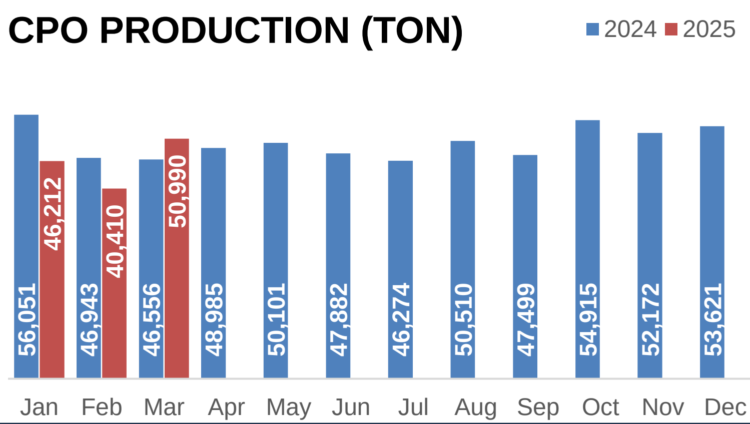
Unlike the dry conditions in 1Q-2024, the first quarter of 2025 experienced wetter weather, which disrupted harvest evacuations and negatively affected Oil Extraction Rate (OER) and Free Fatty Acid (FFA) levels. Consequently, the reduced FFB volumes processed led to a 17% decline in Palm Kernel (PK) and Palm Kernel Oil (PKO) production.

	3M-2025	3M-2024	%YoY	FY-2024
Plantation Performance				
FFB Production (tons)	478,835	524,592	(8.7)	2,109,737
Nucleus (tons)	378,100	414,574	(8.8)	1,661,979
Plasma (tons)	100,734	110,018	(8.4)	447,757
Mill Performance				
FFB Processed (tons)	591,444	619,102	(4.5)	2,515,086
CPO Production (tons)	137,611	149,550	(8.0)	601,508
PK Production (tons)	26,008	28,311	(8.1)	114,210
PKO Production (tons)	8,064	9,738	(17.2)	38,217
CPO OER (%)	23.27	24.16	(3.7)	23.92
FFA (%)	3.05	2.87	6.3	2.86
Sales Performance				
CPO (tons)	134,644	145,800	(7.7)	601,111
PK (tons)	6,438	5,581	15.4	23,665
PKO (tons)	7,506	9,003	(16.6)	38,513
CPO ASP (Rp 'million/ton)	14.91	11.74	27.0	12.79
PKO ASP (Rp 'million/ton)	27.35	13.16	107.8	17.81

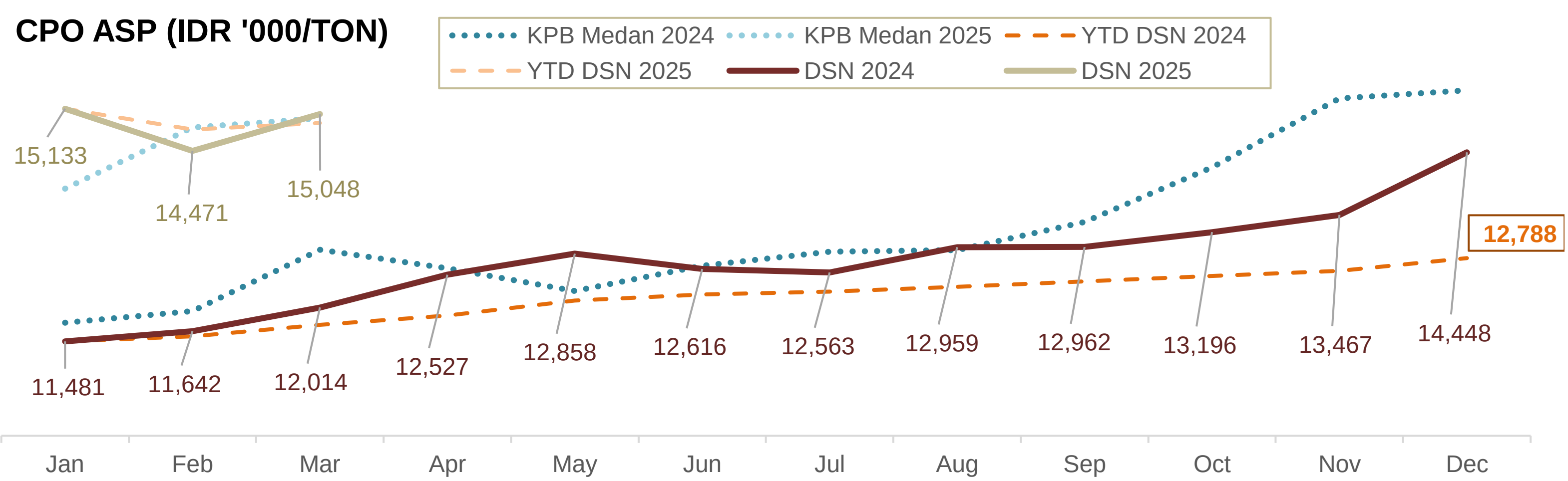
FFB PRODUCTION (TONS)



CPO PRODUCTION (TON)



CPO ASP (IDR '000/TON)



PALM OIL - PLANTED AREA

Planted ('000 ha)	Average Age (yrs)	Planted Hectarage Immature ('000 ha)	Mature ('000 ha)	Total Planted ('000 ha)
Nucleus	15	2.6	80.2	82.8
Plasma	12	0.6	24.3	27.9
Total	**15**	**3.2**	**104.6**	**110.7**

As of March 2025, DSNG's total planted area—comprising nucleus and plasma—stood at 110.7 thousand hectares, with 104.6 thousand hectares classified as mature. The average age of the plantations is approximately 15 years. As of December 2024, the Company had felled around 3,000 hectares and replanted 1,400 hectares as part of its long-term sustainability strategy.

WOOD PRODUCT

Sales volumes for both Panels and Flooring recorded YoY increases of 4% and 3%, respectively. Notably, only Flooring products achieved a higher average selling price.

	3M-2025	3M-2024	%YoY	FY-2024
Sales Volume				
Panel ('000 m3)	28.9	27.8	4.2	116.1
Engineered Flooring ('000 m2)	151.2	147.1	2.8	626.5
Average Selling Price (ASP)				
Panel (USD/m3)	358.93	367.54	(2.3)	360.27
Engineered Flooring (USD/m2)	32.07	28.92	10.9	32.33

DSNG is assessing the potential impact of the new U.S. tariff on its flooring products. While the U.S. accounts for approximately 40% of total export volume for Flooring, sales to the U.S. represent less than 2% of the Group's consolidated revenue. Therefore, the financial impact is considered minimal. Nonetheless, the Company remains proactive in expanding into new markets and diversifying product lines to enhance resilience and drive long-term profitability.

RENEWABLE ENERGY

Palm Kernel Shell (PKS) exports declined by 60% YoY in the first quarter of 2025, primarily due to deferred shipments, which will be realized in the following quarters. The timing aligns with evolving supply-demand dynamics for biomass feedstock in Japan's power sector.

	3M-2025	3M-2024	%YoY	FY-2024
Sales Volume				
Palm Kernel Shell (ton)	11,994	30,019	(60.0)	94,933
Wood Pellet (ton)	10,461	-	-	-
Average Selling Price (ASP)				
Palm Kernel Shell (USD/ton)	106.04	121.00	(12.4)	121.93
Wood Pellet (USD/ton)	135.00	-	-	-

In January 2025, the Company's Wood Pellet business marked a key milestone with its first export shipment of 10.5K tons to Japan. The facility remains in the final stages of construction, with a full completion targeted before year-end.

DSNG LATEST UPDATE

DSNG Shares Included in The Constituents of Three IDX's Indexes

In the latest announcement by the Indonesia Stock Exchange (IDX) in April 2025, DSNG shares have been selected as constituents of three major IDX indexes. Effective from 2 May to 31 July 2025, DSNG has been newly added to the **IDX80** and **Bisnis-27** indexes while retaining its position in the **Kompas100** index.

These indexes track the performance of stocks with high liquidity, significant market capitalization, and strong fundamentals.

This recognition also underscores continued market confidence in DSNG's financial strength and operational excellence. Inclusion in these well-regarded benchmarks enhances the Company's presence in the capital market and reaffirms its commitment to delivering long-term, sustainable value to shareholders.

DSNG Bond's Rating is Upgraded

In early March, PEFINDO upgraded DSNG's bond rating from idA to idA+ from 7 March 2025 to 30 July 2025, reflecting the Company's strengthened financial profile and consistent performance. The upgrade highlights the solid balance sheet, stable cash flow generation, and disciplined approach to debt management.

This improved rating not only enhances the Company's creditworthiness in the eyes of investors and financial institutions but also supports greater flexibility in accessing capital markets on more favorable terms. DSNG views this as a strong endorsement of its long-term strategy and remains committed to maintaining prudent financial policies while pursuing sustainable growth.