Volume: 58 – July 2025

DSNG

INVESTOR NEWSLETTER

DSNGROUP

Enhanced Profitability with Strategic Deleveraging

Profit and Loss	1H-2025	1H-2024	%	FY 2024
Revenue	6,080,855	4,703,274	29.3	10,119,220
- Palm Oil	5,393,502	4,025,821	34.0	8,784,344
- Wood Product	621,266	558,395	11.3	1,152,074
- Renewable Energy	66,088	119,057	(44.5)	182,802
Cost of Revenue	(4,125,442)	(3,369,705)	22.4	(7,115,019)
Gross Profit	1,955,413	1,333,569	46.6	3,004,201
-Margin %	*32.2%*	*28.4%*	-	*29.7%*
Profit Before Tax	1,249,637	687,857	81.7	1,640,016
-Margin %	*20.6%*	*14.6%*	-	*16.2%*
EBITDA	2,003,558	1,379,943	45.2	3,096,491
-Margin %	*32.9%*	*29.3%*	-	*30.6%*
Profit	914,639	508,198	80.0	1,141,375
-Margin %	*15.0%*	*10.8%*	-	*11.3%*
Core Profit*	918,803	555,772	65.3	1,181,098
-Margin %	*15.1%*	*11.8%*	-	*11.7%*

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

PT Dharma Satya Nusantara Tbk (DSNG) has continued to deliver a robust financial performance in the first half of 2025, achieving revenue of IDR 6 trillion, representing a 29% year-over-year (YoY) increase. The Palm Oil segment saw its revenue soar by 34% to IDR 5 trillion, following improved sales volume and notably higher average selling prices (ASP) of Crude Palm Oil (CPO), solidifying the Palm Oil segment's contribution to nearly 90% of consolidated revenue.

The wood products segment also demonstrated positive growth, increasing by 11% to IDR 621 billion.

Conversely, the renewable energy segment faced a 45% decline in revenue, falling to IDR 66 billion, due to a shift in shipments to the latter half of the year, influenced by recent dynamics in the export market.

Despite a 22% YoY rise in the cost of revenue following increased external fruit purchases in the Palm Oil segment, DSNG successfully enhanced its profitability. Profit surged by 80% YoY to IDR 915 billion, improving the profit margin from 11% to 15%. EBITDA also experienced a substantial 45% increase, reaching IDR 2 trillion, reflecting effective cost management and firm performance in the core business area.

Financial Position	30-Jun-25	31-Dec-24	%
Total Asset	17,544,731	17,412,416	0.8
Total Liabilities	6,987,173	7,515,101	(7.0)
Equity	10,557,558	9,897,315	6.7

DSNG's financial position has significantly strengthened. Total assets saw a modest growth of just under 1% year-over-year (YoY). As of June 30, 2025, the cash and cash equivalents balance was exceptionally high, representing 26.5% of total current assets or 5% of total assets. This substantial cash reserve is earmarked for dividend payments and bond repayment due the following month.

Total liabilities decreased by 7% YoY, demonstrating the Company's commitment to a strategic deleveraging approach. Notably, only 11% of total debt is denominated in USD, enhancing the Group's resilience against currency fluctuations. Furthermore, total Equity rose by nearly 7% YoY, highlighting a more robust financial standing and prudent debt management practices.

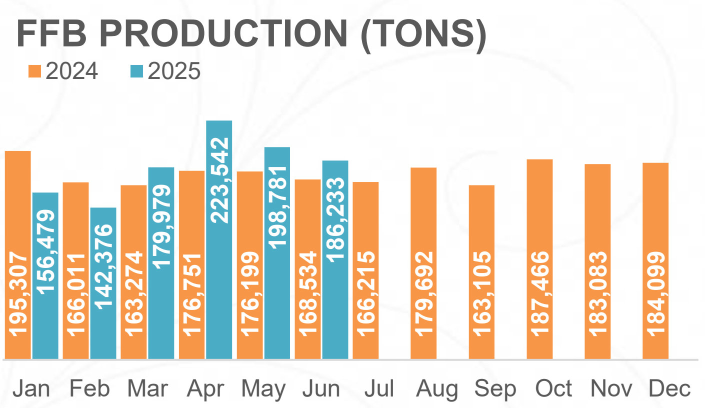
PALM OIL

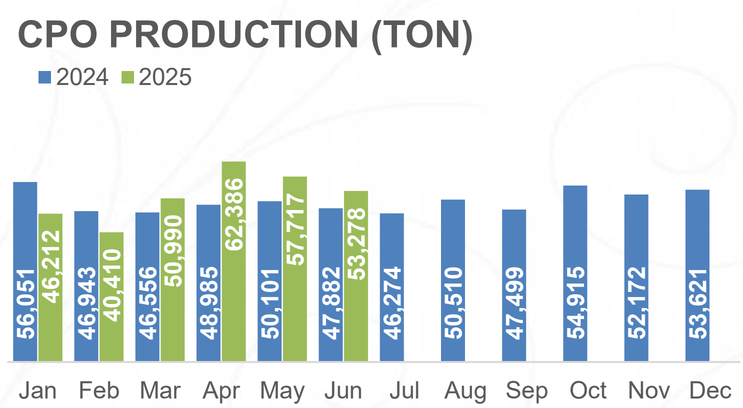
	1H-2025	1H-2024	%YoY	Q1-2025	Q2-2025	%QoQ	FY-2024
Plantation Performance							
FFB Production (tons)	1,087,390	1,046,075	3.9	478,835	608,556	27.1	2,109,737
Nucleus (tons)	858,920	826,506	3.9	378,100	480,819	27.2	1,661,979
Plasma (tons)	228,470	219,569	4.1	100,734	127,736	26.8	447,757
Mill Performance							
FFB Processed (tons)	1,332,814	1,233,092	8.1	591,444	741,370	25.3	2,515,086
CPO Production (tons)	310,992	296,518	4.9	137,611	173,380	26.0	601,508
PK Production (tons)	59,261	56,204	5.4	26,008	33,253	27.9	114,210
PKO Production (tons)	18,780	18,941	(0.8)	8,064	10,716	32.9	38,217
CPO OER (%)	23.33	24.05	(3.0)	23.27	23.39	0.5	23.92
FFA (%)	3.05	2.86	6.5	3.06	3.05	(0.5)	2.86
Sales Performance							
CPO (tons)	312,220	292,032	6.9	134,644	177,576	31.9	601,111
PK (tons)	13,867	11,126	24.6	6,438	7,429	15.4	23,665
PKO (tons)	18,512	20,006	(7.5)	7,506	11,006	46.6	38,513
CPO ASP (Rp 'million/ton)	14.57	12.22	19.3	14.91	14.32	(3.9)	12.79
PKO ASP (Rp 'million/ton)	29.51	14.52	103.2	27.35	30.99	13.3	17.81

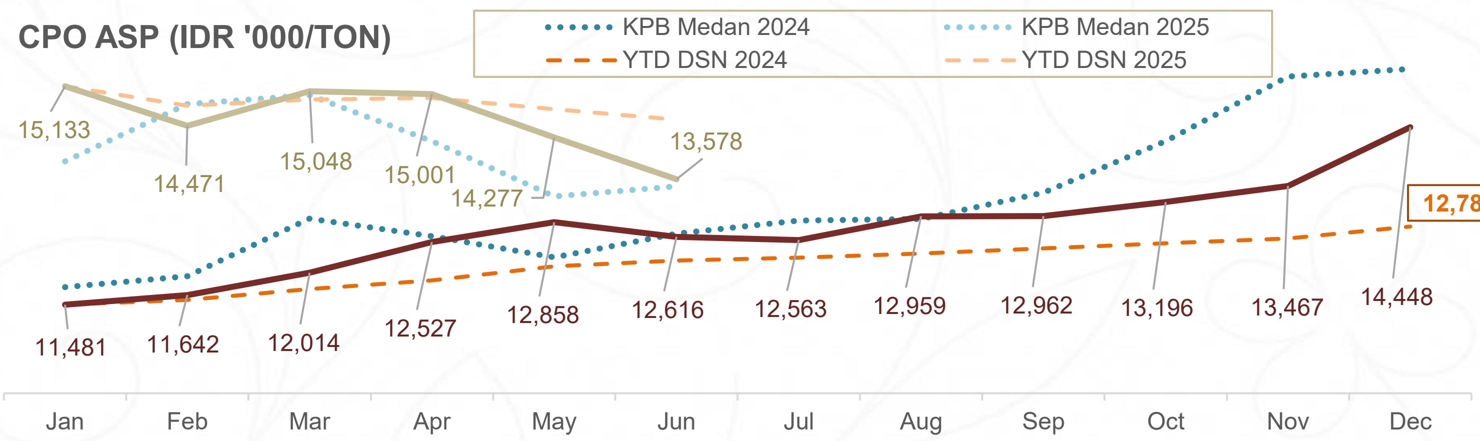
DSNG's solid operational performance in the first half of 2025 was influenced primarily by strong CPO prices. Despite a 4% QoQ decrease in CPO ASP during the second quarter, the first-half 2025 CPO ASP remained strong at IDR 14.6 million/ton, representing a 19% increase YoY, which significantly bolstered the profitability of the palm oil segment.

In addition, favorable weather and adequate rainfall led to a 27% surge in second-quarter FFB production (both Nucleus and Plasma) compared to the prior quarter, resulting in the YTD June 2025 FFB production reaching 1 million tons, a 4% increase YoY.

Moreover, increased availability of external FFB around DSNG's CPO mills allowed for a 29% YoY increase in external FFB purchases, resulting in a 5% YoY rise in CPO production. However, heavier rainfall in the second quarter led to a lower Oil Extraction Rate (OER) and higher Free Fatty Acid (FFA) levels compared to the same period last year.







PALM OIL - PLANTED AREA

	Umur rata-rata (thn)	Area Tertanam TBM ('000 ha)	TM ('000 ha)	Total Tertanam ('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**

DSNG manages a total planted area of 110.7 thousand hectares, encompassing both Nucleus and Plasma plantations. As part of its replanting program, the Company felled approximately 3,000 hectares and replanted around 1,400 hectares by the end of December 2024.

WOOD PRODUCT

	1H-2025	1H-2024	%YoY	Q1-2025	Q2-2025	%QoQ	FY-2024
Sales Volume							
Panel ('000 m3)	62.3	55.5	12.4	28.9	33.4	15.6	116.1
Engineered Flooring ('000 m2)	324.6	308.5	5.2	151.2	173.4	14.7	626.5
Average Selling Price (ASP)							
Panel (USD/m3)	358.20	363.25	(1.4)	358.93	357.56	(0.4)	360.3
Engineered Flooring (USD/m2)	33.72	30.42	10.9	32.07	35.16	9.6	32.3

The performance of DSNG's Panel and Engineered Flooring segments in the second quarter was primarily impacted by uncertainty surrounding US reciprocal tariffs and broader geopolitical tensions.

Despite these challenges, the Panel segment demonstrated resilience, continuing its momentum from the previous quarter with a sales volume growth of approximately 16% at relatively stable prices in Q2 2025. This was largely due to Japan being its primary market, making it less affected by the US tariffs.

Conversely, the Engineered Flooring segment also saw stronger performance, despite approximately 40% of its exports destined for the USA. It experienced a nearly 15% jump in sales volume and a 10% price increase quarter-over-quarter (QoQ).

Overall, the Wood Product segment's revenue in the first half of 2025 achieved a modest 11% year-over-year (YoY) growth, contributing 10% to the consolidated revenue.

RENEWABLE ENERGY

	1H-2025	1H-2024	%YoY	Q1-2025	Q2-2025	%QoQ	FY-2024
Sales Volume							
Palm Kernel Shell (ton)	24,330	62,070	(60.8)	11,994	12,335	2.8	94,933
Wood Pellet (ton)	10,651	-	100	10,461	190	(98.2)	-
Average Selling Price (ASP)							
Palm Kernel Shell (USD/ton)	105.59	121.00	(12.7)	106.04	105.15	(0.8)	121.93
Wood Pellet (USD/ton)	134.88	-	100.0	135.00	128.00	(5.2)	-

In the first half of 2025, Palm Kernel Shell (PKS) sales reached 24 thousand tons, a decrease from 62 thousand tons YoY. This decline was primarily due to a temporary shift in shipments to the latter half of the year, alongside a 13% lower ASP.

Concurrently, Wood Pellet production began its debut with its first shipment in Q1 2025. However, sales in Q2 remained marginal as the factory is not yet fully commercial and continues to undergo operational adjustments.

DSNG Recognition and Accolades

DSNG's strong performance has garnered significant recognition from both national and international institutions. In Q2 2025, DSNG was once again named in the Fortune Top 500 Southeast Asia, an esteemed acknowledgment of the region's top-performing companies based on revenue and profitability.

The Company is also a constituent of several key Indonesia Stock Exchange (IDX) indices, including IDX80, BISNIS-27, KOMPAS100, PEFINDO I-GRADE, SRI-KEHATI, ESG SL KEHATI, ESGQ KEHATI, IDXVESTA28, IDXSHAGROW, and JII70.

These inclusions highlight DSNG's consistent financial strength and commitment to sustainable practices.

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