

PT Dharma Satya Nusantara Tbk
DSNG:IJ

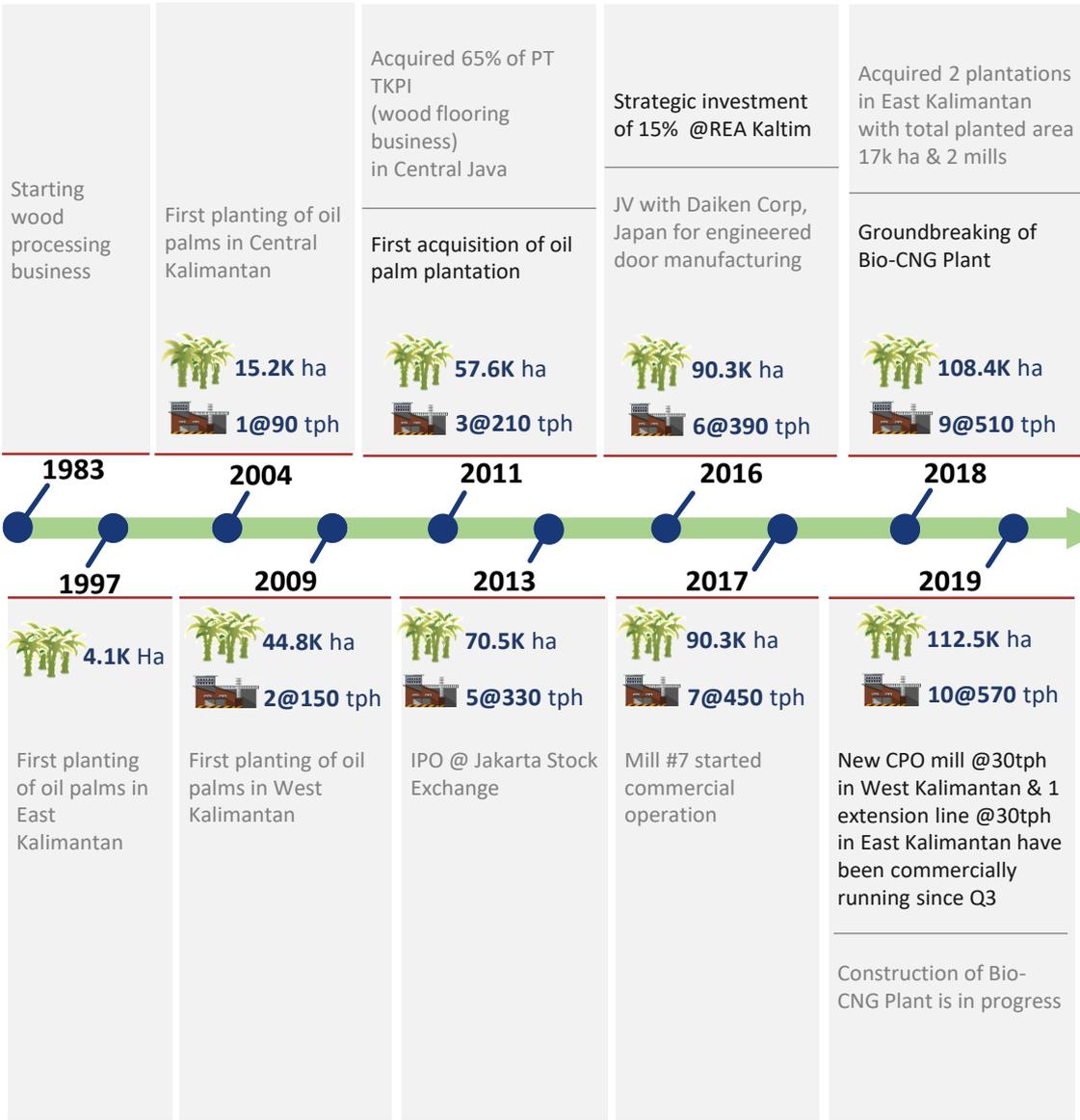


Results
Update

FY2020

www.dsn.co.id

Established in 1980, DSN is a growing, green producer of palm oil & wood products for the global market



2020

112.5K ha

10@570 tph

In April 2020, DSN has signed a 10yrs loan facility of USD 30mn from Stichting andgreen.fund (“&Green”), a globally-focused impact investment fund financing sustainable commodity production

In July 2020, DSNG raised Rp 451bn from Its first bond issuance

Successfully refinanced some channeling loans to plasma of IDR 202bn in Sept 2020

On 17 Sept’20, commissioned 1st Bio-CNG Plant with capacity of 1.2MW Electricity & 280 m3/hr Bio-Methane Gas

In October 2020, Established a JV with Erex Ltd Japan to run a Biomass project & to provide LT committed supply of Palm Kernel Shells for Erex’s Power Plants in Japan

A Strategic investment in Verdant Bioscience to develop high yielding conventional seed & clonal seed/semi-clonal palm oil seed

Our estates are clustered across East, West, and Central Kalimantan, with the largest in East Region

112,6K Ha Planted
15 Estates Oil Palm

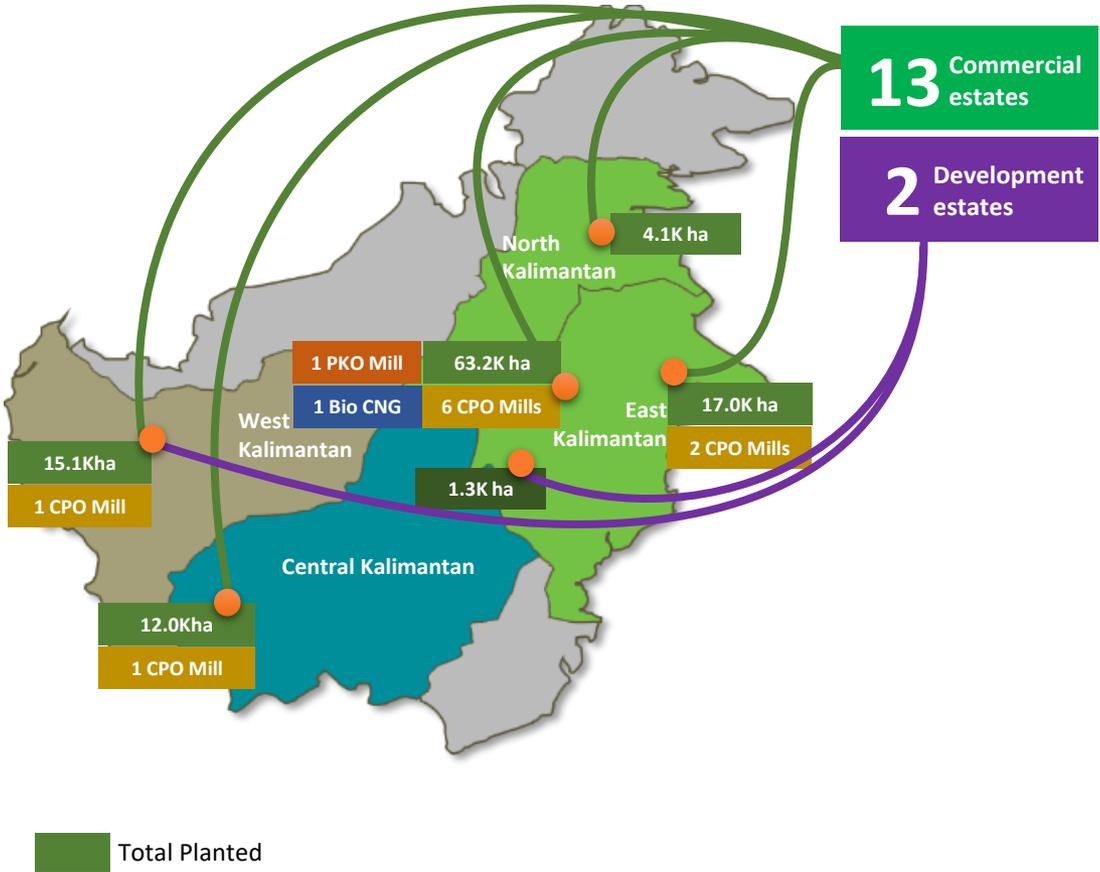
570 FFB Tons/hr
 (+105 FFB Tons/hr under construction)
10 CPO Mills
 (+2 under construction)

400 PK Tons/Day
1 Mill Kernel Crushing Plant

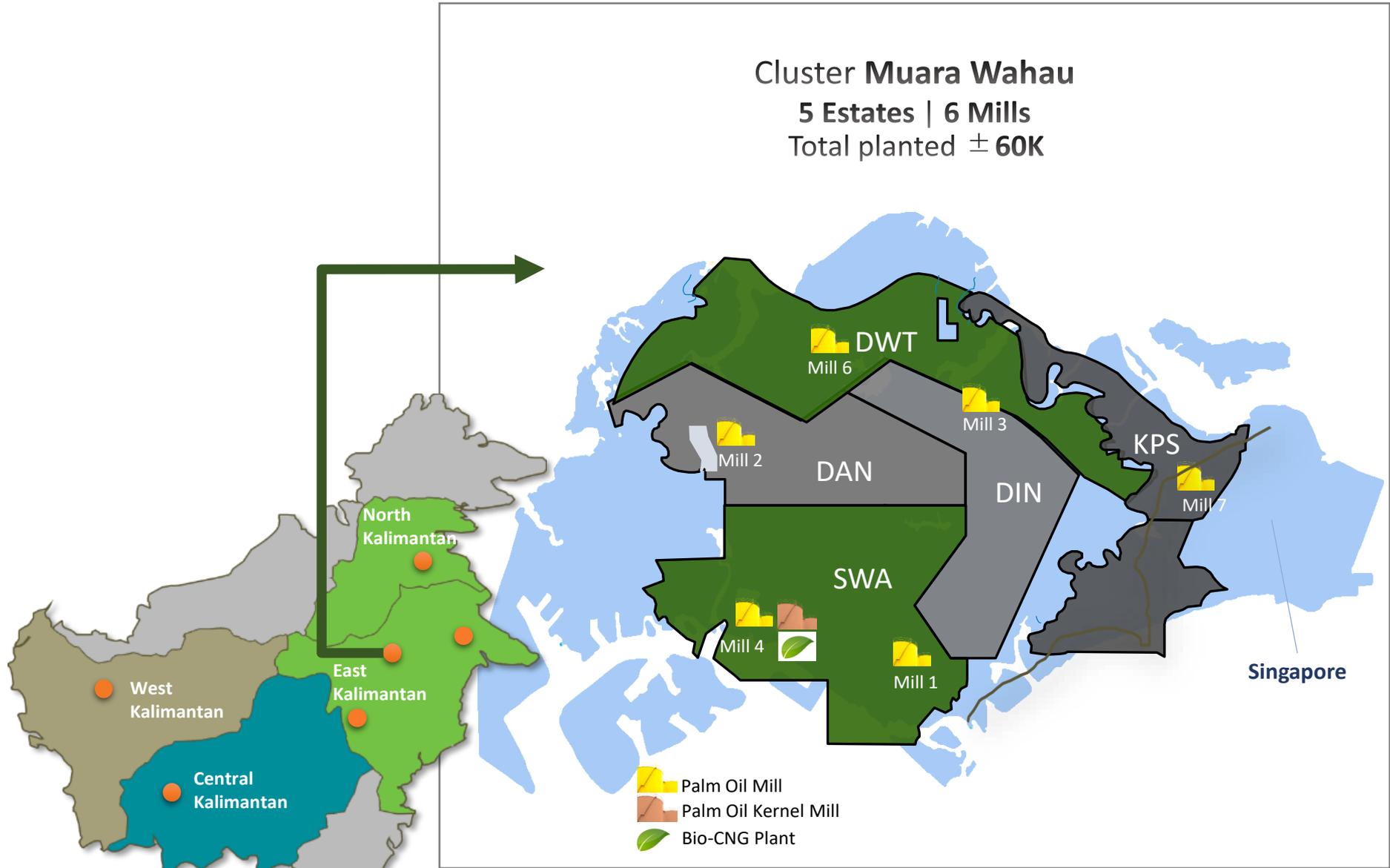
1,200 KW Electricity
280 m3/hr Bio-Methane Gas
1 Plant Bio-CNG

90K Ton Capacity
45 Storage Tanks
3 Bulking Location

Planted area ('000 ha)	Nucleus	Plasma	Total
Total Planted	84.6	28.0	112.6
Total Immature	5.1	1.8	6.9



Our most developed cluster in East Kalimantan is nearly the size of Singapore



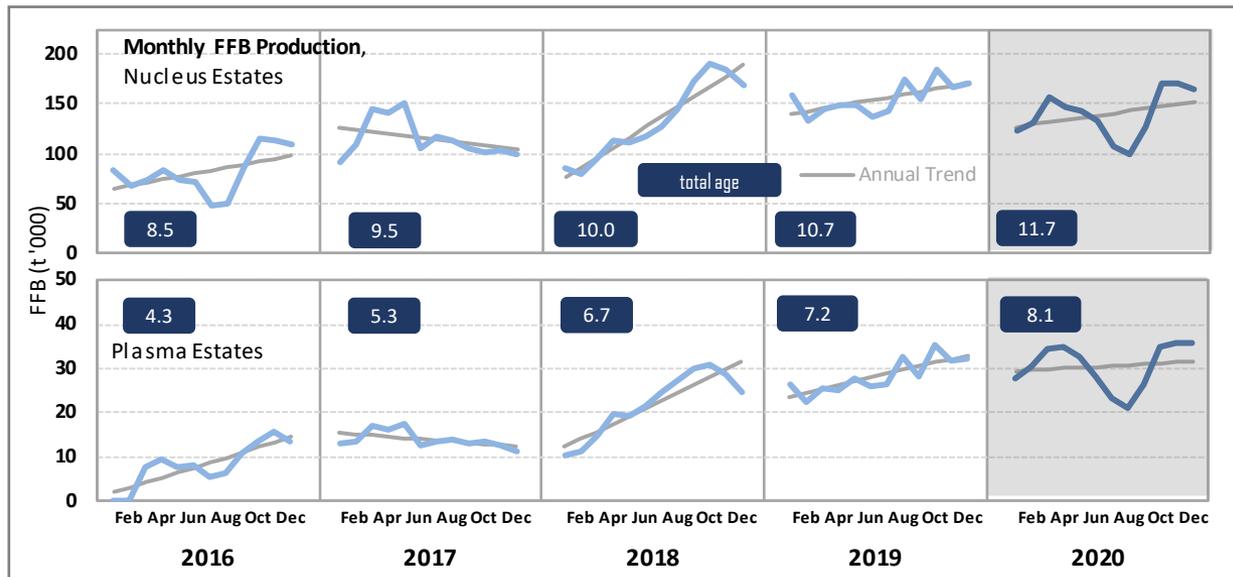
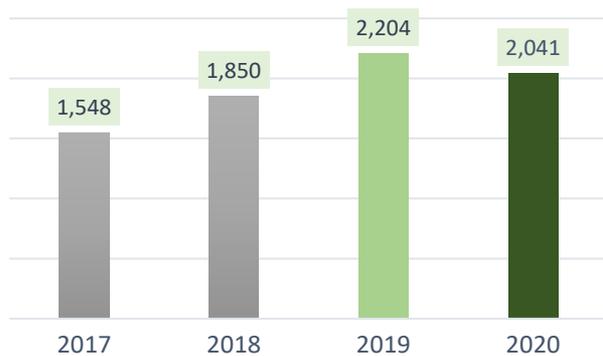
Our CPO, PK, and PKO production remained strong despite low FFB production in Q3-2020



Production ('000 Tons)

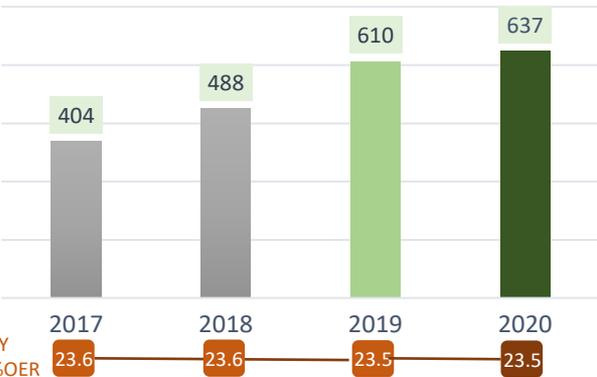
FFB

(Nucleus & Plasma)



CPO

YTD ASP (IDR mn/ton): 8.1 (2017), 7.2 (2018), 6.5 (2019), 8.1 (2020)



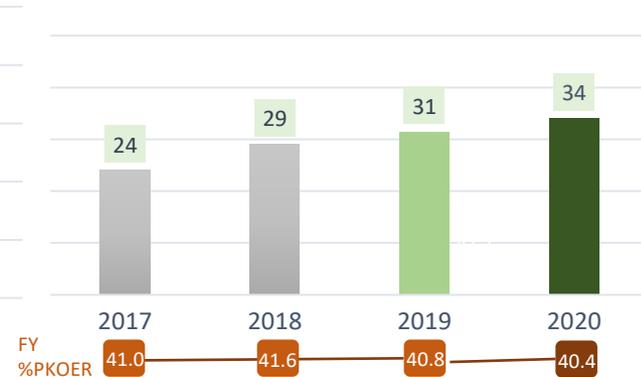
PK

YTD ASP (IDR mn/ton): 6.5 (2017), 4.6 (2018), 2.9 (2019), 4.1 (2020)



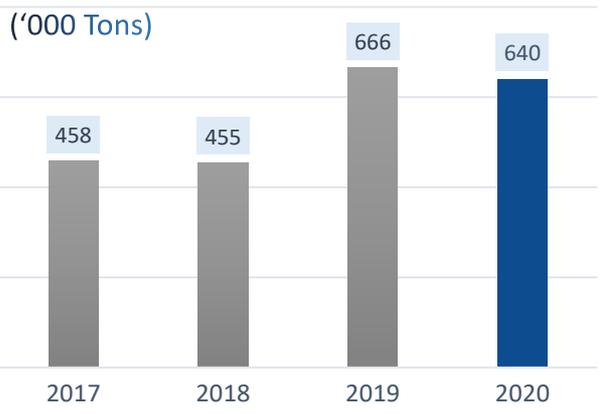
PKO

YTD ASP (IDR mn/ton): 16.9 (2017), 12.2 (2018), 8.1 (2019), 9.8 (2020)

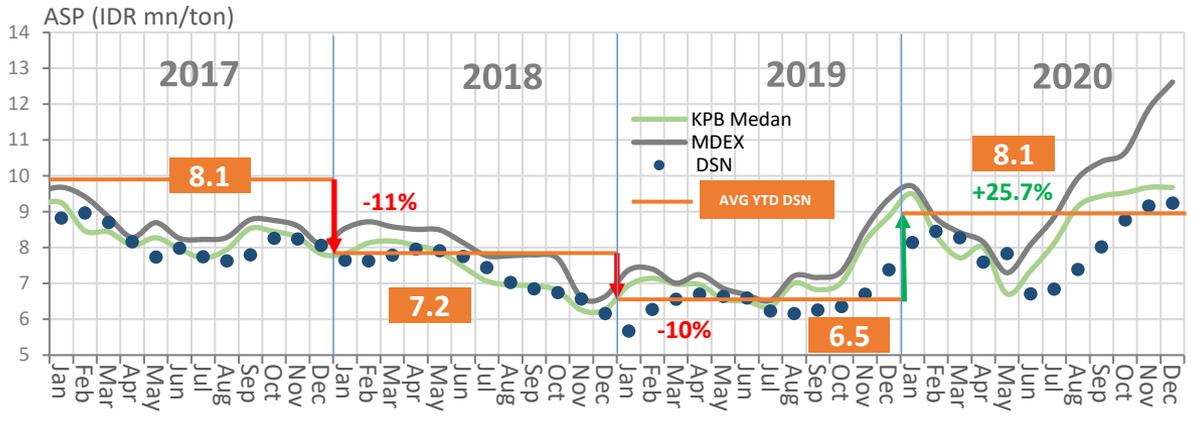


Significantly higher CPO ASP in 2020 contributed to a better financial performance against last year

CPO Sales volume



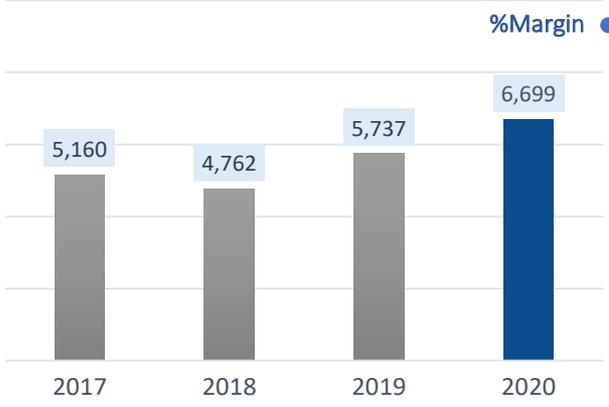
CPO price from 2017



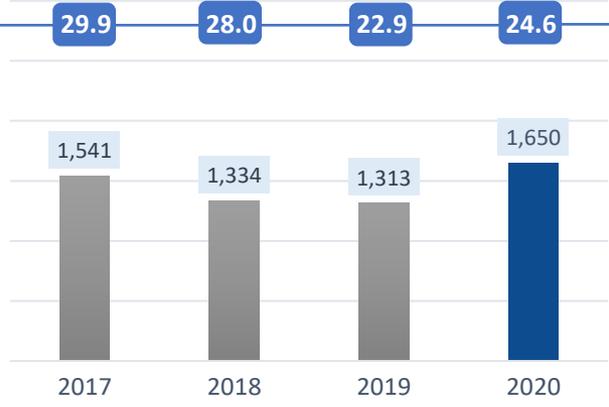
Financial Performance

(IDR bn)

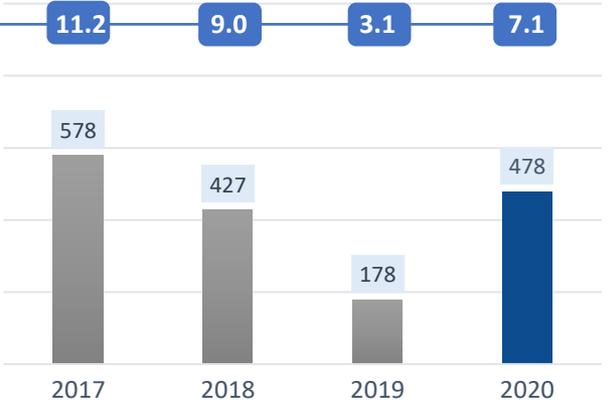
Revenue



EBITDA



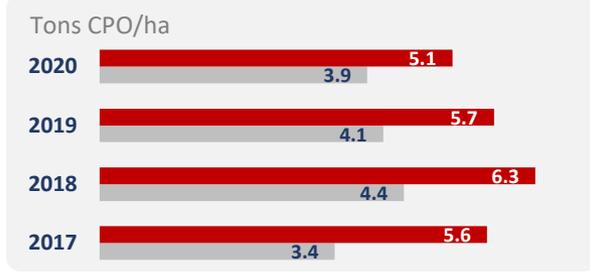
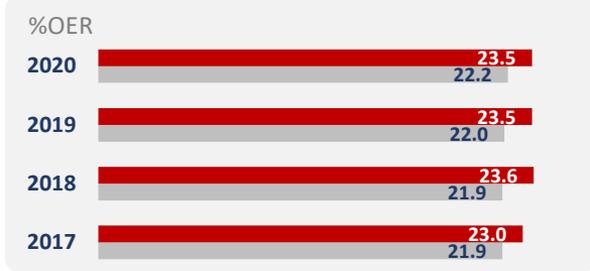
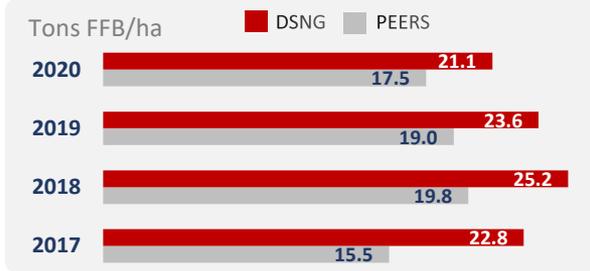
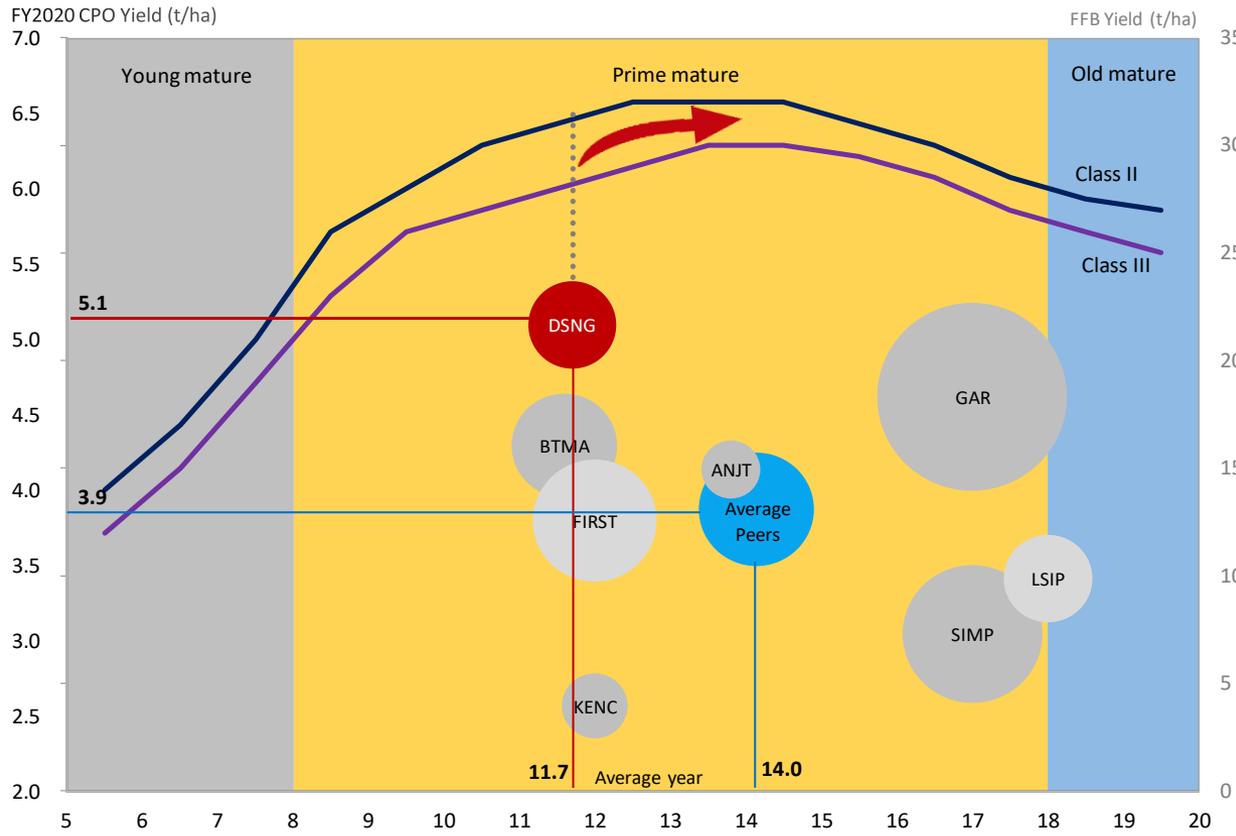
Net Profit After Tax



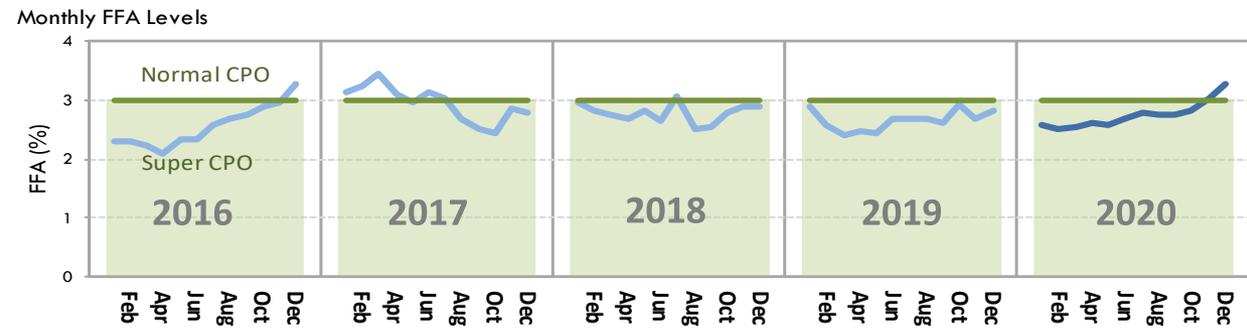
%Margin



Our plantation whose profile are largely young and prime mature suggested a continuing yield growth potential



FFA < 3% = Super CPO
 Consistently produced premium quality CPO within the last 5 years.



DSN always strives for the best performance by conducting efficient operation

IDR Cash Cost/ton CPO Nucleus

Breakdown per Activities

(IDR mn)



Cost of Sales (IDR bn)	2017	2018	2019	2020
Fertilizer	265.8	304.6	445.6	440.8
Labor	580.3	605.8	939.2	891.5
Others	285.9	275.1	345.2	287.0
FFB Purchased	714.1	654.6	1,045.6	1,817.4
CPO Purchased	378.5	112.7	23.9	
Milling	145.8	155.2	159.6	138.7
Total cash cost	2,370.4	2,108.0	2,959.2	3,575.3

Cost as a % of total	2017	2018	2019	2020
Fertilizer	11.2%	14.4%	15.1%	12.3%
Labor	24.5%	28.7%	31.7%	24.9%
Others	12.1%	13.1%	11.7%	8.0%
FFB Purchased	30.1%	31.1%	35.3%	50.8%
CPO Purchased	16.0%	5.3%	0.8%	0.0%
Milling	6.2%	7.4%	5.4%	3.9%

Unit Cash Costs (UCC) (IDR mn & USD)	2017	2018	2019	2020
IDR/ton CPO - Total	5.18	4.63	4.44	5.58
USD/ton CPO - Total	385	320	320	396

UCC excl CPO Trading (IDR mn & USD)	2017	2018	2019	2020
IDR/ton CPO	4.87	4.52	4.43	5.58
USD/ton CPO	363	312	318	396

UCC excl CPO Trading & 3 rd Party FFB (IDR mn & USD)	2017	2018	2019	2020
IDR/ton CPO	3.87	3.79	3.93	4.24
USD/ton CPO	286	262	283	301

UCC CPO only excl FFB, PK & PKO revenues (IDR mn & USD)	2017	2018	2019	2020
IDR/ton CPO - net	2.44	2.70	3.18	3.44
USD/ton CPO - net	180	186	228	244

UCC for internal FFB production per Mature Hectare (IDR mn & USD)	2017	2018	2019	2020
IDR/Mature Ha	17.44	13.79	20.70	18.95
USD/Mature Ha	1,310	952	1,489	1,344

Avg IDR/USD Rate 13,548 14,481 13,901 14,105

Social Empowerment



27,000 Ha Plasma Plantations

55 Cooperation Partners

4 Credit Union
3,992 Total members

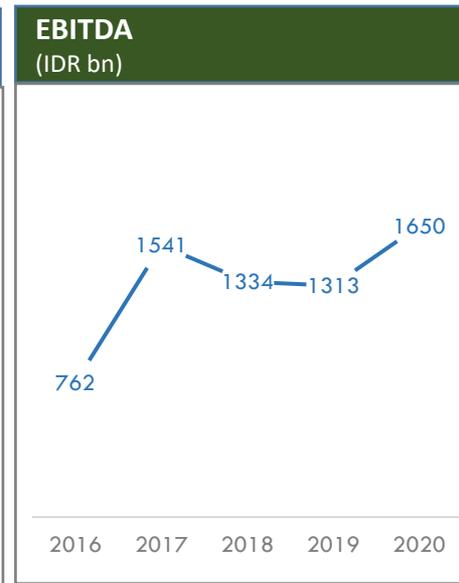
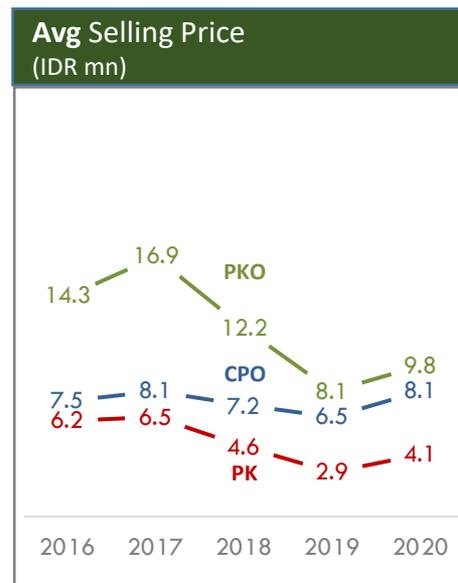
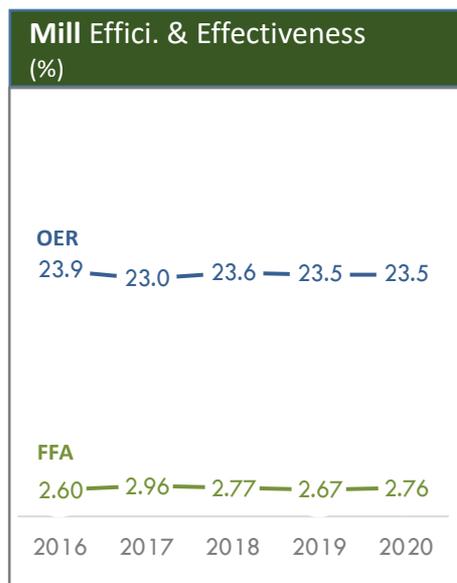
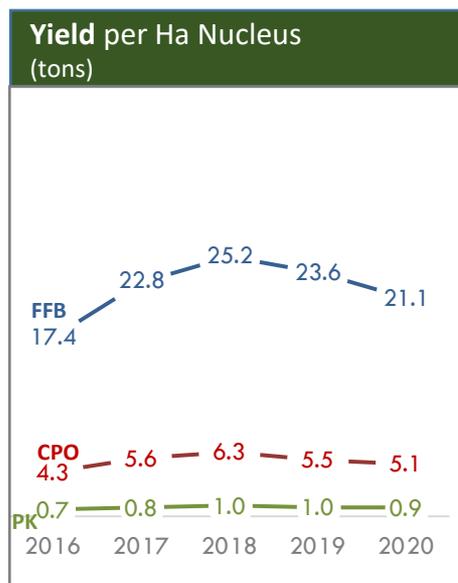
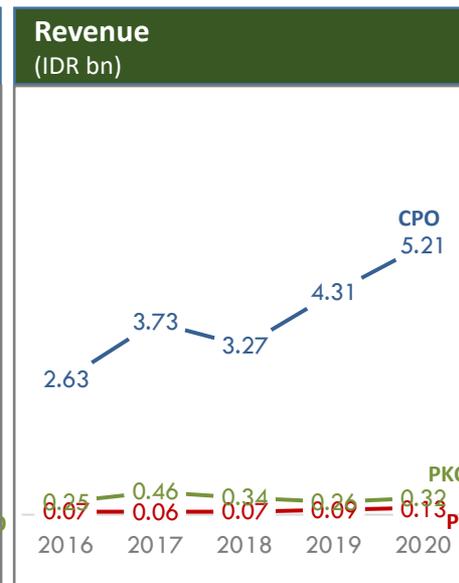
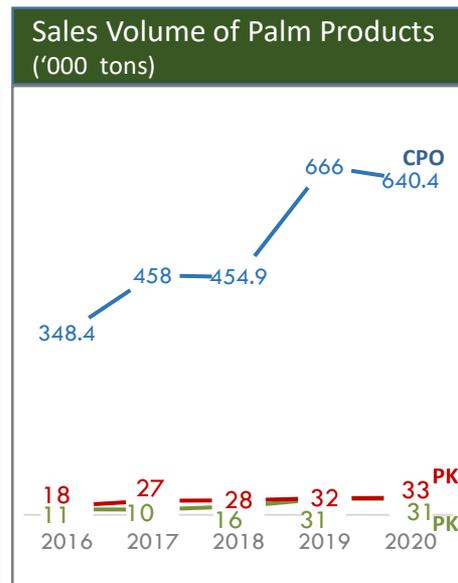
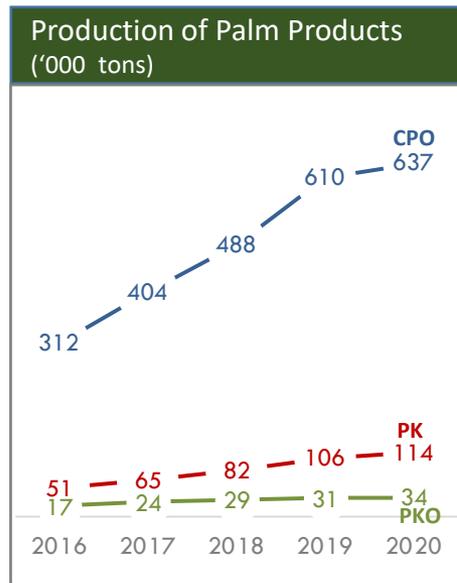
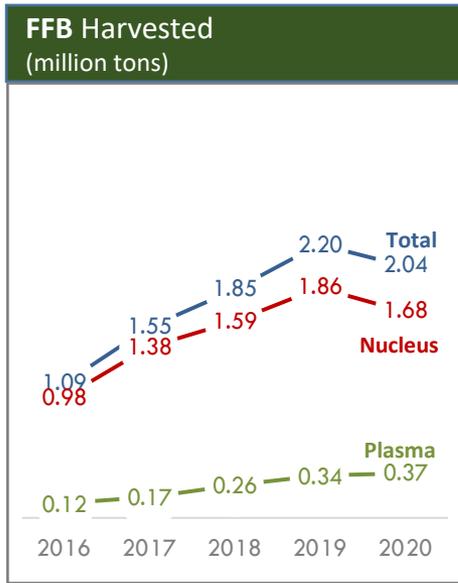
13,000 Smallholders
Involved in empowerment programs (transportation, infrastructure, local project, etc)

more than **200** Local Partners

Education
1 Kindergarten
1 Elementary school
1 Junior high school
5 Learning centers

Health facilities
1 Main clinic with
16 Supporting Clinics

DSN's key statistics over the last 5 years (2016 -2020)





Bio-Compressed Natural Gas (Bio-CNG) Plant

Since Sept 2020, DSN has started to treat POME by capturing the methane gas released and converting the methane gas into electricity of 1.2 MW and Biomethane Gas of 280 m³/hr,. By utilizing this liquid waste, DSN will gain the following benefits:

Economic

Saving of 2 million
Liters of diesel Fuel per Annum

& equivalent

Environmental

Reducing **50,000+** Carbon per Annum
Planting **805,370** Trees
Removing **10,870** Cars off the road
Recycling **17,450** Tons of Landfill Waste



Enhanced Planting Procedures



- No deforestation footprint in our oil palm operations by not developing on :
 - High carbon stock (HCS) forests
 - High conservation value (HCV) forests
 - Peat lands of any depth
- Continuous yield improvement in nucleus and plasma plantations managed by Company
- Zero burning policy in new planting procedures
- Ensure free, prior and informed consent for indigenous and local communities
- Comply with all relevant laws and National Interpretation of RSPO Principles and Criteria



Sustainable Practices for Existing Plantations

- Zero waste policy by recycling the mill's wastes
- Precise dosage in fertilizer application planning to minimize risk of pollution
- Integrated pest management by deploying biological controls to minimize and mitigate the impact of chemical pesticides

Sustainability Certifications



The first ever Palm Oil Company being granted a green fund in April 2020



The Contributors



USD 30mn | 10 years



KEHATI
For period :
Dec 20 – May 21

Inclusion of DSNG:IJ Stock in the SRI KEHATI Index since 24 November 2020

SRI KEHATI measures the stock price performance of 25 listed companies, selected by KEHATI Foundation, that have good performance in encouraging sustainable businesses, as well as having an awareness of the environment, social, and good Corporate governance or called Sustainable and Responsible Investment (SRI).

SRI-KEHATI is a jointly-developed index between the Indonesian Stock Exchange and the Indonesian Biodiversity Foundation (KEHATI Foundation)



In SPOTT Annual Report 2020, DSN was ranked 16th out of 100 nominations with a total scoring of 75.3%, significantly increased from last year position of 46th with a scoring of 37.3%

Company	Rank	Total score	Change	Disclosure	Engaged	Headquarters	Landbank	Market cap	Media
New Britain Palm Oil Ltd	1	94.4%	+4.5			Malaysia	211.4 KHa	\$6,391.1M	92
Olam International Ltd	=14	77.1%	+3.8			Singapore	202.7 KHa	\$3,161.5M	48
Dharma Satya Nusantara Tbk	16	75.3%	+38.7			Indonesia	155.6 KHa	\$270.3M	7
Goodhope Asia Holdings Ltd	17	75.1%	+10.3			Singapore	130.2 KHa	Private co.	29
M.P. Evans Group plc	18	75.0%	+10.8			United Kingdom	70.5 KHa	\$374.8M	5

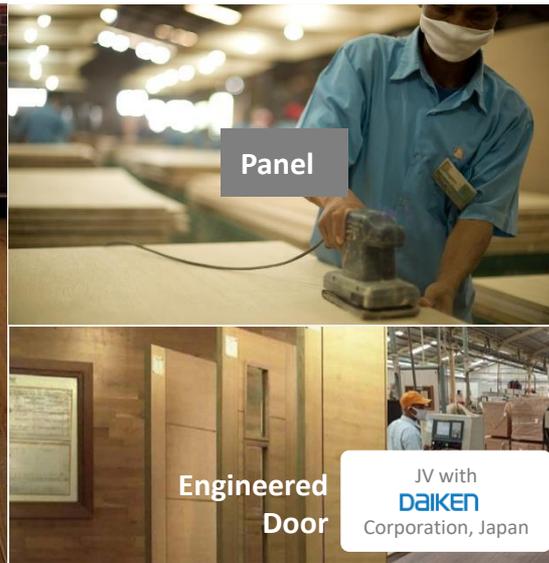
**2020 Ranking :
16th Worldwide**

<https://www.spott.org/palm-oil/>



WOOD PRODUCTS

DSN also produces panel, engineered floor, and engineered door products for export markets around the world



Operating summary

	FY 2020	FY 2019	YoY Δ%	Q4-20	Q3-20	QoQ Δ%	2018	2017	2018
Sales Volume ('000)									
Panel (m3)	86.2	96.6	(10.8)	22.2	16.3	36.4	83.8	71.0	92.2
Engineered floors (m2)	986.6	931.7	5.9	326.1	258.3	26.2	1,093.8	1,249.7	1,254.6
ASP (IDR mn)									
Panel (m3)	5.8	5.9	(1.8)	5.7	5.5	3.9	6.1	5.2	4.9
Engineered floors (m2)	0.4	0.4	1.0	0.4	0.4	2.6	0.4	0.4	0.4

Financial summary (IDR bn)

	FY 2020	FY 2019	YoY Δ%	Q4-20	Q3-20	QoQ Δ%	2018	2017	2018
Revenue	996	1,001	(0.5)	287	216	33.1	990	869	921
Gross Profit	158	173	(9.0)	50	23	115.1	207	103	35
% margin	15.9	17.3		17.3	10.7		20.9	11.8	3.8
Operating Profit	29	64	(54.4)	8	3	(194.2)	100	28	(93)
% margin	2.9	6.4		2.7	1.2		10.1	3.2	(10.1)
EBITDA	109	107	1.0	33	17	(101.2)	134	68	(42)
% margin	10.9	10.7		11.6	7.7		13.5	7.8	(4.6)
Profit Before Tax	5	52	(91.3)	16	(21)	(177.5)	49	(75)	57
% margin	0.5	5.2		5.7	(9.8)		5.0	(8.6)	6.2

Comply with International Environmental Standards

We comply with numerous international environmental standards, and seek to ensure that all logs and sawn timber purchased for our operations are sourced from sustainable forest resources





Consolidated Financial Summary (IDR bn)

	FY 2020	FY 2019	YoY Δ%	Q4-20	Q3-20	QoQ Δ%	2018	2017	2016
Profit & Loss									
Revenue	6,699	5,737	16.8	2,318	1,231	88.3	4,762	5,160	3,879
Gross Profit	1,752	1,461	19.9	768	253	203.8	1,543	1,724	954
% margin	26.1	25.5		33.1	20.5		32.4	33.4	24.6
Operat. Profit	995	757	31.5	465	176	164.7	932	1,179	436
% margin	14.9	13.2		20.1	14.3		19.6	22.8	11.2
Finance cost	(480)	(509)		(126)	(104)		(274)	(265)	(264)
FX gain(loss)-loan	181	33		117	(84)		(47)	5	9
Net Profit	478	178	168.4	316	(18)	1881.3	427	578	252
% margin	7.1	3.1		13.6	(1.4)		9.0	11.2	6.5
EBITDA	1,650	1,313	25.7	703	257	173.7	1,334	1,541	762
% margin	24.6	22.9		30.3	20.9		28.0	29.9	19.6
Cashflow Statement									
Cash from operation	1,094	587	86.4	1,094	515	112.5	298	1,095	399
Cash from Investing	(642)	(740)	(13.2)	(642)	(333)	93.2	(1,385)	(709)	(1,042)
Cash from Financing	50	(201)	(125.0)	50	(117)	(142.9)	1,261	(261)	223
Financial Position									
Total debt	6,391	6,415	(0.4)	6,391	6,362	0.4	6,514	4,061	4,396
Net debt	5,632	6,144	(8.3)	5,632	5,984	(5.9)	5,920	3,657	3,995
Total Asset	14,151	11,621	21.8	14,151	11,674	21.2	11,739	8,452	8,183
Total Equity	6,231	3,732	67.0	6,231	3,838	62.3	3,659	3,314	2,704
Debt/equity	1.0x	1.7x		1.0x	1.7x		1.8x	1.2x	1.6x
Net debt/equity	0.9x	1.6x		0.9x	1.6x		1.6x	1.1x	1.5x
Net debt/EBITDA	3.4x	4.7x		3.4x	4.2x		4.4x	2.4x	5.2x

Palm Oil Financial Summary (IDR bn)

	FY 2020	FY 2019	YoY Δ%	Q4-20	Q3-20	YoY Δ%	2018	2017	2016
Palm Oil									
Revenue	5,703	4,736	20.4	2,031	1,016	100.0	3,772	4,290	2,957
Gross Profit	1,594	1,287	23.8	718	230	212.7	1,336	1,621	919
% margin	27.9	27.2		35.4	22.6		35.4	37.8	31.1
Operating Profit	1,057	783	35.1	492	188	161.4	943	1,241	630
% margin	18.5	16.5		24.2	18.5		25.0	28.9	21.3
EBITDA	1,633	1,294	26.1	704	255	175.8	1,310	1,563	904
% margin	28.6	27.3		34.7	25.1		34.7	36.4	30.6
Profit Before Tax	783	317	147.2	475	22	2,027.1	666	1,017	440
% margin	13.7	6.7		23.4	2.2		17.7	23.7	14.9

Wood Financial Summary (IDR bn)

	FY 2020	FY 2019	YoY Δ%	Q4-20	Q3-20	YoY Δ%	2018	2017	2016
Wood									
Revenue	996	1,001	(0.5)	287	216	33.1	990	869	921
Gross Profit	158	173	(9.0)	50	23	115.1	207	103	35
% margin	15.9	17.3		17.3	10.7		20.9	11.8	3.8
Operating Profit	29	64	(54.4)	8	3	(194.2)	100	28	(93)
% margin	2.9	6.4		2.7	1.2		10.1	3.2	(10.1)
EBITDA	109	107	1.0	33	17	(101.2)	134	68	(42)
% margin	10.9	10.7		11.6	7.7		13.5	7.8	(4.6)
Profit Before Tax	5	52	(91.3)	16	(21)	(177.5)	49	(75)	57
% margin	0.5	5.2		5.7	(9.8)		5.0	(8.6)	6.2

Annual financial statements are audited by Siddharta & Widjaja, Registered Public Accountants – a Member Firm of KPMG International

FY2020 Operational Results



Palm Oil Performance



	FY 2020	FY 2019	YoY Δ%	Q4-20	Q3-20	QoQ Δ%	2018	2017	2016
Palm Estates									
Planted Land ('000 ha)	112.6	112.4	0.1	112.6	112.4	0.1	108.4	90.3	90.3
Nucleus	84.5	84.6	(0.0)	84.5	84.6	(0.0)	84.4	69.4	68.5
Plasma	28.0	27.9	0.5	28.0	27.9	0.5	24.0	20.9	21.8
FFB Production ('000 t)	2,041.1	2,204.3	(7.4)	612.9	406.5	50.8	1,849.5	1,547.7	1,092.9
Nucleus	1,675.9	1,864.9	(10.1)	506.7	335.8	50.9	1,587.7	1,381.8	977.6
Plasma	365.2	339.5	7.6	106.2	70.7	50.1	261.9	165.9	115.3
FFB Yield (t/ha)									
Nucleus	21.1	23.6	(10.7)	6.4	4.2	51.1	25.2	22.8	17.4
Plasma	15.7	14.8	6.2	4.6	3.0	50.1	16.3	14.0	13.0
Mills									
Production ('000 t)									
FFB Processed	2,711.4	2,597.1	4.4	857.1	558.5	53.5	2,070.6	1,754.0	1,306.4
Crude Palm Oil (CPO)	636.9	610.0	4.4	194.5	130.3	49.2	488.4	403.6	312.0
Palm Kernel (PK)	114.3	105.8	8.0	35.8	23.8	50.4	82.1	65.1	51.1
Palm Kernel Oil (PKO)	34.0	31.5	8.2	10.8	6.8	60.3	29.4	24.3	17.3
Yields (%)									
Palm Oil (OER)	23.5	23.5	0.0	22.7	23.3	(2.8)	23.6	23.0	23.9
Palm Kernel (KER)	4.2	4.1	3.5	4.2	4.3	(2.0)	4.0	3.7	3.9
Free Fatty Acid (FFA)	2.76	2.67	3.4	3.04	2.77	9.8	2.77	2.96	2.60
Sales									
Volume ('000 t)									
Crude Palm Oil (CPO)	640.4	666.0	(3.8)	207.0	123.0	68.2	454.9	458.0	348.4
Palm Kernel (PK)	30.9	31.2	(0.8)	8.0	7.1	12.1	16.4	10.1	11.1
Palm Kernel Oil (PKO)	33.0	32.0	3.1	10.0	8.0	25.1	28.0	27.0	17.5
ASP (IDR mn/ton)									
Crude Palm Oil (CPO)	8.14	6.48	25.7	9.06	7.44	21.9	7.18	8.14	7.54
Palm Kernel (PK)	4.06	2.93	38.6	4.67	3.63	28.6	4.55	6.45	6.22
Palm Kernel Oil (PKO)	9.77	8.10	20.6	11.16	8.66	28.9	12.20	16.86	14.31



Wood Performance

	FY 2020	FY 2019	YoY Δ%	Q4-20	Q3-20	QoQ Δ%	2018	2017	2016
Sales Volume ('000)									
Panel (m3)	86.2	96.6	(10.8)	22.2	16.3	36.4	83.8	71.0	92.2
Engineered floors (m2)	986.6	931.7	5.9	326.1	258.3	26.2	1,093.8	1,249.7	1,254.6
ASP (IDR mn)									
Panel (m3)	5.8	5.9	(1.8)	5.7	5.5	3.9	6.1	5.2	4.9
Engineered floors (m2)	0.4	0.4	1.0	0.4	0.4	2.6	0.4	0.4	0.4



DSNG Shareholders (%)

Oetomo family	28.9
Rachmat family	31.0
Salim Lim family	6.3
Subianto family	9.8
Public & Others	24.0

as of 31 December 2020





Behind every floor there is a story
and legend, original design can not
be separated from the history and
culture of the heritage, numerous
classic reproduction in TEKA

DISCLAIMER

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