



Enjoying a Soaring Profit in 3Q-2021

DSNG booked a profit of Rp 424 billion for the first nine months of 2021, soaring by 162% against the same period last year, driven mainly by an increase in CPO average selling price and an improved performance in its wood product business.

The growing demand and tight global edible oil supply in the second and third quarters have raised the CPO price. As a result, even though our CPO sales volume in 9M21 declined by 5% due to lower CPO production, CPO ASP in the third quarter rose by 13% to Rp 8.7 million per ton, against the same period last year of Rp 7.7 million per ton.

Hence, we generated sales revenue from the palm oil segment of Rp 4.1 trillion, 12% higher than 2020. Palm oil contributed around 81% of total sales of Rp 5.1 trillion.

Our wood product segment also demonstrated a positive performance with the higher sales in 9M21 of Rp 956 billion, rose significantly by 35% following the increased demand from Japan, USA, and Canadian market.

Meanwhile, our core profit for 3Q-2021 was calculated at Rp 449 billion, shot up by 301% compared to last year's core profit of Rp 112 billion following the swing of unrealized foreign exchange balance, from a gain (previous year) to a loss (this year), net of tax effect.

Profit and Loss	9M-2021	9M-2020	%	12M-2020
Revenue	5,052,627	4,381,195	15.3	6,698,918
- Palm Oil	4,096,641	3,672,290	11.6	5,703,114
- Wood Product	955,986	708,905	34.9	995,804
Cost of Revenue	(3,745,505)	(3,397,056)	10.3	(4,947,242)
Gross Profit	1,307,122	984,139	32.8	1,751,676
- Margin (%)	25.9	22.5		26.1%
Operating Profit	900,096	529,672	69.9	995,056
- Margin (%)	17.8	12.1		14.9%
Profit Before Tax	572,842	239,650	139.0	695,296
EBITDA	1,301,093	947,242	37.4	1,650,410
- Margin (%)	25.8	21.6		24.6%
Profit	424,246	161,910	162.0	478,171
- Margin (%)	8.4	3.7		7.1%
Core Profit*	448,889	111,844	301.4	337,308

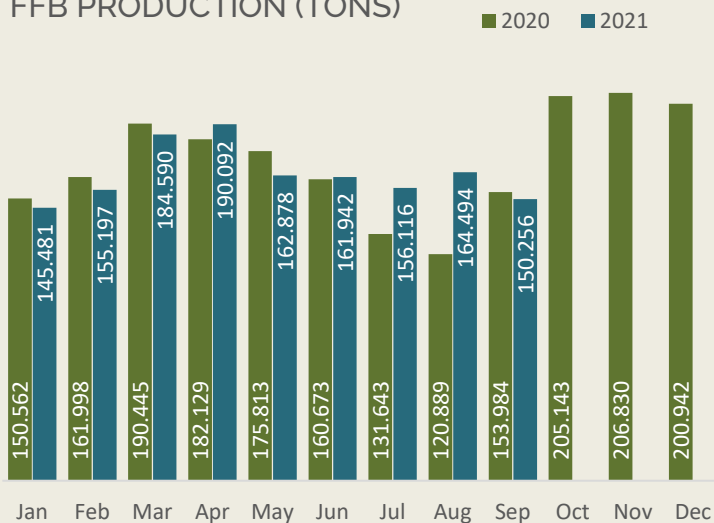
*calculated from Profit and adjusted to the unrealized FX gain/loss, net of tax effect.

Financial Position	31 Sept 2021	31 Dec 2020	%
Total Assets	13,967,203	14,151,383	(1.3)
Total Liabilities	7,441,941	7,920,634	(6.0)
Equity	6,525,262	6,230,749	4.7

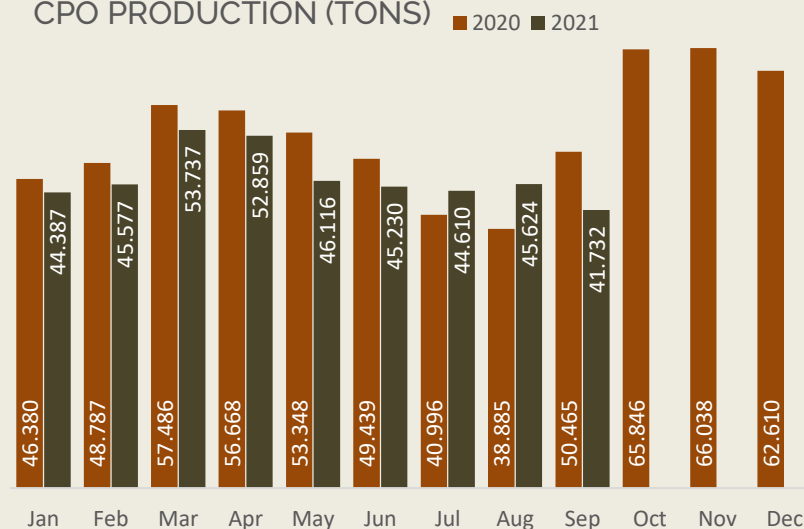
We posted 9M21 EBITDA of Rp 1.3 trillion, an increase of 37% against last year, with an EBITDA margin of 26%, higher than the previous year's EBITDA of 22%.

Our liabilities in the third quarter of 2021 were reduced by 6% to Rp 7.4 trillion following the payment of maturing bank loans. Meanwhile, our equity became larger by 5% to Rp 6.5 trillion due to higher profit.

FFB PRODUCTION (TONS)



CPO PRODUCTION (TONS)

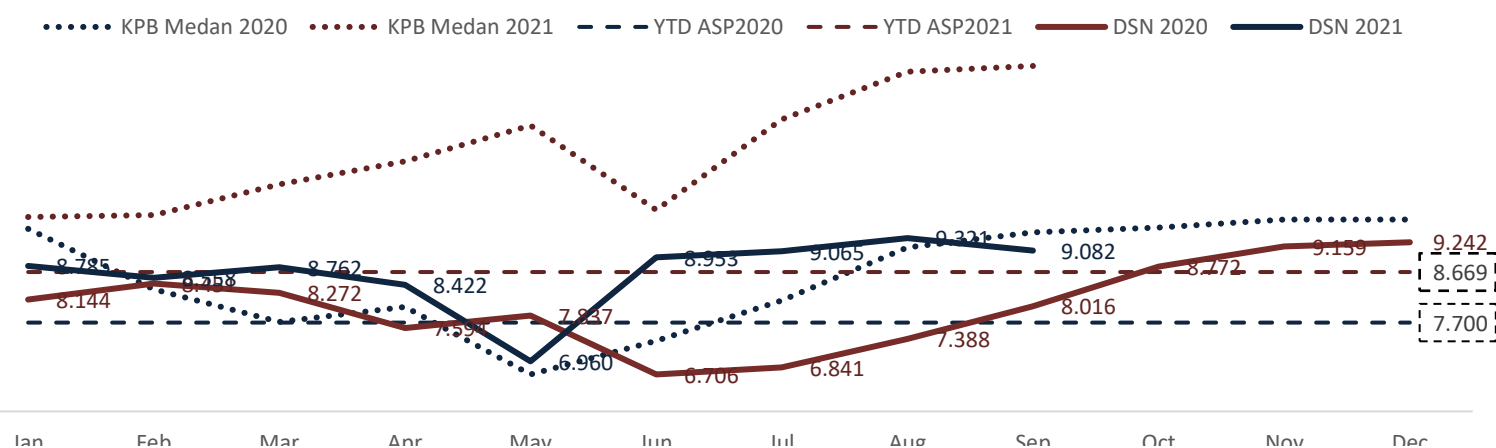


	9M-2021	9M-2020	%	Q1-2021	Q2-2021	Q3-2021	QoQ%	FY2020
Plantation Performance								
FFB Production (tons)	1,471,045	1,428,137	3.0	485,268	514,912	470,865	(8.6)	2,041,052
- FFB Nucleus (tons)	1,184,977	1,169,162	1.4	394,287	411,971	378,719	(8.1)	1,675,893
- FFB Plasma (tons)	286,068	258,975	10.5	90,981	102,941	92,146	(10.5)	365,159
Mill Performance								
FFB Processed (tons)	1,839,056	1,854,229	(0.8)	641.965	629.119	567,972	(9.7)	2,711,357
CPO Production(tons)	419,871	442,454	(5.1)	143.701	144.204	131,966	(8.5)	636,947
PK Production (tons)	74,171	78,527	(5.5)	25.402	25.215	23,554	(6.6)	114,290
PKO Production (tons)	22,979	23,207	(1.0)	7.109	8.513	7,358	(13.6)	34,049
CPO OER (%)	22.83	23.86	(4.3)	22,38	22,92	23.23	1.4	23.49
FFA (%)	3.18	2.64	(20.4)	3,28	3,12	3.15	0.9	2.76
Sales Performance								
CPO (tons)	412,536	433,455	(4.8)	135.201	143.555	133,779	(6.8)	640,416
PK (tons)	19,244	22,935	(16.1)	6.941	6.117	6,186	1.1	30,917
PKO (tons)	23,004	23,008	0.0	8.002	8.001	7,002	(12.5)	33,013
CPO ASP (Rp '000/Ton)	8.67	7.70	12.6	8.70	8.18	9.17	12.0	8,14
PKO ASP (Rp '000/Ton)	14.86	9.17	62.1	14.54	16.00	13.90	(13.1)	9,77

Against last year, the nucleus and plasma's FFB production was higher by 3%. However, due to less external FFB purchase and combined with lower than usual OER, our CPO production in 9M21 declined by 5%.

Our Oil Extraction Rate during 9M21 was unexpectedly lower than our regular OER performance of beyond 23%, caused by multiple factors. However, we have seen a significant improvement at the beginning of the fourth quarter of 2021, with OER now approaching 24%.

CPO AVERAGE SELLING PRICE (Rp '000/TONS)



PLANTED AREA

As of 30 September 2021, the Company's total planted area, including nucleus and plasma, reached 112.6 thousand hectares, with mature areas of 102.7 thousand hectares and an average age of 11.9 years.

Planted ('000 ha)	Average Age (yrs)	Planted Hectrage	
		Mature ('000 ha)	Total Planted ('000 ha)
Nucleus	12.7	79.5	84.6
Plasma	9.1	23.2	28.0
Total	11.9	102.7	112.6

WOOD PRODUCTS

Wood Product Results Continue to Improve



The outcome of wood product for the first nine months of 2021 demonstrated a positive operational and financial performance. Panel sales volume rose by 25% to 80 thousand m3 following higher demand from Japan market. At the same time, our engineered flooring segment also reported a higher sales volume to 844 thousand m2 or a 28% increase than last year, following the recovered demand from USA and Canadian, our primary markets for engineered flooring products.

The average selling price was also better for panel and engineered flooring by 2% and 5%, respectively. In addition, the selling price for engineered flooring products in Q3 has improved by 7% over Q2, following demand recovering from the exporting countries as the Covid-19 outbreak has been better contained.

	9M-2021	9M-2020	%	Q1-2021	Q2-2021	Q3-2021	%QoQ	FY2020
Sales Volume								
Panel ('000 m3)	79.7	64.0	24.5	26.3	25.7	27.8	7.9	86.2
Engineered flooring ('000 m2)	843.5	660.6	27.7	255.0	269.2	319.3	18.6	986.6
Average Selling Price (ASP)								
Panel (Rp mio /m3)	5.98	5.85	2.3	5.75	6.02	6.17	2.4	5.69
Engineered flooring (Rp mio /m2)	0.41	0.39	5.3	0.39	0.41	0.43	6.9	0.39

DSNG ESG UPDATES

DSNG Officially Kicks off its Journey for Climate Actions

On 22 September 2021, DSNG assigned two global consultants specializing in emission reduction projects and climate actions to begin its Greenhouse Gas (GHG) Emission Scoping and Climate Risk Assessment. This step officially marks DSNG's structured journey towards its ambition to achieve a Net Zero aspiration. The actions involve reducing emissions, adapting to climate change risks, and aligning itself to Indonesia's Nationally Determined Contribution (NDC), which outlines the country's transition to low carbon and climate-resilient future.



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