

Stock Data

Target price	Rp2,000
Prior TP	Rp2,000
Current price	1,860
Upside/downside	+7.5%
Shares outstanding (mn)	10,600
Market cap (Rp bn)	19,716
Free float	26%
Avg. 6m daily T/O (Rp bn)	31

Price Performance

	3M	6M	12M
Absolute	20.4%	12.7%	141.6%
Relative to JCI	41.3%	25.2%	135.2%
52w low/high (Rp)	745 – 1,950		



Major Shareholders

Triputra Investindo Arya	28.3%
Krishna Kapital Investama	14.6%
Tri Nur Cakrawala	7.4%

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1Q26 result: beat on stronger CPO volume and lower raw material costs

- 1Q26 core NP came at Rp401bn (-24% qoq; +13% yoy), above our/consensus estimates (at 118% of our 1Q26F).
- The earnings beat was driven by higher CPO sales volume (109% of our 1Q26F) and lower cash costs (88% of our 1Q26F).
- Maintain BUY despite limited upside to our current TP. We see potential upside to earnings from stronger 1Q26 volumes.

1Q26 results: strong beat

In 1Q26, core NP came in at Rp401bn (-24% qoq; +13% yoy), accounting for 18%/19% of our and consensus FY26F estimates and 118% of our 1Q26F estimate, a strong beat. Total revenue reached Rp2.9tr (-14% qoq; +8% yoy), representing 21%/23% of our and consensus FY26F estimates (2Y mean: 22%) and 101% of our 1Q26F estimate (in-line). However, the revenue mix was better than expected as plantation revenue reached Rp2.6tr (-13% qoq; +11% yoy), or 105% of our 1Q26F estimate, while wood and renewable segments remained weak at 76%/66% of our 1Q26F estimates. Stronger plantation revenue, combined with lower costs, drove EBITDA to Rp808bn (-17% qoq; -1% yoy), or 112% of our 1Q26F estimate. Debt stood at Rp3.9tr (vs. Rp4.1tr in Dec25), broadly in line with our Rp3.5tr estimate, with further deleveraging expected.

Plantation segment: strong CPO volume and lower material cost in 1Q26

In 1Q26, total plantation (PKO, PK, and CPO) sales volume reached 172k tonnes (-10% qoq; +16% yoy), or 107% of our 1Q26F estimate. The beat was primarily driven by stronger CPO sales volume of 159k tonnes (-6% qoq; +18% yoy), or 109% of our estimate, supported by pending deliveries from 4Q25 and strong production of 141k tonnes in 1Q26 (-19% qoq; +2% yoy). Implied ASP (all products) was Rp15.2mn/t (-3% qoq; -1% yoy), broadly in line at 97% of our estimate. Meanwhile, cash cost came in lower than expected at Rp9.9mn/t (+6% qoq; -1% yoy), or 88% of our estimate, driven by lower raw material costs (Rp1.1tr; -19% qoq; -1% yoy), equivalent to 91% of our estimate in 1Q26F. Overall, cash margin was Rp5.23mn/t (-17% qoq; -6% yoy), a strong beat at 121% of our 1Q26F estimate.

Maintain BUY; remains as one of our top picks.

DSNG's share price has appreciated by 24% YTD, leaving limited upside to our current TP of Rp2,000. However, we maintain our BUY rating, supported by potential upside to earnings driven by stronger 1Q26 volumes and a firmer CPO price outlook. We retain our BUY call pending revisions to earnings estimates and further details from the company. Key risks include better-/worse-than-expected sales volume and regulatory changes.

Financial Summary (Rp bn)	2024A	2025A	2026F	2027F	2028F
Revenue	10,119	12,315	13,825	14,736	15,026
EBITDA	2,937	3,788	4,175	4,493	4,802
Core net profit	1,104	1,873	2,251	2,500	2,733
Core EPS	104	177	212	236	258
Core EPS growth	31%	70%	20%	11%	9%
ROE	11%	16%	17%	17%	16%
PER (x)	16.5	9.7	8.1	7.3	6.7
EV/EBITDA	8.0	5.8	4.9	4.2	3.5
Dividend yield	1%	1%	3%	4%	6%
IPS vs. consensus			108%	109%	110%

Source: Company, Indo Premier

Share price closing as of: 27 Apr 2026

## 1Q26 result

Fig. 1: Financial and operational result in 1Q26

Financial result (in Rpbn (unless stated otherwise)	1Q26	1Q25	Growth yoy	4Q25	Growth qoq	IPS FY26F	% to IPS FY26F	1Q26F	% to IPS 1Q26F	Cons FY26F	% to Cons	2-year mean
Revenue	2,886	2,679	8%	3,370	-14%	13,825	21%	2,866	101%	12,631	23%	22%
Cost of revenue	- 2,077	- 1,885	10%	- 2,353	-12%	- 9,520	-	- 2,149				
Gross profit	810	794	2%	1,017	-20%	4,306	19%	718	113%	4,226		
GPM	28.0%	29.6%		30.2%		31.1%		25.0%				
Opex	- 247	- 209	18%	- 300	-18%	- 1,142		- 235				
EBIT	563	585	-4%	716	-21%	3,164	18%	482	117%	3,124	18%	20%
EBITDA	808	820	-1%	978	-17%	4,175	19%	721	112%	3,871	21%	21%
EBITDA margin	28.0%	30.6%		29.0%		30.2%		25.2%				
Other income/expense (exc. JV and asso income)	- 41	- 119	-66%	- 101	-60%	- 344	12%	- 80				
JV and asso income	50	32	54%	90	-45%	194	26%	49				
Pretax income	572	498	15%	705	-19%	3,014	19%	451	127%	3,063		
Tax expense	- 151	- 131	15%	- 189	-20%	- 792		- 113				
Net profit attributable	430	368	17%	524	-18%	2,234	19%	341				
Core NP	401	356	13%	526	-24%	2,251	18%	341	118%	2,084	19%	19%
Core NP margin	13.9%	13.3%		15.6%		16.3%		11.9%				

Operational		1Q26	1Q25	Growth yoy	4Q25	Growth qoq	IPS FY26F	% to IPS FY26F	IPS 1Q26F	% to IPS 1Q26F	3-year mean 3M
<b>Planted area</b>											
Planted area - Mature only	th ha	102.3	104.5	-2%	102.1	0%	104.3	98%			
Planted area - Mature only - Nucleus	th ha	77.9	80.2	-3%	77.8	0%	80.0	97%			
Planted area - Mature only - Plasma	th ha	24.4	24.3	0%	24.3	0%	24.3	100%			
<b>Plantation performance</b>											
FFB production	th tonne	492.0	478.8	3%	571.8	-14%	2,272.1	22%	478.8	103%	23%
FFB production - Nucleus	th tonne	385.0	378.1	2%	447.3	-14%	1,785.7	22%	378.1	102%	23%
FFB production - Plasma	th tonne	107.0	100.7	6%	124.5	-14%	486.5	22%	100.7	106%	23%
<b>FFB yield</b>											
Total FFB yield	t/ha	4.8	4.6	5%	5.6	-14%	21.8				
FFB Nucleus yield	t/ha	4.9	4.7	5%	5.7	-14%	22.3				
FFB Plasma yield	t/ha	4.4	4.1	6%	5.1	-14%	20.0				
<b>Mill performance</b>											
FFB processed	th tonne	602.6	591.4	2%	746.6	-19%	2,815.3	21%	607.1	99%	23%
<b>Total palm production</b>	<b>th tonne</b>	<b>175.8</b>	<b>171.7</b>	<b>2%</b>	<b>216.7</b>	<b>-19%</b>	<b>820.0</b>	<b>21%</b>	<b>176.8</b>	<b>99%</b>	<b>23%</b>
CPO production	th tonne	140.5	137.6	2%	173.1	-19%	656.4	21%	141.6	99%	23%
PK production	th tonne	26.8	26.0	3%	33.3	-20%	124.2	22%	26.8	100%	23%
PKO production	th tonne	8.5	8.1	5%	10.3	-17%	39.3	22%	8.5	100%	23%
OER	%	23.32%	23.27%		23.18%		23.32%	100%	23.32%	100%	
KER	%	4.44%	4.40%		4.47%		4.41%	101%	4.41%	101%	
<b>Sales performance</b>											
<b>Total sales volume</b>	<b>th tonne</b>	<b>171.6</b>	<b>148.5</b>	<b>16%</b>	<b>190.6</b>	<b>-10%</b>	<b>726.4</b>	<b>24%</b>	<b>160.6</b>	<b>107%</b>	<b>22%</b>
CPO	th tonne	159.4	134.6	18%	169.4	-6%	656.4	24%	146.2	109%	22%
PK	th tonne	6.7	6.4	4%	8.7	-23%	30.6	22%	6.7	99%	22%
PKO	th tonne	5.5	7.5	-27%	12.5	-56%	39.3	14%	7.7	72%	20%
CPO ASP (Rpmt/t)	Rpmt/t	14.5	14.9	-3%	14.6	-1%	15.8	92%	14.3	101%	
PKO ASP (Rpmt/t)	Rpmt/t	28.4	27.4	4%	28.3	1%	33.5	85%	31.1	91%	

Source: Company, Indo Premier

## Valuation

Fig. 2: SOP valuation

In Rpbn, unless stated otherwise	12M FWD Remarks
<b>Consolidated</b>	
EV/EBITDA Multiple (x)	At +1.5 s.d. above sector mean since 2021; 5 Premium underpinned by ESG leadership, stronger financials, and improving operations.
EBITDA	4,254
EV	22,122
Market cap	20,307
Debt	3,415
Cash	1,747
Minority	147
<b>JV/Asso - REA Kaltim Plantations</b>	
P/E multiple	7 At sector mean since 2021
Earnings - 100% stake	564
Disc. for limited transparency	15%
Market value	3,116
DSNG's ownership	35%
DSNG's market value from REA Kaltim Plantations	1,091
<b>SOP valuation</b>	
Total equity value	21,397
# share (bn)	11
<b>Implied price per share</b>	<b>2,019</b>
<b>Rounded TP (Rp/sh)</b>	<b>2,000</b>

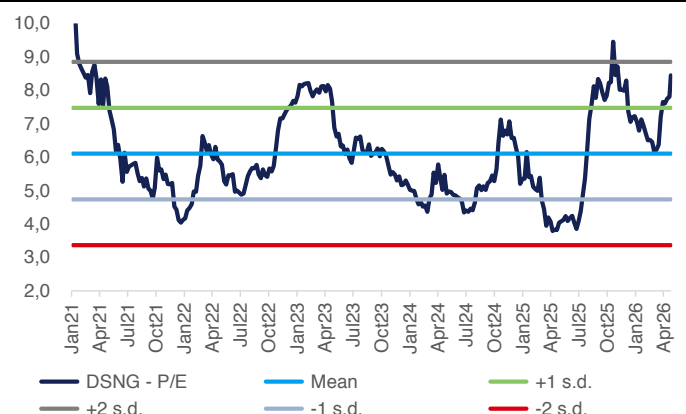
Source: Company, Indo Premier

Fig. 3: EV/EBITDA 12M forward



Source: Company, Bloomberg, Indo Premier

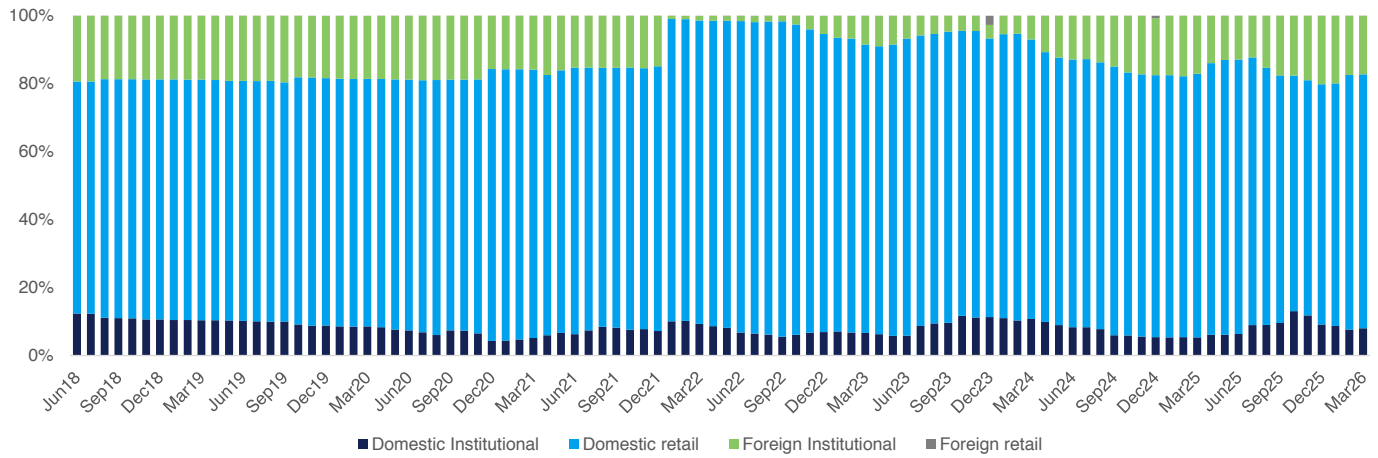
Fig. 4: P/E 12M forward



Source: Company, Bloomberg, Indo Premier

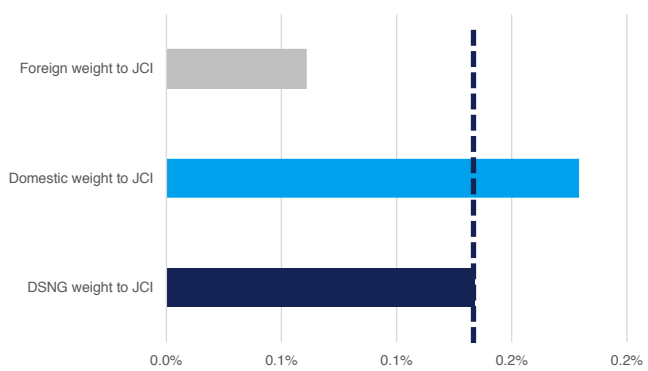
## Share ownership

**Fig. 5: Share ownership since 2013**



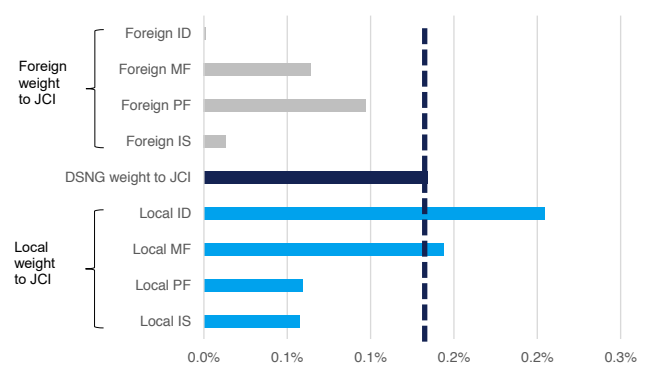
Source: KSEI, Indo Premier

**Fig. 6: Share ownership in Mar26**



Source: KSEI, Indo Premier

**Fig. 7: Share ownership in Mar26**



Source: KSEI, Indo Premier

Income Statement (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Net revenue	10,119	12,315	13,825	14,736	15,026
Cost of sales	(7,115)	(8,465)	(9,520)	(10,075)	(10,051)
<b>Gross profit</b>	<b>3,004</b>	<b>3,850</b>	<b>4,306</b>	<b>4,661</b>	<b>4,974</b>
Operating expenses	(981)	(1,035)	(1,142)	(1,216)	(1,257)
<b>Operating profit</b>	<b>2,023</b>	<b>2,815</b>	<b>3,164</b>	<b>3,445</b>	<b>3,717</b>
<b>EBITDA</b>	<b>2,937</b>	<b>3,788</b>	<b>4,175</b>	<b>4,493</b>	<b>4,802</b>
Net interest	(529)	(440)	(321)	(274)	(228)
Others	146	125	171	207	211
<b>Pre-tax income</b>	<b>1,640</b>	<b>2,500</b>	<b>3,014</b>	<b>3,378</b>	<b>3,701</b>
Income tax	(499)	(671)	(792)	(890)	(980)
Minority interest	1	12	12	12	12
<b>Net income</b>	<b>1,142</b>	<b>1,840</b>	<b>2,234</b>	<b>2,500</b>	<b>2,733</b>
<b>Core net profit</b>	<b>1,104</b>	<b>1,873</b>	<b>2,251</b>	<b>2,500</b>	<b>2,733</b>

Balance Sheet (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Cash & equivalents	557	593	1,454	2,627	3,915
Inventories	1,225	1,380	1,639	1,747	1,781
Other current assets	1,115	1,150	1,314	1,350	1,361
<b>Total current assets</b>	<b>2,897</b>	<b>3,123</b>	<b>4,407</b>	<b>5,723</b>	<b>7,057</b>
Fixed assets	7,838	7,909	7,690	7,443	7,169
Other non-current assets	6,678	6,585	6,714	6,847	6,973
<b>Total non-current assets</b>	<b>14,515</b>	<b>14,494</b>	<b>14,404</b>	<b>14,290</b>	<b>14,143</b>
<b>Total assets</b>	<b>17,412</b>	<b>17,617</b>	<b>18,811</b>	<b>20,013</b>	<b>21,200</b>
Short term bank loans	477	22	22	22	22
Current maturities of LT bank loans	598	889	534	534	534
Bonds payable	182	-	-	-	-
Other current liab.	1,274	1,398	1,455	1,485	1,484
<b>Total current liab.</b>	<b>2,530</b>	<b>2,308</b>	<b>2,010</b>	<b>2,041</b>	<b>2,039</b>
Bonds payable	-	-	-	-	-
Loans from third parties	485	503	503	503	503
LT bank loans	3,972	2,669	2,490	1,956	1,422
Other LT liab.	528	494	494	494	494
<b>Total liabilities</b>	<b>7,515</b>	<b>5,974</b>	<b>5,498</b>	<b>4,994</b>	<b>4,458</b>
Equity	3,226	3,395	3,395	3,395	3,395
Retained earnings	6,497	8,086	9,768	11,486	13,219
Minority interest	174	162	150	139	127
<b>Total SHE + minority int.</b>	<b>9,897</b>	<b>11,643</b>	<b>13,313</b>	<b>15,019</b>	<b>16,741</b>
<b>Total liabilities &amp; equity</b>	<b>17,412</b>	<b>17,617</b>	<b>18,811</b>	<b>20,013</b>	<b>21,200</b>

Source: Company report, Indo Premier

Cash Flow Statement (Rp bn)	FY24	FY25	FY26F	FY27F	FY28F
Net income	1,142	1,840	2,234	2,500	2,733
Depr. & amortization	876	1,000	994	1,032	1,069
Changes in working capital	269	(66)	(365)	(113)	(47)
Others	-	-	-	-	-
<b>Cash flow from operating</b>	<b>2,288</b>	<b>2,774</b>	<b>2,864</b>	<b>3,418</b>	<b>3,755</b>
Capital expenditure	(1,074)	(991)	(710)	(710)	(710)
Others	(1,088)	12	(194)	(207)	(211)
<b>Cash flow from investing</b>	<b>(2,162)</b>	<b>(979)</b>	<b>(904)</b>	<b>(917)</b>	<b>(921)</b>
Loans	177	(1,664)	(534)	(534)	(534)
Equity	98	171	-	0	0
Dividends	(233)	(254)	(552)	(782)	(1,000)
Others	0	(12)	(12)	(12)	(12)
<b>Cash flow from financing</b>	<b>42</b>	<b>(1,759)</b>	<b>(1,098)</b>	<b>(1,328)</b>	<b>(1,546)</b>
<b>Changes in cash</b>	<b>167</b>	<b>36</b>	<b>862</b>	<b>1,173</b>	<b>1,288</b>

Key Ratios	FY24	FY25	FY26F	FY27F	FY28F
Gross margin	30%	31%	31%	32%	33%
EBITDA margin	29%	31%	30%	30%	32%
Pre-tax margin	16%	20%	22%	23%	25%
Core net margin	11%	15%	16%	17%	18%
ROA	6%	11%	12%	12%	13%
ROE	11%	16%	17%	17%	16%
ROIC	7%	13%	15%	16%	18%
Net gearing (x)	0.5	0.3	0.2	0.0	(0.1)
Net debt to EBITDA (x)	1.8	0.9	0.5	0.1	(0.3)
Interest coverage (x)	5	8	13	16	20

Source: Company, Indo Premier

## SECTOR RATINGS

- OVERWEIGHT** : An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
- NEUTRAL** : A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
- UNDERWEIGHT** : An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation

## COMPANY RATINGS

- BUY** : Expected total return of 10% or more within a 12-month period
- HOLD** : Expected total return between -10% and 10% within a 12-month period
- SELL** : Expected total return of -10% or worse within a 12-month period

## ANALYSTS CERTIFICATION

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