

PT OKI Pulp & Paper Mills

Credit Rating(s)

SR Bond I Ph II 2023 Series A	^{id} A+
SR Sustainable Bond I Ph II 2023 Series A	^{id} A+
SR USD Bond I Ph II 2023 Series A	^{id} A+
SR Sukuk I Ph II 2023 Series A	^{id} A+(^{sy})

Rating Period

September 2, 2024 – December 22, 2024

Published Rating History

JUN 2024	^{id} A+/Stable
JUN 2023	^{id} A+/Stable
AUG 2022	^{id} A+/Stable
DEC 2021	^{id} A+/Stable
MAR 2021	^{id} A+/Stable

PT OKI Pulp and Paper Mills (OPPM)'s debt instruments will mature on December 22, 2024:

- Shelf Registered Bond I Phase II Year 2023 Series A of IDR80.8 billion (rated ^{id}A+)
- Shelf Registered Sustainable Bond I Phase II Year 2023 Series A of IDR7.7 billion (rated ^{id}A+)
- Shelf Registered USD Bond I Phase II Year 2023 Series A of USD60,000 (rated A+)
- Shelf Registered Sukuk Mudharabah I Phase II Year 2023 Series A of IDR91.4 billion (rated A+(^{sy}))

The Company plans to repay its maturing debt instruments using internal funds. As of March 31, 2024, OPPM had cash and cash equivalents of USD342 million.

OPPM is a member of the Asia Pulp and Paper (APP) group, a leading pulp and paper products manufacturer in the global market. Its mills are located in Ogan Komering Ilir (South Sumatra). As of March 31, 2024, its shareholders consisted of PT Pindo Deli Pulp and Paper Mills (49.08%), PT Pabrik Kertas Tjiwi Kimia Tbk (49.08%), and PT Muba Green Indonesia (1.84%).

Rating Definition

Debt security rated ^{id}A indicates that the issuer's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian issuers, is strong. However, the issuer's capacity is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated issuers. The plus (+) sign indicates that the rating is relatively strong within its category. Suffix (sy) means the rating indicates Islamic principles compliant.

Financial Highlights

As of/for the year ended	Mar-2024	Dec-2023	Dec-2022	Dec-2021
Consolidated Figure	(Unaudited)	(Audited)	(Audited)	(Audited)
Total adjusted assets [IDR bn]	7,460.4	7,291.1	6,497.4	5,717.2
Total adjusted debt [IDR bn]	3,107.7	3,080.4	2,649.9	2,510.3
Total adjusted equity [IDR bn]	4,101.8	3,961.5	3,623.7	2,835.7
Total sales [IDR bn]	380.6	1,645.4	1,815.3	1,536.7
EBITDA [IDR bn]	180.7	763.3	992.5	776.7
Net income after MI [IDR bn]	140.7	337.3	789.7	449.7
EBITDA margin [%]	47.5	46.4	54.7	50.5
Adjusted debt/EBITDA [X]	*4.3	4.0	2.7	3.2
Adjusted debt/adjusted equity [X]	0.8	0.8	0.7	0.9
FFO/adjusted debt [%]	*14.8	16.8	29.9	24.2
EBITDA/IFCCI [X]	2.6	3.0	4.9	4.5
USD exchange rate [IDR/USD]	15,853	15,416	15,731	14,269

FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense

EBITDA = Operating Profit + Depreciation Expense + Amortization Expense

IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)

MI = Minority Interest

*annualized

The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.

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