

## PT Ricobana Abadi

### Credit Rating(s)

General Obligation (GO) MTN I idCCC/Negative  
idCCC

### Rating Period

December 7, 2023 – December 1, 2024

### Published Rating History

JUN 2023	<span style="margin-left: 100px;">idCCC/Neg</span>
MAR 2023	<span style="margin-left: 100px;">idCCC/C.W.Neg</span>
JAN 2023	<span style="margin-left: 100px;">idCCC/C.W.Neg</span>
DEC 2022	<span style="margin-left: 100px;">idCCC/C.W.Neg</span>
OKT 2022	<span style="margin-left: 100px;">idCCC/C.W.Neg</span>

PEFINDO has affirmed its idCCC ratings to PT Ricobana Abadi (RICO) and its Medium-Term Notes (MTN) I Year 2017. Outlook for the corporate rating is "negative", reflecting high certainty of potential rating downgrade if RICO is unable to extend the remedial period and obtain approval restructure the MTN. Initially, the Company has failed to address its maturing MTN amounting of IDR400 billion due on December 20, 2022, and since then RICO has obtained extension for the remedial period. The Company is currently in the process to extend the remedial period which will expire on December 16, 2023. Both RICO and MTN holder are still waiting for the legal process related to the mutual funds which use RICO's MTN as the underlying portfolio, before MTN's restructuring proposal can be further processed.

The corporate rating reflects the Company's established presence in the industry. The rating is constrained by its high customer concentration risk, aggressive capital structure and vulnerable cash flow protection measures with limited financial flexibility, as well as exposure to fluctuation of coal price.

The rating may be lowered if the Company fails to finalize the restructuring process within remedial period. We may revise the outlook to stable if the Company successfully resolves its MTN restructuring process.

RICO was established in February 1981 and operated as coal mining contractor since 2007 with activities including overburden removal, coal hauling, and heavy equipment rental. RICO is an indirect subsidiary of PT SMR Utama Tbk through PT Ricobana and is ultimately owned by PT Trada Alam Minera Tbk. As of September 30, 2023, the Company was owned by PT Adibrata Cipta (previously PT Ricobana) (99.99%) and Mr. Wijaya Mulia (0.01%).

### Rating Definition

Debt security rated idCCC is currently vulnerable to non-payment and is dependent upon favorable business and financial conditions for the issuer to meet its long-term financial commitments on the debt security.

### Financial Highlights

As of/for the year ended	Sep-2023	Dec-2022	Dec-2021	Dec-2020
Consolidated Figure	(Unaudited)	(Audited)	(Audited)	(Audited)
Total adjusted assets [IDR bn]	779.5	828.9	917.8	1,003.7
Total adjusted debt [IDR bn]	398.4	412.5	454.1	469.3
Total adjusted equity [IDR bn]	196.3	242.9	240.5	289.8
Total sales [IDR bn]	247.6	497.2	541.9	492.4
EBITDA [IDR bn]	34.7	166.5	165.3	78.9
Net income after MI [IDR bn]	(47.7)	(0.2)	(51.1)	(204.0)
EBITDA margin [%]	14.0	33.5	30.5	16.0
Adjusted debt/EBITDA [X]	*8.6	2.5	2.7	6.0
Adjusted debt/adjusted equity [X]	2.0	1.7	1.9	1.6
FFO/adjusted debt [%]	*10.7	28.2	25.0	4.0
EBITDA/IFCCI [X]	12.2	3.3	3.2	1.3
USD exchange rate [IDR/USD]	15,526	15,731	14,278	14,105

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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