

PT OKI Pulp & Paper Mills

Credit Rating(s)

General Obligation (GO)	^{id} A+/Stable
Bond I 2021 Series B	^{id} A+
Sukuk I 2021 Series B	^{id} A+(sy)
Sukuk JM I 2022	^{id} A+(sy)

Rating Period

May 7, 2024 – July 08, 2024

Published Rating History

JUN 2023	^{id} A+/Stable
AUG 2022	^{id} A+/Stable
DEC 2021	^{id} A+/Stable
MAR 2021	^{id} A+/Stable
MAR 2019	^{id} A+/Stable

PT OKI Pulp and Paper Mills (OPPM)'s debt instruments will mature in the near term:

- Bond I Year 2021 Series B of IDR1.35 trillion (rated ^{id}A+, due on July 8, 2024)
- Sukuk Mudharabah I Year 2021 Series B of IDR234.6 billion (^{id}A+(sy), July 8, 2024)
- Sukuk Mudharabah *Jangka Menengah* I Year 2022 of IDR200 billion (^{id}A+(sy), July 27, 2024)

The Company plans to repay its maturing debt instruments using internal funds. As of December 31, 2023, OPPM had cash and equivalents of USD459.1 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 Sumatera). As of December 31, 2023, 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) indicates the rating mandates Islamic principles compliance.

Financial Highlights

As of/for the year ended	Dec-2023	Dec-2022	Dec-2021	Dec-2020
Consolidated Figure	(Audited)	(Audited)	(Audited)	(Audited)
Total adjusted assets [IDR bn]	7,291.1	6,497.4	5,717.2	5,203.2
Total adjusted debt [IDR bn]	3,080.4	2,649.9	2,510.3	2,395.4
Total adjusted equity [IDR bn]	3,961.5	3,623.7	2,835.7	2,385.9
Total sales [IDR bn]	1,645.4	1,815.3	1,536.7	1,398.1
EBITDA [IDR bn]	761.5	990.5	776.7	627.0
Net income after MI [IDR bn]	337.3	789.7	449.7	297.7
EBITDA margin [%]	46.3	54.6	50.5	44.8
Adjusted debt/EBITDA [X]	4.0	2.7	3.2	3.8
Adjusted debt/adjusted equity [X]	0.8	0.7	0.9	1.0
FFO/adjusted debt [%]	16.7	29.9	24.2	19.0
EBITDA/IFCCI [X]	3.0	4.9	4.5	3.6
USD exchange rate [IDR/USD]	15,416	15,731	14,269	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

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.

Contact Analysts:

fahrinaldi.akbar@pefindo.co.id
kresna.wiryawan@pefindo.co.id

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