

## PT Pupuk Kalimantan Timur

### Credit Rating(s)

General Obligation (GO) idAAA/Stable

### Rating Period

May 19, 2025 – May 1, 2026

### Published Rating History

MAY 2024	idAAA/Stable
FEB 2017	idAA+/Stable
DEC 2015	idAA+/Stable
SEP 2014	idAA+/Stable
SEP 2013	idAA+/Stable

PEFINDO has assigned PT Pupuk Kalimantan Timur (PPKT)'s rating at **idAAA with stable outlook**. The corporate rating is mainly driven by the very strong likelihood of support from PT Pupuk Indonesia (Persero) (PIHC, rated **idAAA** with a stable outlook) as the parent company. The Company's standalone credit profile reflects its very strong business position, secured gas supply and optimized operations as well as very strong financial profile but is constrained by the Company's exposure to the volatility of commodity prices.

The rating may be lowered if PPKT aggressively finances its expansion with substantially larger debt than projected without a corresponding improvement in business performance. A markedly lower EBITDA than expected amid a high outstanding debt or continued sizeable working capital needs to be funded by debt may also trigger a rating downgrade. Any unfavorable change in the subsidy scheme and the distribution area for subsidized fertilizer that represents lower support from PIHC and significantly lower-than-anticipated global fertilizer prices will also put pressure on the Company's rating. Any rating change of the Parent may also trigger a similar rating action to PPKT.

PPKT is considered one of the largest fertilizer producers in the country, with a focus on ammonia and urea. The Company operates several production facilities in Bontang, East Kalimantan, consisting of five ammonia and urea fertilizer plants with a total annual capacity of 2.7 and 3.4 million tons of ammonia and urea, respectively, and two Nitrogen-Phosphorus-Potassium (NPK) plants with a total annual capacity of 350,000 tons (150,000 tons of mechanical blending NPK and 200,000 tons of fusion NPK). The plants in Bontang are integrated with ports and warehouses, which facilitate product distribution to both domestic and export markets. As of December 31, 2024, PPKT's major shareholder was PIHC, the state-owned holding company for the fertilizer sector, with 99.9% ownership.

### Rating Definition

An obligor rated **idAAA** has a superior capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, adverse economic conditions or changing circumstances are more likely to weaken its capacity to meet its financial commitments.

### Financial Highlights

As of/for the year ended	Mar-2025 (Unaudited)	Dec-2024 (Audited)	Dec-2023 (Audited)	Dec-2022 (Audited)
Total adjusted assets [IDR Bn]	38.017,4	38.110,9	37,920.0	43,438.2
Total adjusted debt [IDR Bn]	54,8	197,4	1,674.1	34.0
Total adjusted equity [IDR Bn]	33.847,7	33.006,8	30,201.7	34,378.6
Total revenue [IDR Bn]	5.783,9	24.956,8	23,210.4	36,940.8
EBITDA [IDR Bn]	1.376,1	6.549,8	6,941.0	19,524.8
Net income after MI [IDR Bn]	824,5	4.102,0	4,558.4	14,593.7
EBITDA margin [%]	23,8	26,2	29.9	52.9
Adjusted debt/EBITDA [X]	*0,0	0,0	0.2	0.0
Adjusted debt/adjusted equity [X]	*0,0	0,0	0.1	0.0
FFO/adjusted debt [%]	*9.089,3	2.868,3	356.0	45,099.8
EBITDA/IFCCI [X]	153,9	379,2	167.0	255.1
USD exchange rate [IDR/USD]	16,566	16,157	15,416	15,731

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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