

PT Chandra Asri Petrochemical Tbk.

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Dec-2021	Dec-2020	Dec-2019	Dec-2018
			(Audited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idAA-/Stable</i>	Total adjusted assets [USD mn]	4,993.1	3,593.7	3,451.2	3,173.5
Rated Issues		Total adjusted debt [USD mn]	1,076.4	844.3	787.9	608.1
<i>Shelf Reg. Bond II Phase II 2019</i>	<i>idAA-</i>	Total adjusted equity [USD mn]	2,927.7	1,811.4	1,761.0	1,770.1
Rating Period		Total sales [USD mn]	2,580.4	1,806.4	1,881.0	2,543.2
<i>March 28, 2022 – May 29, 2022</i>		EBITDA [USD mn]	351.2	183.0	174.2	396.6
Rating History		Net income after MI [USD mn]	152.1	51.4	22.9	181.7
<i>JUN 2021</i>	<i>idAA-/Stable</i>	EBITDA margin [%]	13.6	10.1	9.3	15.6
<i>JUN 2020</i>	<i>idAA-/Negative</i>	Adjusted debt/EBITDA [X]	3.1	4.6	4.5	1.5
<i>OCT 2019</i>	<i>idAA-/Stable</i>	Adjusted debt/adjusted equity [X]	0.4	0.5	0.4	0.3
<i>OCT 2018</i>	<i>idAA-/Stable</i>	FFO/adjusted debt [%]	22.7	14.0	13.3	44.7
<i>OCT 2017</i>	<i>idAA-/Stable</i>	EBITDA/IFCCI [X]	5.4	2.8	3.1	7.7
<i>OCT 2016</i>	<i>idA+/Stable</i>	USD exchange rate [IDR/USD]	14,269	14,105	13,901	14,481
		<i>FFO = EBITDA – IFCCI + interest income – current tax expense</i>				
		<i>EBITDA = operating profit + depreciation expense + amortization expense</i>				
		<i>IFCCI = gross interest expense + other financial charges + capitalized interest; (FX loss not included)</i>				
		<i>MI = Minority Interest *annualized</i>				
		<i>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.</i>				

PT Chandra Asri Petrochemical Tbk's maturing bond rated "idAA-"

PEFINDO has affirmed its "idAA-" ratings for PT Chandra Asri Petrochemical Tbk (TPIA)'s Shelf Registered Bond II Phase II Year 2019 maturing on May 29, 2022 of IDR750 billion. TPIA plans to fully repay its maturing bonds with internal cash. As of December 31, 2021, it had cash and cash equivalent of USD2.0 billion, including time deposits of USD0,4 billion and unused proceeds of USD1.1 billion from right issue allocated for the development of the new integrated petrochemical plant.

A debt security rated idAA differs from the highest-rated debt only to a small degree. The issuer's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian issuers, is very strong. The minus (-) sign indicates that the rating is relatively weak within its category.

TPIA is an integrated petrochemical producer, providing olefins, polyolefin, styrene monomer, butadiene, methyl-tertiary-butyl-ether (MTBE), and butene-1. It owns the only naphtha cracker, styrene monomer and butadiene plants in the country. Its production facilities include a naphtha cracker with a total production capacity of 2,138 kilo tons per annum (KTA), a polyethylene plant with 736 KTA capacity, a styrene monomer plant with 340 KTA capacity, a polypropylene plant with 590 KTA capacity, a butadiene plant with 137 KTA capacity, a MTBE plant with 128 KTA capacity, and a butene-1 plant with 43 KTA capacity. The Company has completed Rights Issue in September 2021 of USD1.1 billion, which will be used to partly finance the development of the second petrochemical complex. From the said corporate action, PT TOP Investment Indonesia, a subsidiary of Thai Oil Public Company Limited has become TPIA's new shareholder. We are of the view that the presence of the new shareholder will give additional financial flexibility to support the second petrochemical complex development. As of December 31, 2021, it was owned by PT Barito Pacific Tbk (34.6%), SCG Chemicals Co Ltd (30.6%), PT TOP Investment Indonesia (15.0%), Prajogo Pangestu (7.8%), Marigold Resources Pte Ltd (3.9%), and the public (8.1%).

DISCLAIMER

The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.