

## PT Oki Pulp and Paper Mills

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>				
		<b>As of/for the year ended</b>	<b>Dec-2021</b>	<b>Dec-2020</b>	<b>Dec-2019</b>	<b>Dec-2018</b>
			(Audited)	(Audited)	(Audited)	(Audited)
<b>Corporate Rating</b>	<i>idA+/Stable</i>	Total Adjusted Assets [USD Mn]	5,717.2	5,203.2	5,061.4	4,660.5
<b>Rated Issues</b>		Total Adjusted Debt [USD Mn]	2,510.3	2,395.4	2,403.7	2,192.4
<i>Bond I/2021</i>	<i>idA+</i>	Total Adjusted Equity [USD Mn]	2,835.7	2,385.9	2,097.0	2,169.1
<i>Sukuk I/2021</i>	<i>idA+(sy)</i>	Total Sales [USD Mn]	1,536.7	1,398.1	1,573.9	1,301.3
<b>Rating Period</b>		EBITDA [USD Mn]	776.7	627.0	836.1	814.5
<i>May 17, 2022 – July 18, 2022</i>		Net Income after MI [USD Mn]	449.7	297.7	449.5	469.2
<b>Rating History</b>		EBITDA Margin [%]	50.5	44.8	53.1	62.6
<i>DEC 2021</i>	<i>idA+/Stable</i>	Adjusted Debt/EBITDA [X]	3.2	3.8	2.9	2.7
<i>MAR 2021</i>	<i>idA+/Stable</i>	Adjusted Debt/Adjusted Equity [X]	0.9	1.0	1.1	1.0
		FFO/Adjusted Debt [%]	24.2	19.0	27.4	29.4
		EBITDA/IFCCI [X]	4.5	3.6	4.7	4.8
		USD Exchange Rate [IDR/USD]	14,269	14,105	13,901	14,481

*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.*

### PT Oki Pulp and Paper Mills's maturing bond and sukuk rated "idA+"

PEFINDO has affirmed its "idA+" ratings for PT OKI Pulp and Paper Mills (OPPM) maturing Bond I Year 2021 Serie A of IDR1.3 trillion and Sukuk I Year 2021 Serie A of IDR700 billion due on July 18, 2022. OPPM plans to repay its maturing Bond and Sukuk using its internal cash. As of December 31, 2021, OPPM had cash and cash equivalent of USD293.9 million.

Debt security rated idA indicates that the issuer's capacity to meet its long-term financial commitments on the debt security, relative to those of 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.

The corporate rating reflects OPPM's very strong market position in the pulp and tissue industry, good vertically integrated operations, and strong profit margins. The rating is constrained by its exposure to price volatility of products and raw materials, and high working capital needs.

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, 2021, 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%).

**DISCLAIMER**

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