

## PT OKI Pulp &amp; Paper Mills

**Company rating** *irAA-/Stable*

**Rated Issues**

*Proposed Obligasi Berkelanjutan I OKI Pulp & Paper Mills Tahun 2023* *irAA-*  
*Proposed Sukuk Mudharabah Berkelanjutan I OKI Pulp & Paper Mills Tahun 2023* *irAA-*  
*Proposed Obligasi Berkelanjutan USD I OKI Pulp & Paper Mills Tahun 2023* *irAA-*  
*Proposed Obligasi Berwawasan Lingkungan Berkelanjutan I OKI Pulp and Paper Mills Tahun 2023* *irAA-*

“Debt Securities with *irAA* rating is only slightly lower than the highest rating. The Obligor has a very high capability in fulfilling its financial obligations”.

The minus sign (-) indicates that the rating is still higher than the rating category below, although it is closer to the lower rating than it is to the higher rating category

**Rating Period**

July 5, 2023 – July 1, 2024

**Rating History**

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**Kredit Rating Indonesia assigns ‘*irAA-*’ rating to Proposed Obligasi Berkelanjutan I OKI Pulp & Paper Mills Tahun 2023 amounting to IDR9,000,000,000,000, Proposed Sukuk Mudharabah Berkelanjutan I OKI Pulp & Paper Mills Tahun 2023 amounting to IDR1,000,000,000,000, Proposed Obligasi Berwawasan Lingkungan Berkelanjutan I OKI Pulp & Paper Mills Tahun 2023 amounting to IDR2,000,000,000,000, and Proposed Obligasi Berkelanjutan USD I OKI Pulp & Paper Mills Tahun 2023 amounting to USD200,000,000**

Kredit Rating Indonesia (KRI) assigns a Company Rating of ‘*irAA-*’ for PT OKI Pulp & Paper Mills (OPPM or the Company) with a ‘Stable’ outlook, and assigns ‘*irAA-*’ rating to the proposed Obligasi Berkelanjutan I OKI Pulp & Paper Mills Tahun 2023 amounting to IDR9,000,000,000,000, Proposed Sukuk Mudharabah Berkelanjutan I OKI Pulp & Paper Mills Tahun 2023 amounting to IDR1,000,000,000,000, Proposed Obligasi Berwawasan Lingkungan Berkelanjutan I OKI Pulp & Paper Mills Tahun 2023 amounting to IDR2,000,000,000,000, and Proposed Obligasi Berkelanjutan USD I OKI Pulp & Paper Mills Tahun 2023 amounting to USD200,000,000

The above ratings reflect OPPM strong market position combined with vertically integrated operation with its group, Asia Pulp and Paper Sinar Mas (APP Sinar Mas), one of the world’s largest pulp and paper producers. The ratings also considered the Company’s good operating management. However, the ratings are constrained by the Company’s aggressive capital structure going forward.

As of March 31, 2023, the Company’s shares were owned by PT Muba Green Indonesia (1.84%), PT Pindo Deli Pulp and Paper Mills (49.08%), and PT Pabrik Kertas Tjiwi Kimia Tbk (49.08%).

## OPPM Financial Results Highlights (Consolidated)

As of/For the year ended	Mar 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)	Dec 2020 (Audited)
Total Assets (USD, Mn)	6,667.1	6,497.4	5,717.2	5,203.2
Total Adjusted Debt (USD, Mn)	2,744.2	2,649.9	2,510.3	2,395.4
Total Adjusted Equity (USD, Mn)	3,681.6	3,623.8	2,835.6	2,385.9
Total Sales (USD, Mn)	463.0	1,815.3	1,536.7	1,398.1
EBIT (USD, Mn)	206.6	821.9	616.0	467.3
Net Income (USD, Mn)	56.8	789.6	449.7	297.7
EBIT Margin (%)	44.6	45.3	40.1	33.4
Return of Permanent Capital (%)	13.0	14.2	12.2	9.8
EBITDA/Total Adjusted Debt (x)	0.8	0.7	0.9	1.0
Adjusted Debt /Adj. Equity (x)	0.4	0.4	0.3	0.3
EBITDA/IFCCI (x)	4.0	5.1	4.5	3.6
FFO/Total Adjusted Debt (x)	14.8	36.2	24.3	19.1
USD Exchange Rate (IDR/USD)	15,062	15,731	14,054	14,105

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