

## PT Pindo Deli Pulp and Paper Mills

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

**Rated Issues**

*Obligasi III Pindo Deli Pulp and Paper Mills Tahun 2023* *irAA-*  
*Sukuk Mudharabah II Pindo Deli Pulp and Paper Mills Tahun 2023* *irAA-*  
*MTN Pindo Deli Pulp and Paper Mills I Tahun 2023* *irAA-*  
*Medium Term Notes IV Tahun 2019* *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**

October 3, 2023 – April 1, 2024

**Rating History**

April, 2023 *irAA-/Stable*  
 January, 2023 *irAA-/Stable*  
 December, 2022 *irAA-/Stable*  
 November, 2021 *irAA-/Stable*  
 November, 2020 *irAA-/Stable*  
 December, 2019 *irAA-/Stable*

**Kredit Rating Indonesia assigns ‘*irAA-*’ rating to Obligasi III Pindo Deli Pulp and Paper Mills Tahun 2023 amounting to IDR3,000,000,000,000,- and Sukuk Mudharabah II Pindo Deli Pulp and Paper Mills Tahun 2023 amounting to IDR1,000,000,000,000,- and affirms ‘*irAA-*’ rating to MTN Pindo Deli Pulp and Paper Mills I Tahun 2023 amounting to USD50,000,000 and ‘*irAA-*’ rating to Medium Term Notes IV Tahun 2019 totaling IDR1,800,500,000,000,-**

Kredit Rating Indonesia (KRI) affirms a Company Rating of ‘*irAA-*’ for PT Pindo Deli Pulp and Paper Mills (PIDL or the Company) with a ‘Stable’ outlook, and assigns ‘*irAA-*’ ratings to both Obligasi III Pindo Deli Pulp and Paper Mills Tahun 2023 amounting to IDR3,000,000,000,000,- and Sukuk Mudharabah II Pindo Deli Pulp and Paper Mills Tahun 2023 amounting to IDR1,000,000,000,000,-. At the same time, KRI affirms a rating of ‘*irAA-*’ for the Company’s Medium Term Notes IV Tahun 2019 amounting to IDR1,800,500,000,000,- and MTN Pindo Deli Pulp and Paper Mills I Tahun 2023 amounting to USD50,000,000.

The above ratings still reflect PIDL’s favorable business and better market position, and a good vertically integrated operation. The ratings are still limited by the Company’s mid-to-low profitability margin, and product price volatility. The Company maintains its status as one of the most complete pulp and paper producers in Indonesia by producing pulp, writing paper, packaging paper, and tissue. The result is seen by the increase revenue in FY22 to USD2.3 billion (vs USD1.9 billion in FY21) and in 6M2023 of USD1.15 billion (vs USD1.13 billion in 6M2022), supported by the increasing sales to overseas markets. However, PIDL’s profitability, particularly EBITDA margin, continued to be the main ratings boundary for the Company, with EBITDA margins of 24.6% (FY22) and 35.6% (6M2023), one of the lowest in the industry.

As of June 30, 2023, the Company’s shares were owned by PT Purinusa Ekapersada (99.24%), PT Mega Kleenindo (0.32%), PT Marimba Nugratama (0.22%), and PT Unitama Sartindo (0.22%).

## PIDL Financial Results Highlights (Consolidated)

As of/For the year ended	June 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)	Dec 2020 (Audited)
Total Assets (USD, Mn)	7,102.5	6,965.9	6,084.7	5,934.3
Total Adjusted Debt (USD, Mn)	2,356.3	2,419.5	2,523.2	2,696.3
Total Adjusted Equity (USD, Mn)	3,896.6	3,842.0	3,072.8	2,655.6
Total Sales (USD, Mn)	1,145.8	2,314.4	1,877.3	1,783.9
EBIT (USD, Mn)	189.2	410.7	271.7	234.4
Net Income (USD, Mn)	138.4	765.7	415.7	168.7
EBIT Margin (%)	16.5	17.8	14.5	13.1
Return of Permanent Capital (%)	6.0	6.9	5.0	4.4
EBITDA/Total Adjusted Debt (x)	0.6	0.6	0.8	1.0
Adjusted Debt /Adj. Equity (x)	0.2	0.2	0.2	0.1
EBITDA/IFCCI (x)	4.2	4.9	4.1	3.0
FFO/Total Adjusted Debt (x)	11.5	22.0	14.1	6.5
USD Exchange Rate (IDR/USD)	15,026	15,731	14,054	14,105

**Analysts** : Furqon Abrory Samara ([furqon.samara@kreditratingindonesia.com](mailto:furqon.samara@kreditratingindonesia.com))  
Cut Nabila Saraziva ([cut.nabila@kreditratingindonesia.com](mailto:cut.nabila@kreditratingindonesia.com))

**DISCLAIMER**

PT Kredit Rating Indonesia (KRI) does not represent or warrant or guarantee the accuracy, completeness, timeliness or availability of the contents of this report or publication. KRI does not perform an audit and does not undertake due diligence or independent verification of any information used as the basis of and presented in this report or publication. Although the information upon which KRI rating report are based, and any other contents provide in this rating report is obtained by KRI from sources which KRI believes to be reliable.

KRI will be held harmless against any responsibility arising from its use, its partial use, or its lack of use, in combination with other products or used solely, nor can it be held responsible for the result of its use or lack of its use in any investment or other kind of financial decision making on which this report or publication is based. The issuance of a solicited or unsolicited rating report does not supply financial, legal, tax or investment consultancy. The rating report is not an opinion as to the value of securities, therefore KRI is not responsible for any credit, loan or investment decision, damages or other losses resulting from the reliance upon or use of this report.

In no event shall KRI be held liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses including but not limited to lost profits and opportunity costs in connection with any use of the contents of this rating report or publication.

Credit analyses, including ratings, and statements in this report or publication are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold or sell any securities or to make any investment decision. Therefore, this report may not reflect any event or circumstances which occur after the date of this report.

KRI also assumes no obligation to update the content following publication in any form. KRI does not act as fiduciary or an investment advisor. KRI keeps the activities of its analytical units separate from its business units to preserve independence and objectivity of its analytical process and products. As a result, certain units of KRI may have information that is not available to other units. KRI has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. KRI may receive compensation for its ratings and other analytical work, normally from issuers of securities. KRI reserves the right to disseminate its opinions and analyses. KRI's public ratings and analyses are made available on its website, <http://www.kreditratingindonesia.com> (free of charge) and through other subscription based services, and may be distributed through other means, including via KRI publications and third party redistributors. Information in KRI's website and its use fall under the restrictions and disclaimer stated above. No part of KRI's website, the content of this report, may be reproduced or transmitted by any means, electronic or non-electronic whether in full or in part, will be subjected to written approval from KRI.