

## PT Sari Murni Abadi

## Company Rating

*ir*BBB+/Stable

## Rated Issue

Medium Term Notes I Sari Murni Abadi Tahun 2022

*ir*BBB+

"Debt Securities with *ir*BBB rating has an adequate level of certainty to honor its financial obligations. However, this certainty is more likely to diminish in the future than with the higher rating categories".

The plus sign (+) indicates that the rating given is closer to the rating scale above it.

## Rating Period

September 30, 2024 – October 1, 2025

## Rating History

September, 2023

*ir*BBB+/Stable

November, 2022

*ir*BBB+/Stable

September, 2022

*ir*BBB+/Stable

### Kredit Rating Indonesia affirms '*ir*BBB+' rating to Medium Term Notes I Sari Murni Abadi Tahun 2022 amounting to IDR200 Bn

Kredit Rating Indonesia (KRI) affirms a Company Rating of '*ir*BBB+' with 'Stable' outlook to PT Sari Murni Abadi ("SMA" or "the Company"). At the same time, KRI affirms '*ir*BBB+' rating to SMA's Medium Term Notes I Sari Murni Abadi Tahun 2022 amounting to IDR200 Bn. The ratings still reflect the Company's strong brand equity position, wider distribution area and several marketing activities. However, the ratings are constrained by the company's financial profile.

SMA has been operating for more than 20 years, and has received several awards for its brand recognition from other parties. The Company's revenue reached IDR735.6 Bn in FY23 from IDR610.4 Bn in FY22 or equivalent an increase of 21%. 1 new warehouse in 2023 is added as the Company focused on expanding its distribution to all over Indonesia covering 50,000 outlets. The Company has also been exporting its products to several countries and plans exporting to 8 new countries in 2024. The contribution to SMA's revenue from overseas market was significantly increasing from 7.8% in 2022 to 33.4% in 2023 and 35.6% in 1H2024. In 2023, the Company has also advertised its products in TV commercial and increased its marketing spending around 8.1% of revenue in 2023 from 2.2% in 2022.

However, the Company recorded negative adjusted equity from 2018 to 2023 which was primarily resulted from accumulated retained loss. The Company also has a low EBITDA resulting weak coverage ratio with EBITDA to interest ratio of minus 0.64x as of December 31, 2023 and minus 2.47x as of June 30, 2024.

SMA is a non-public listed company, and as of June 30, 2024, the Company's shares were owned by Metaside Global Holding Pte Ltd (99.9997%), and PT Mitro Dinamika Indotama (0.0003%).

#### SMA Financial Result Highlights (Consolidated)

As of/For the years ended	June 2024 (Unaudited)	Dec 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)
Total Adjusted Assets (IDR, Bn)	342.9	284.2	276.2	178.8
Total Adjusted Debt (IDR, Bn)	242.1	150.6	126.7	30.8
Total Adjusted Equity (IDR, Bn)	-52.3	-61.9	-30.6	-17.2
Total Sales (IDR, Bn)	367.0	735.6	610.4	554.6
Net Income (IDR, Bn)	-22.6	-21.7	-21.5	22.5
EBITDA Margin (%)	-5.5	-1.6	2.2	6.0
EBIT Margin (%)	-5.3	-1.3	1.9	5.7
EBITDA/Adjusted Debt (x)	-0.2	-0.1	0.1	1.0
Adjusted Debt/Adjusted Equity (x)	N.R	N.R	N.R	N.R
FFO/Adjusted Debt (%)	1.0	0.0	0.4	-2.2
EBITDA/IFCCI (x)	-2.5	-0.6	3.0	9.7
USD Exchange Rate (IDR/USD)	16,421	15,416	15,731	14,269

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