

PT Mitra Prima Lancar

Company Rating

*ii*BBB/Stable

Rated Issue

Proposed Medium Term Notes I
Mitra Prima Lancar

*ii*BBB

"Debt Securities with *ii*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."

Rating Period

October 14, 2024 – October 1, 2025

Rating History

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Kredit Rating Indonesia assigns '*ii*BBB' rating to Proposed Medium Term Notes I Mitra Prima Lancar totaling IDR300 Bn

Kredit Rating Indonesia (KRI) assigns a Company Rating of '*ii*BBB' for PT Mitra Prima Lancar (MPL or the Company) with "Stable" outlook. At the same time, KRI assigns '*ii*BBB' rating to Proposed Medium Term Notes I Mitra Prima Lancar totaling IDR300 Bn. The ratings reflect moderate financial risk profile and its business expansion plan, yet the ratings are constrained by its market position and diversification.

MPL was established in September 2020 and served 3 coal companies at Lahat, South Sumatera. The Company provides several services such as mining contracting, logistic and infrastructure. Its revenue is currently derived from profit sharing of the customers' coal sales and infrastructure provided for its coal mining customers which both contribute equally. The Company's revenue has been increasing from IDR80 Bn in 2021 to IDR169.3 Bn in 2022 as the profit sharing from coal sales doubled and the new service, which is infrastructure provider (hauling road and bridge) for coal companies. On contrary, there had been decreasing revenue trend to IDR58.7 Bn in 2023 as profit sharing from coal sales dropped due to extreme rainy weather resulting low coal production. Compared to its peers, the Company's revenues were relatively low during 2021 to 2023 periods. Furthermore, MPL is also less diversified as MPL only focused on coal commodity and has no immediate plans for diversification. In terms of business expansion, the Company has planned to purchase new 10 sets of tug and barges after acquiring a coal transshipment company in South Sumatera. It is expected to contribute revenue of IDR184.8 Bn to the Company resulting projected revenue of IDR287.4 Bn in 2024F.

The Company has relatively low interest-bearing debt resulting debt to equity ratio (DER) of 0.14x in 7M2024, the least aggressive capital structure when compared to its peers. We view positively on MPL's capability to pay its interest expenses as the Company recorded EBITDA to Interest ratio of 474.8x as of July 31, 2024. The Company recorded high EBITDA as MPL currently has no cost of revenue and only operating cost that is relatively low. The Company plans to issue MTN of IDR300 Bn resulting DER of 0.53x in 2024F and 1.12x in 2025F as well as EBITDA to interest ratio of 82.7x in 2024F and 9.4x in 2025F.

Since the ratings are also subject to the Company's business expansion plan through acquisition of coal transshipment company, the ratings can be lowered if the Company's business performance is worsen or the failure in executing its plan.

As of July 31, 2024, the Company's shareholders were PT Anugerah Indopersada (50%), Mr. Aliparta Theosabrata (12%), Mr. Andreas Putra Anggada (6%), Mr. Tirto Angesty (6%), Mr. Go Utama Handy Satyawan (6%), Mr. Ronald Honggo (6%), Mr. Dedi Suherlan (5%), Mr. Ang Kinardo (5%), Mr. Stevenson Heri Hartolo (2%), and Mr. Gimmy Pranata (2%).

MPL Financial Result Highlights (Consolidated)

As of/For the years ended	July 2024 (Unaudited)	Dec 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Unaudited)
Total Adjusted Assets (IDR, Bn)	147.11	108.02	133.25	46.89
Total Adjusted Debt (IDR, Bn)	15.54	0.43	0.17	0.00
Total Adjusted Equity (IDR, Bn)	107.45	91.98	107.17	37.40
Total Sales (IDR, Bn)	43.52	58.74	169.31	79.96
Net Income After MI (IDR, Bn)	29.33	27.10	120.80	57.27
EBITDA Margin (%)	86.19	64.52	91.33	90.97
Adjusted Debt/EBITDA (x)	0.24	0.01	0.00	0.00
Adjusted Debt/Adjusted Equity (x)	0.14	0.00	0.00	0.00
EBITDA/IFCCI (x)	474.81	98.96	498.80	60.33
FFO/Total Adjusted Debt (%)	2.91	75.75	706.82	
USD Exchange Rate (IDR/USD)	16,320	15,416	14,269	14,105

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