

PT OKI Pulp & Paper Mills

Company Rating *irAA-/Stable*

Rated Issues

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

December 18, 2024 – January 1, 2026

Rating History

June, 2024 *irAA-/Stable*
July, 2023 *irAA-/Stable*
September, 2020 *irAA-/Stable*
September, 2019 *irAA-/Stable*

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

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

The above ratings reflect OPPM stronger market position as one of the biggest pulp and tissue producers in Indonesia, supported 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 as the Company uses the latest technology in the industry which resulted higher profitability margins to its peers. However, the ratings are constrained by the Company’s aggressive capital structure going forward.

As of September 30, 2024, 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 Result Highlights (Consolidated)

As of/For the years ended	Sept 2024 (Audited)	Dec 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)
Total Assets (USD, Mn)	7,902.2	7,291.1	6,497.4	5,717.2
Total Adjusted Debt (USD, Mn)	3,479.7	3,329.6	2,649.9	2,510.3
Total Adjusted Equity (USD, Mn)	4,161.9	3,961.6	3,623.8	2,835.6
Total Sales (USD, Mn)	1,221.0	1,645.4	1,815.3	1,536.7
EBIT (USD, Mn)	467.7	585.0	821.9	616.0
Net Income (USD, Mn)	200.1	353.5	789.6	449.7
EBIT Margin (%)	37.9	35.6	45.3	40.1
Return on Permanent Capital (%)	8.4	8.8	14.2	12.2
Adjusted Debt/Adjusted Equity (x)	0.8	0.8	0.7	0.9
EBITDA/Total Adjusted Debt (x)	0.2	0.3	0.4	0.3
EBITDA/IFCCI (x)	3.2	3.2	5.1	4.5
FFO/Total Adjusted Debt (x)	12.8	16.7	36.2	24.3
USD Exchange Rate (IDR/USD)	15,138	15,397	15,731	14,054

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