

## PT Angso Duo Sawit

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>				
		<b>As of/for the year ended</b>	<b>Aug-2021</b>	<b>Dec-2020</b>	<b>Dec-2019</b>	<b>Dec-2018</b>
			(Unaudited)	(Audited)	(Audited)	(Audited)
<b>Corporate Rating</b>	<i>idBB+/Stable</i>	Total Adjusted Assets [IDR Bn]	177.5	163.0	139.5	72.5
<b>Rated Issues</b>	-	Total Adjusted Debt [IDR Bn]	86.8	88.7	76.8	15.4
		Total Adjusted Equity [IDR Bn]	60.8	45.1	39.3	43.8
<b>Rating Period</b>	<i>October 7, 2021 – September 1, 2022</i>	Total Sales [IDR Bn]	492.6	406.9	191.6	171.0
		EBITDA [IDR Bn]	31.6	20.1	(0.5)	13.0
<b>Rating History</b>	-	Net Income after MI [IDR Bn]	15.8	5.8	(4.5)	36.6
		EBITDA Margin [%]	6.4	4.9	(0.3)	7.6
		Adjusted Debt/EBITDA [X]	*1.8	4.4	(149.1)	1.2
		Adjusted Debt/Adjusted Equity [X]	1.4	2.0	2.0	0.4
		FFO/Adjusted Debt [%]	*48.4	14.5	(2.3)	88.9
		EBITDA/IFCCI [X]	8.9	3.4	(0.3)	30.1
		USD Exchange Rate [IDR/USD]	14,306	14,105	13,901	14,481

*FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense*

*EBITDA = Operating Profit + Depreciation Expense + Amortization Expense*

*IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)*

*MI = Minority Interest*

*\*annualized*

*The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.*

### PT Angso Duo Sawit rated "idBB+"

PEFINDO has assigned its "idBB+" rating to PT Angso Duo Sawit (ADSA). The outlook of the corporate rating is "stable".

An obligor rated idBB has a somewhat weak capacity to meet its long-term financial commitments relative to those of other Indonesian obligors. The obligor faces ongoing uncertainties or exposure to adverse business, financial or economic conditions which may result in an inadequate capacity on the part of the obligor to meet its financial commitments. The Plus (+) sign indicates that the rating is relatively strong within the respective rating category.

The credit concerns limiting ADSA's rating include its high reliance on raw material supply from third parties and exposure to the fluctuation of global commodity prices and unfavorable weather. These concerns are partially offset by its strategic facility location and stable demand for palm oil and its derivative products.

The rating may be raised if ADSA significantly strengthens its market position by achieving the projected revenue and EBITDA, while significantly improves its financial leverage on a sustained basis. However, the rating may be lowered if its revenue and/or EBITDA are significantly lower than projected, and/or if it incurs substantially more debt than projected. The rating may also be under pressure if price fluctuations in the global palm oil market adversely affect its revenue and profitability.

ADSA is engaged in crude palm oil (CPO) producing business. It owns one palm oil mill with the capacity of 60 tons of fresh fruit bunch (FFB)/hour in Jambi. Having no oil palm plantation, it relies on third parties' FFB supply to run its processing facility. As of August 2021, its shareholders consisted of PT Nilam Surya Jaya (95.0%) and PT Sinar Tegap Teduh (5.0%). The ultimate owner is the Mewah Group, which indirectly controls PT Nilam Surya Jaya through Ngo Chew Hong investment Pte. Ltd. The Mewah Group is one of the largest palm oil refinery and edible oils and fats producer companies in Malaysia with an annual capacity of 3.5 million tons.

**DISCLAIMER**

*The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.*