

PT Pindo Deli Pulp & Paper Mills

Credit Rating(s)

General Obligation (GO)	idA/Stable
Bond II 2022	idA
Sukuk Mudharabah I 2022	idA(sy)

Rating Period

May 23, 2023– July 24, 2023

Published Rating History

APR 2023	idA/Stable
OCT 2022	idA/Stable
OCT 2020	idA/Stable
OCT 2019	idA/Stable
OCT 2018	idA/Stable

PEFINDO has affirmed its “idA” rating for PT Pindo Deli Pulp & Paper Mills (PIDL) Shelf Registered Bond II/2022 Serie A of IDR484.4 billion and its “idA(sy)” rating for its Sukuk Mudharabah I/2022 Serie A of IDR413.6 billion that will mature on July 24, 2023. The Company will repay the maturing debt instruments using its internal funds and/or from the proceeds of its corporate action plans. As of March 31, 2023, PIDR reported cash and cash equivalents of USD807.3 million.

As a member of the Asia Pulp and Paper (APP) group, a leading pulp, paper, and tissue products manufacturer in the global market, PIDL holds a significant role in the production of pulp, paper, and tissue in Indonesia. Its production facilities are in Jambi, Karawang, West Java, and Perawang, Riau. As of March 31, 2023, it was 99.2% owned by PT Purinusa Ekapersada, which is a part of the APP group.

Rating Definition

Debt security rated idA indicates that the issuer's capacity to meet its long-term financial commitments on the debt security, relative to those of other Indonesian issuers, is strong. However, the issuer's capacity is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated issuers.

Suffix (sy) means the rating indicates Islamic principles compliant.

Financial Highlights

As of/for the year ended	Mar-2023 (Unaudited)	Dec-2022 (Audited)	Dec-2021 (Audited)	Dec-2020 (Audited)
Total adjusted assets [USD mn]	7,074.7	6,965.9	6,084.7	5,934.3
Total adjusted debt [USD mn]	2,381.6	2,419.5	2,523.2	2,696.3
Total adjusted equity [USD mn]	3,891.1	3,843.6	3,077.3	2,660.9
Total sales [USD mn]	610.1	2,314.4	1,877.3	1,783.9
EBITDA [USD mn]	154.4	567.4	435.5	391.3
Net income after MI [USD mn]	44.6	765.7	414.8	168.7
EBITDA margin [%]	25.3	24.5	23.2	21.9
Adjusted debt/EBITDA [X]*	*3.9	4.3	5.8	6.9
Adjusted debt/adjusted equity [X]	0.6	0.6	0.8	1.0
FFO/adjusted debt [%]*	*19.0	16.3	11.8	9.1
EBITDA/IFCCI [X]	5.2	4.8	4.0	2.9
USD exchange rate [IDR/USD]	15,062	15,731	14,269	14,105

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.

Contact Analysts:

kresna.wiryawan@pefindo.co.id

fahrinaldi.akbar@pefindo.co.id

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