

PT Madusari Murni Indah Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Jun-2021	Dec-2020	Dec-2019	Dec-2018
			(Unaudited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idA-/Stable</i>	Total Adjusted Assets [IDR Bn]	2,219.4	2,279.6	1,872.7	1,868.2
Rated Issues	-	Total Adjusted Debt [IDR Bn]	594.2	729.7	558.6	562.2
		Total Adjusted Equity [IDR Bn]	1,472.8	1,390.0	1,180.8	1,163.0
Rating Period	October 11, 2021 – October 1, 2022	Total Sales [IDR Bn]	804.4	1,472.6	1,122.5	1,190.5
		EBITDA [IDR Bn]	80.5	171.3	155.0	193.2
Rating History	-	Net Income after MI [IDR Bn]	14.1	66.1	50.1	77.7
		EBITDA Margin [%]	10.0	11.6	13.8	16.2
		Adjusted Debt/EBITDA [X]	*3.7	4.3	3.6	2.9
		Adjusted Debt/Adjusted Equity [X]	0.4	0.5	0.5	0.5
		FFO/Adjusted Debt [%]	*15.0	13.5	16.9	24.1
		EBITDA/IFCCI [X]	2.7	3.0	2.9	7.6
		USD Exchange Rate [IDR/USD]	14,496	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 Madusari Murni Indah Tbk rated "idA-" with stable outlook

PEFINDO has assigned "idA-" rating for PT Madusari Murni Indah Tbk (MOLI). The outlook for the corporate rating is "stable".

An obligor rated idA indicates that, the obligor has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors. The minus (-) sign indicates that the rating is relatively weak within the respective rating category.

The corporate rating reflects MOLI's leading position in the ethanol market with zero waste output, well diversified products, and stable demand of ethanol in the near to medium term. However, the rating is constrained by its exposure to the fluctuation of raw material price, moderate capital structure, and exposure to the risk of business expansion.

The corporate rating may be raised if the Company is able to increase its profitability on a sustained basis post the operation of its corn-based ethanol plant and followed by consistent improvement in its improving capital structure and cash flow protection measures. On the other hand, the rating may be lowered if the Company fails to manage its cost and incurs higher-than-expected debt to finance its working capital or investment needs translating into weakening financial indicators. The rating may also be under pressure if there are unfavorable changes in the government regulation or its relationship with major clients deteriorate, weakening its overall business profile.

MOLI was founded in 1959 and started engaging in ethanol manufacturing business since 1965. Located in Lawang, Malang district, East Java, it occupies 20 hectares (ha) area within 120 ha under group possession. It has integrated business activities, which produce food-grade ethanol as well as liquid CO₂ through its subsidiaries. Having current production capacity of 80,000 kilo liter (kl) ethanol per year made it as the largest food-grade ethanol producer in Indonesia. The Company is constructing its second plant within the same location with annual production capacity of 50,000 kl, which is expected to complete and commence operation in the first half of 2022. As of June 30, 2021, its shareholders' structures were PT Cropsco Panen Indonusa (51.4%), Handjojo Rustanto (13.8%), Drs. Indra Winarno, M.Si. (6.9%), Henny Rustanto (6.9%), Handayani Rustanto (5.5%), Avadiawati Machmur (3.4%), PT Sejahtera Investama Indah (3.2%), Ir. Sandojo Rustanto (1.2%), and public (7.7%).

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.