

PT Sari Murni Abadi

Company Rating

*ir*BBB+/Stable

Rated Issue

Medium Term Notes I Sari Murni Abadi
Tahun 2022*ir*BBB+

"Debt Securities with *ir*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."

The plus sign (+) indicates that the rating given is closer to the rating scale above it.

Rating Period

October 1, 2025 – October 1, 2026

Rating History

September, 2024

*ir*BBB+/Stable

September, 2023

*ir*BBB+/Stable

November, 2022

*ir*BBB+/Stable

September, 2022

*ir*BBB+/Stable
Kredit Rating Indonesia affirms "*ir*BBB+" rating to Medium Term Notes I Sari Murni Abadi Tahun 2022 amounting to IDR 200 billion

Kredit Rating Indonesia ("KRI") affirms a Company Rating of "*ir*BBB+" with "Stable" Outlook to PT Sari Murni Abadi ("SMA" or "the Company"). At the same time, KRI affirms "*ir*BBB+" rating to SMA's Medium Term Notes I Sari Murni Abadi Tahun 2022 amounting to IDR 200 billion. The ratings reflect the Company's effort in forming stronger management team and implementing new marketing strategy. However, the ratings are still constrained by the Company's weak financial profile.

Reorganization was executed to strengthen its team including internal control as well as marketing strategy. The Company has opened new distribution points, yet also closed down underperformed distribution points (43 in 2023 versus 34 in 1H2025) as the Company shifts its strategy to focus on indirect sales. Indirect sales are expected to expand market reach and facilitate penetration into new markets. The proportion of indirect sales, supported by around 100 sub distributors, has grown from 25.1% in 2023 to 27.7% in 2024. In terms of marketing strategy, the Company has used data alignment system resulting better data synchronization such as distribution process data and product performance by several categories. The Company also conducted location analysis by gathering several data (population, age, outlet location, and other parameter) to forecast market potential and optimize evaluation of distribution performance.

However, the Company recorded decreasing Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) margin of -3.82% and net profit margin of -6.54%. Higher operating expenses in 2024 are attributed mainly to increased people cost which reflects the Company's investment in strengthening management team. On the other side, the Company's capability in making interest repayment is considered to be weak with EBITDA to Interest Ratio of -5.3x in 2024 as the Company booked negative EBITDA. Going forward, the Company's EBITDA is predicted to be positive resulting EBITDA to Interest Ratio at 0.16x in 2026F.

The ratings can be upgraded if the implementation of reorganization and new marketing strategy results in demonstrable and sustained improvement in the Company's financial profile.

SMA is a non-public listed company, and as of June 30, 2025, the Company's shares were owned by Metaside Global Holding Pte. Ltd. (99.9999%) and PT Mitra Dinamika Indotama (0.0001%).

SMA Financial Result Highlights (Consolidated)

For the years ended	Dec 2024 (Unaudited)	Dec 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)
Total Adjusted Assets (IDR, billion)	491.4	284.2	276.2	178.8
Total Adjusted Debt (IDR, billion)	266.2	150.6	126.7	30.8
Total Adjusted Equity (IDR, billion)	2.6	-61.9	-30.6	-17.2
Total Sales (IDR, billion)	894.8	735.6	610.4	554.6
Net Income (IDR, billion)	-58.5	-21.7	-21.5	22.5
EBITDA Margin (%)	-3.8	-1.6	2.2	6.0
EBIT Margin (%)	-5.8	-1.3	1.9	5.7
EBITDA/Adjusted Debt (x)	-0.1	-0.1	0.1	1.0
Adjusted Debt/Adjusted Equity (x)	N.R	N.R	N.R	N.R
FFO/Adjusted Debt (%)	0.3	0.0	0.4	-2.2
EBITDA/IFCCI (x)	-5.3	-0.6	3.0	9.7
USD Exchange Rate (IDR/USD)	16,162	15,416	15,731	14,269

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