

## PT Buana Lintas Lautan Tbk

Corporate rating *irA*/Stable

Rated Issues

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Rating Period

June 4, 2021 – June 1, 2022

“Debt Securities with *irA* rating has a high level of certainty to honor its financial obligations, but it can be affected by adverse changes in business and economic conditions, relative to debt securities with a higher rating.”

Kredit Rating Indonesia assigns ‘*irA*’ corporate rating to PT Buana Lintas Lautan Tbk

Kredit Rating Indonesia (KRI) assigns a Corporate Rating of ‘*irA*’ for PT Buana Lintas Lautan Tbk (BULL or the Company) with a ‘Stable’ outlook. The rating reflects BULL’s steady revenue stream as its ships are mostly leased based on time charter contract, and the Company’s strategy to acquired mid-cycle fleets to boost the revenue. The rating is constrained by the Company’s interest bearing debt that expected to mature in 2021.

BULL mostly rents out its ships using time charter contract that provides a stable revenue stream to the Company. The Company is also selectively take the pool-based contract from international customers which provides an upside potential to the Company’s revenue. Instead of acquiring new vessels, BULL prefers to purchase mid-cycle ones that cost around 50% - 70% lower than the new vessels. As such, BULL can purchase more ships, increase the revenue and faster the payback period. We believe that it is critical for the Company to successfully issue new fixed-rate notes, secure new bank loans, or funding from the equity market to refinance its matured interest bearing debt in 2021.

The Company’s shareholder composition as of September 30, 2020, was PT Danatama Kapital Investama (8.24%), UOB Kay Hian (Hong Kong) Ltd (Pledge) – Madison Pacific Trust Ltd OBO PT Tesco International Capital (8.11%), PT Geo Link Indonesia (8.10%), UOB Kay Hian (Hong Kong) Ltd OBO PT Delta Royal Sejahtera (5.59%), and public (69.96%).

## BULL’s Consolidated Financial Results Highlights

As of/For the year ended	Sept 2020 (Unaudited)	Dec 2019 (Audited)	Dec 2018 (Audited)	Dec 2017 (Audited)
Total Adjusted Assets (USD, Mn)	661.8	492.3	307.6	288.7
Total Adjusted Debt (USD, Mn)	349.5	235.0	110.6	130.3
Total Adjusted Equity (USD, Mn)	263.2	209.7	159.2	122.3
Total Sales (USD, Mn)	144.7	101.5	85.4	65.1
Net Income (USD, Mn)	42.0	23.3	14.9	11.2
EBIT Margin (%)	47.3	32.4	29.8	30.9
Return on Permanent Capital (%)	16.9	8.9	9.3	8.8
Adjusted Debt /Adj. Equity (x)	1.3	1.1	0.7	1.1
EBITDA/Total Adjusted Debt (x)	0.4	0.2	0.4	0.3
EBITDA/IFCCI (x)	3.7	3.3	4.3	3.8
FFO/Total Adjusted Debt (x)	3.1	3.4	3.0	3.0
USD Exchange Rate (IDR/USD)	14,918	13,901	14,481	13,548

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