

Perum Perumnas

Credit Ratings

General Obligation (GO)	idBBB-/Negative
MTN I	idBBB-
MTN III	idBBB-
MTN IV	idBBB-
MTN V	idBBB-
MTN VI	idBBB-
MTN VIII	idBBB-
MTN IX	idBBB-
LTN	idBBB-

Rating Period

November 10, 2022 - November 1, 2023

Published Rating History

NOV 2021	idBBB-/Negative
SEP 2021	idBBB-/Negative
JUN 2021	idBBB-/C.W. Negative
NOV 2020	idBBB-/Negative
OCT 2020	idBBB-/Negative
MAY 2020	idBBB-/Negative
MAY 2020	idCCC/C.W. Negative
APR 2020	idSD
JUN 2015-OCT 2019	idBBB+/Stable

Rating Definition

Debt security rated idBBB denotes adequate protection parameters relative to other Indonesian debt securities. However, adverse economic conditions or changing circumstances are more likely to weaken the issuer's capacity to meet its long-term financial commitments on the debt security. The minus (-) sign indicates that the rating is relatively weak within its category.

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PEFINDO has affirmed its idBBB- ratings for Perusahaan Umum Perumahan Nasional (Perumnas) and its Medium-Term Notes (MTN) I, MTN III, MTN IV, MTN V, MTN VI, MTN VIII, MTN IX, and Long-Term Notes (LTN). The outlook for the corporate rating is maintained at negative to anticipate the severe liquidity pressure for Perumnas in servicing its financial obligations. Any indication of deteriorating capacity to timely repay its financial obligations, such as weaker funding access, may lead to multi-notch rating downgrades. The pandemic has severely weakened Perumnas' liquidity due to lower cash collections from presales amid a subdued property demand, resulting in the limited flexibility in managing capital expenditure for construction stemming from its high-rise developments, which requires significant upfront capital compared to landed developments.

The corporate rating reflects Perumnas' strategic importance to the government in providing low-end houses and geographically well-diversified projects. The rating is constrained by its very aggressive capital structure and very weak liquidity, its small portion of recurring income, and vulnerability of the property business to changes in macroeconomic conditions.

We may lower the rating if signs of constrained liquidity and weakened access to funding are present. We may revise the outlook to stable if it significantly improves its business and financial performance on a sustained basis and/or obtains significantly stronger support from the government.

Established in 1974, Perumnas is a wholly owned state company engaged in property development for the middle-low-income segment, including landed and high-rise residential, rented high-rise residential, and commercial properties.

Financial Highlights

As of/for the year ended	Jun-2022 (Unaudited)	Dec-2021 (Audited)	Dec-2020 (Audited)	Dec-2019 (Audited)
Total adjusted assets [IDR bn]	7,159.9	7,110.6	7,223.5	7,702.3
Total adjusted debt [IDR bn]	4,929.3	4,886.8	4,368.0	4,823.4
Total adjusted equity [IDR bn]	147.0	321.4	677.1	1,048.6
Total sales [IDR bn]	306.3	795.6	694.3	601.0
EBITDA [IDR bn]	4.2	70.1	(81.9)	(69.5)
Net income after MI [IDR bn]	(174.4)	(353.0)	(408.2)	(642.6)
EBITDA margin [%]	1.4%	8.8%	-11.8%	-11.6%
Adjusted debt/EBITDA [X]	*593.0	69.7	(53.3)	(69.4)
Adjusted debt/adjusted equity [X]	33.5	15.2	6.5	4.6
FFO/adjusted debt [%]	*-7.0%	-5.7%	-13.7%	-9.4%
EBITDA/IFCCI [X]	0.0	0.2	(0.2)	(0.2)
USD exchange rate [IDR/USD]	14,848	14,269	14,105	13,901

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.

DISCLAIMER

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