

PT Perkebunan Nusantara X

Credit Rating(s)

General Obligation (GO)	^{id} BBB/Stable
MTN Year 2018	^{id} BBB

Rating Period

October 05, 2022 – February 1, 2023

Published Rating History

FEB 2022	^{id} BBB/Stable
JUL 2021	^{id} BBB/Stable
FEB 2021	^{id} BBB+/Negative
AUG 2020	^{id} BBB+/Stable
FEB 2020	^{id} BBB+/Stable

PEFINDO has affirmed its ^{id}BBB ratings for PT Perkebunan Nusantara X (PPNX) and its Medium Term Notes (MTN) Year 2018 with a stable outlook. The Company's temporary Suspension of Debt Payment Obligations (Penundaan Kewajiban Pembayaran Utang Sementara/PKPUS) status since September 9, 2022 has been revoked as of October 4, 2022, following the payment settlement on October 3, 2022. In addition, during the PKPUS period, PPNX managed to serve its financial obligations to banks on a timely manner using the yellow tranche mechanism under Master Amendment Agreement (MAA).

Located in East Java, PPNX is a vertically integrated plantation company engaged in the short-lived crops industries (sugarcane, edamame, and tobacco) and producing sugar and downstream products through a bioethanol plant. It processes sugarcane into sugar in its nine mills and its by-product, molasses, as a feedstock to its bioethanol plant. As of June 30, 2022, it was 90.0% owned by PT Perkebunan Nusantara III (Persero) (PTPN) and 10.0% by the Indonesian government.

Rating Definition

Debt security rated ^{id}BBB 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.

Financial Highlights

As of/for the year ended	Jun-2022	Dec-2021	Dec-2020	Dec-2019
Consolidated Figure	(Unaudited)	(Audited)	(Audited)	(Audited)
Total adjusted assets [IDR bn]	15,690.9	14,854.3	12,445.8	12,142.7
Total adjusted debt [IDR bn]	2,009.6	1,893.9	1,781.7	1,963.5
Total adjusted equity [IDR bn]	11,527.9	11,545.4	9,069.1	8,563.1
Total sales [IDR bn]	502.8	2,177.9	2,487.9	2,619.1
EBITDA [IDR bn]	(26.2)	168.2	267.2	529.9
Net income after MI [IDR bn]	(13.9)	48.2	45.4	107.9
EBITDA margin [%]	(5.2)	7.7	10.7	20.2
Adjusted debt/EBITDA [X]	*(38.3)	11.3	6.7	3.7
Adjusted debt/adjusted equity [X]	0.2	0.2	0.2	0.2
FFO/adjusted debt [%]	*(2.8)	2.0	6.8	16.6
EBITDA/IFCCI [X]	(0.4)	1.1	1.4	2.4
USD exchange rate [IDR/USD]	14,898	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.

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