

PT Medco Power Indonesia

Credit Rating(s)

General Obligation (GO)	idA/Stable
Bond I Seri B 2018	idA
Sukuk Wakalah I Seri B 2018	idA(sy)

Rating Period

May 3, 2023 – July 4, 2023

Published Rating History

MAY 2022	idA/Stable
MAR 2022	idA/Stable
MAR 2021	idA/Stable
MAR 2020	idA/Stable
MAR 2019	idA/Stable

PEFINDO has affirmed its idA rating for PT Medco Power Indonesia (MEDP)'s Bond I Seri B Year 2018 of IDR63.0 billion and its idA(sy) rating for MEDP's Sukuk Wakalah I Seri B Year 2018 of IDR404.0 billion, both will be due on July 4, 2023. MEDP plans to repay the matured debt using the proceeds from the issuance of Sukuk Wakalah I Phase II of IDR600.0 billion in December 2022. The cash had been reserved in the cash deposits. It had cash balance of IDR2.5 trillion at the end of 2022.

MEDP is an independent power producer (IPP) focusing on clean energy power plants, mainly gas, geothermal, and renewable, supplying electricity to state-owned electricity company, PT Perusahaan Listrik Negara (Persero) (PPLN, idAAA/Stable), especially in the western part of Indonesia. It also provides operation and maintenance (O&M) services, mainly through TJB Power Services. As of December 31, 2022, its shareholders were PT Medco Power Internasional (51.0%) and PT Medco Energi Internasional Tbk (49.0%).

Rating Definition

Debt security rated idA indicates that the issuer's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian issuers, is strong. However, the issuer's capacity is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated issuers.

A syariah based financing instrument rated idA(sy) indicates that the issuer's capacity to meet its long-term financial commitments under the syariah financing contract, relative to other Indonesian issuers, is strong. However, it is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated instruments.

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Financial Highlights

As of/for the year ended	Dec-2022 (Audited)	Dec-2021 (Audited)	Dec-2020 (Audited)	Dec-2019 (Audited)
Total adjusted assets [IDR bn]	15,492.5	13,205.3	18,304.1	17,208.0
Total adjusted debt [IDR bn]	6,936.9	5,492.1	6,026.7	10,570.3
Total adjusted equity [IDR bn]	6,703.3	5,800.9	5,137.4	4,994.0
Total sales [IDR bn]	1,740.1	1,809.6	2,064.3	3,068.0
EBITDA [IDR bn]	577.5	556.2	633.3	634.5
Net income after MI [IDR bn]	(160.8)	228.6	(16.8)	123.2
EBITDA margin [%]	33.2	30.7	30.7	20.7
Adjusted debt/EBITDA [X]	12.0	9.9	9.5	16.7
Adjusted debt/adjusted equity [X]	1.0	0.9	1.2	2.1
FFO/adjusted debt [%]	1.0	1.5	3.4	3.4
EBITDA/IFCCI [X]	1.3	1.3	1.6	2.1
USD exchange rate [IDR/USD]	15,731	14,278	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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