

PT Brantas Abipraya (Persero)

Credit Rating

General Obligation (GO) idA-/Stable

Rating Period

September 9, 2024 – September 1, 2025

Published Rating History

JAN 2018	idBBB+/Stable
DEC 2017	idBBB+/Stable
DEC 2016	idBBB+/Stable
DEC 2015	idBBB+/Stable
DEC 2014	idBBB+/Stable

PEFINDO has assigned its idA- rating with stable outlook for PT Brantas Abipraya (Persero) (Brantas). The rating reflects our view of Brantas' important role to the government, its benefits as a state contractor, and moderate financial flexibility. The rating is constrained by the risks from expansion into new business and the relatively volatile business environment.

The rating may be raised if Brantas improves its business profile through sustained and significant revenue growth, stemming from a stronger order book, and manages to implement diversification plans with higher profit margins, followed by a more conservative capital structure and stronger cash flow protection measures. The rating may be lowered if its profitability deteriorates materially because of weaker project management or rising competition or if the Company incurs more debt than projected to finance expansion without being compensated by stronger cash flow visibility. We may also lower the rating if there is evidence of weaker support from the government, such as substantially lower ownership and control, or if there is a lack of indication of extraordinary support from the government when Brantas is in financial distress.

Brantas is a wholly state-owned construction company. The Company is focusing mainly on irrigation and dams but has expertise in other segments, including roads, bridges, and buildings.

Rating Definition

An obligor rated idA has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher rated obligors. The minus (-) sign indicates that the rating is relatively weak within its category.

Financial Highlights

As of/for the year ended	Jun-2024	Dec-2023	Dec-2022	Dec-2021
Consolidated Figure	(Unaudited)	(Audited)	(Audited)	(Audited)
Total adjusted assets [IDR bn]	9,406.6	9,274.2	7,967.6	6,964.3
Total adjusted debt [IDR bn]	1,473.4	1,527.2	1,810.8	1,913.3
Total adjusted equity [IDR bn]	2,495.7	2,140.4	1,850.1	1,723.0
Total sales [IDR bn]	2,708.8	5,187.1	4,220.9	2,942.3
EBITDA [IDR bn]	289.3	488.1	431.7	322.4
Net income after MI [IDR bn]	148.4	200.5	134.2	60.8
EBITDA margin [%]	10.7	9.4	10.2	11.0
Adjusted debt/EBITDA [X]	*2.5	3.1	4.2	5.9
Adjusted debt/adjusted equity [X]	0.6	0.7	1.0	1.1
FFO/adjusted debt [%]	*23.5	14.0	9.2	5.4
EBITDA/IFCCI [X]	3.5	2.8	2.4	2.0
USD exchange rate [IDR/USD]	16,421	15,416	14,269	14,269

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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