PEFINDO
CREDIT RATING AGENCY

Rating Summary

February 27, 2024

PT PLN Nusantara Renewables

Credit Rating(s)

General Obligation (GO) idA+/Stable

Rating Period

December 28, 2023 – December 1, 2024

Published Rating History

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PT PLN Nusantara Renewables (PLN NR) rated idA+ with a stable outlook

The corporate rating reflects PLN NR's strong likelihood of support from PT Perusahaan Listrik Negara (Persero) (PPLN, idAAA/Stable), strong profile of its strategic partners, and the government's commitment to expand the renewable energy. The rating is constrained by its indirect access to the subsidiaries' operating cash flow, limited access to external funding, and the execution risks in its joint venture companies.

We may raise the rating if PLN NR's joint venture companies are able to generate significantly stronger cash flow than projected, particularly after the divestment of PT Shenhua Guohua Pembangkitan Jawa Bali (SGPJB) and higher dividend distribution from SGPJB to the Company. We may also raise the rating if PLN NR successfully develops more joint venture companies to strengthen its market position among other renewable energy players. The rating may be lowered if there is a strong indication of weakening support from PPLN, or if the Company becomes more aggressive in financing its projects by incurring higher level of debt than projected.

Established in December 2015, PLN NR is PPLN's subsidiary with an unrestricted subsidiary status to the Parent's Indenture Global Bond covenant. Currently, PLN NR has two joint venture companies in operation phase and two companies under construction. As of September 30, 2023, PLN NR was owned by PT PLN Nusantara Power (99.9997%) and Yayasan Kesejahteraan PT Pembangkitan Jawa-Bali (0.0003%).

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 plus (+) sign indicates that the rating is relatively strong within its category.

Financial Highlights

As of/for the year ended	Sep-2023 (Unaudited)	Dec-2022 (Audited)	Dec-2021 (Audited)	Dec-2020 (Audited)
Total adjusted assets [IDR bn]	8,571.9	8,002.7	6,463.4	5,440.4
Total adjusted debt [IDR bn]	4.2	6.3	2.0	3.1
Total adjusted equity [IDR bn]	8,564.1	7,955.3	6,456.6	5,433.2
Total sales [IDR bn]	0.0	0.0	0.0	0.0
EBITDA [IDR bn]	(23.9)	(39.8)	(26.5)	(21.2)
Net income after MI [IDR bn]	608.7	1,000.4	800.0	807.5
EBITDA margin [%]	-	-	-	-
Loan to Value (LTV) [%]	0.1	0.1	0.1	0.1
Adjusted debt/EBITDA [X]	*(0.1)	(0.2)	(0.1)	(0.1)
Adjusted debt/adjusted equity [X]	0.0	0.0	0.0	0.0
Recurring cash inflow to Nondiscretionary cash outflow [X]	4.7	4.8	1.7	0.9
FFO/adjusted debt [%]	*1,162.2	(318.1)	1,680.5	1,255.3

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

Contact Analysts:
kresna.wiryawan@pefindo.co.id
ayuningtyas.nur@pefindo.co.id

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