

## PT Pabrik Gula Rajawali I

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>			
		<b>As of/for the year ended</b>			
		<b>Feb-2021</b>	<b>Dec-2020</b>	<b>Dec-2019</b>	<b>Dec-2018</b>
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Corporate Rating</b>	<i>idBBB+/Negative</i>	1,979.6	2,360.3	1,410.6	1,394.3
<b>Rated Issues</b>		552.0	498.4	493.0	489.0
<i>MTN I/2018 Serie A</i>	<i>idBBB+</i>	452.7	443.8	548.4	459.4
<i>MTN I/2018 Serie B</i>	<i>idBBB+</i>	203.5	1,566.9	2,218.7	769.5
<b>Rating Period</b>		9.3	146.7	306.5	213.9
<i>March 16, 2021 – May 17, 2021;</i>		(3.5)	37.8	141.5	67.9
<i>March 16, 2021 – May 31, 2021;</i>		4.6	9.4	13.8	27.8
<b>Rating History</b>		*9.9	3.4	1.6	2.3
<i>DEC 2020</i>	<i>idBBB+/Negative</i>	1.2	1.1	0.9	1.1
<i>APR 2020</i>	<i>idA-/Stable</i>	*9.2	19.4	44.6	31.3
<i>APR 2019</i>	<i>idA-/Stable</i>	8.3	2.8	5.9	5.3
<i>APR 2018</i>	<i>idA-/Stable</i>	14,229	14,105	13,901	14,481
<i>APR 2016</i>	<i>idA-/Stable</i>	<i>FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense</i> <i>EBITDA = Operating Profit + Depreciation Expense + Amortization Expense</i> <i>IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)</i> <i>MI = Minority Interest * Annualized</i> <i>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.</i>			

### PEFINDO affirms “idBBB+” rating for PT Pabrik Gula Rajawali I’s maturing MTN

PEFINDO has affirmed its “idBBB+” rating for PT Pabrik Gula Rajawali I (PGRI)’s MTN I PGRI Year 2018 Serie A of IDR250 billion, which will be due on May 17, 2021 and MTN I PGRI Year 2018 Serie B of IDR250 billion, which will be due on May 31, 2021. PGRI plans to repay its MTN through refinancing from bank loan and currently is in the process of obtaining additional bank loan facility as refinancing sources, which is expected to be finalized at the beginning of April 2021. PGRI is also expected to get additional funds from its trade receivable collection amounting to IDR214.9 billion as of February 28, 2021, which mostly came from related party transactions. Delay in those initiatives may trigger potential rating downgrades to reflect our concerns over PGRI’s capability to repay the maturing MTN in a timely manner.

A debt security rated idBBB has an adequate capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, adverse economic conditions or changing circumstances are more likely to weaken its capacity to meet its financial commitments. The plus (+) sign denotes that the rating is relatively strong within its category.

PGRI is a subsidiary of PT Rajawali Nusantara Indonesia (Persero) engaged in sugarcane production and processing. Established in 1995 as a result of the merger of two sugar mills in East Java – Kregbet Baru in Malang and Rejo Agung in Madiun – PGRI has production facilities with respective capacity of 11,403 and 5,237 tons of cane per day (TCD), catering 29,136 hectares (ha) of sugarcane plantations, mostly owned by local farmers. As of February 28, 2021, PGRI was owned by PT Rajawali Nusantara Indonesia (Persero) (99.999%) and PT Rajawali Nusindo (0.001%).

**DISCLAIMER**

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