

PT Kawasan Industri Medan

Credit Rating

General Obligation (GO) idBBB+/Stable

Rating Period

June 7, 2024 – June 1, 2025

Published Rating History

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PEFINDO has assigned its **idBBB+ rating with stable outlook** to PT Kawasan Industri Medan (KIM). The rating reflects KIM's good asset quality, good portion of recurring income, and strong financial profile. However, the rating is constrained by the limited landbank for further development and its exposure to adverse macroeconomic conditions.

We may raise the rating if KIM improves its business profile by achieving a significantly higher-than-projected revenue and EBITDA on a sustained basis followed by stronger profitability indicators and conservative financial leverage. However, we may lower the rating if KIM fails to achieve its projected revenue or EBITDA on a sustained basis, or if it incurs larger debt than expected without being compensated by stronger revenue prospects, increasing its leverage and weakening its coverages on a sustained basis.

Established in 1988, KIM engages in the management of multi sectoral industrial zones in Medan. As of March 31, 2024, its shareholders were PT Danareksa (Persero) (59.99%), the Provincial Government of North Sumatera (30%), the City Government of Medan (10%), and the Republic of Indonesia Government, which held a dwiwarna share.

Rating Definition

An obligor 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 indicates that the rating is relatively strong within its category.

Financial Highlights

As of/for the year ended	Mar-2024 (Unaudited)	Dec-2023 (Audited)	Dec-2022 (Audited)	Dec-2021 (Audited)
Total adjusted assets [IDR bn]	1,154.6	1,160.1	1,050.7	962.8
Total adjusted debt [IDR bn]	1.4	1.4	1.6	0.4
Total adjusted equity [IDR bn]	585.1	577.6	538.2	473.1
Total sales [IDR bn]	62.2	241.6	261.6	198.7
EBITDA [IDR bn]	14.1	55.3	33.3	22.5
Net income after MI [IDR bn]	7.5	39.9	23.8	47.7
EBITDA margin [%]	22.6	22.9	12.7	11.3
Adjusted debt/EBITDA [X]	*0.0	0.0	0.0	0.0
Adjusted debt/adjusted equity [X]	0.0	0.0	0.0	0.0
FFO/adjusted debt [%]	*3,796.3	3,522.5	1,799.2	3,682.9
EBITDA/IFCCI [X]	305.2	-	-	26.7
USD exchange rate [IDR/USD]	15,853	15,416	15,731	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.

Contact Analysts:

tsanya.chindra@pefindo.co.id

agung.iskandar@pefindo.co.id

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