

PT Elnusa Tbk

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| CREDIT PROFILE | | FINANCIAL HIGHLIGHTS | | | | |
|--|---------------------|-----------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | As of/for the year ended | Dec-2020 (Audited) | Dec-2019 (Audited) | Dec-2018 (Audited) | Dec-2017 (Audited) |
| Corporate Rating | <i>idAA-/Stable</i> | Total Adjusted Assets [IDR Bn] | 7,554.5 | 6,791.3 | 5,639.1 | 4,841.3 |
| Rated Issues | | Total Adjusted Debt [IDR Bn] | 1,753.5 | 1,127.0 | 821.4 | 698.3 |
| <i>Shelf Reg. Sukuk I Phase I/2020</i> | <i>idAA-(sy)</i> | Total Adjusted Equity [IDR Bn] | 3,732.6 | 3,563.0 | 3,281.9 | 3,037.8 |
| Rating Period | | Total Sales [IDR Bn] | 7,726.9 | 8,385.1 | 6,624.8 | 4,979.0 |
| <i>April 8, 2021 – April 1, 2022</i> | | EBITDA [IDR Bn] | 1,166.6 | 966.0 | 767.4 | 712.8 |
| Rating History | | Net Income after MI [IDR Bn] | 249.1 | 356.5 | 276.3 | 247.1 |
| <i>APR 2020</i> | <i>idAA-/Stable</i> | EBITDA Margin [%] | 15.1 | 11.5 | 11.6 | 14.3 |
| <i>MAR 2020</i> | <i>idAA-/Stable</i> | Adjusted Debt/EBITDA [X] | 1.5 | 1.2 | 1.1 | 1.0 |
| <i>FEB 2019</i> | <i>idAA-/Stable</i> | Adjusted Debt/Adjusted Equity [X] | 0.5 | 0.3 | 0.3 | 0.2 |
| <i>FEB 2017</i> | <i>idA+/Stable</i> | FFO/Adjusted Debt [%] | 55.1 | 68.8 | 76.9 | 88.3 |
| <i>JAN 2016</i> | <i>idA+/Stable</i> | EBITDA/IFCCI [X] | 10.9 | 17.4 | 19.1 | 36.7 |
| <i>AUG 2010</i> | <i>idA/Stable</i> | USD Exchange Rate [IDR/USD] | 14,105 | 13,901 | 14,481 | 13,548 |
| <i>OCT 2007</i> | <i>idA-/Stable</i> | | | | | |
| <i>JUL 2006</i> | <i>idA-/Stable</i> | | | | | |

*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
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.*

PT Elnusa Tbk rated "idAA-" with stable outlook

PEFINDO has affirmed its "idAA-" rating to PT Elnusa Tbk. (ELSA) and its "idAA-(sy)" rating for ELSA's Shelf Registration Sukuk Ijarah I Phase I Year 2020. The outlook for the corporate rating is "stable".

An obligor rated idAA differs from the highest rated obligors only to a small degree, and has a very strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. The Minus (-) sign indicates that the rating is relatively weak within its category.

The suffix (sy) denotes the rating mandates compliance with Islamic principles.

The rating reflects ELSA's strong business synergy with PT Pertamina (Persero), strong presence and diversification in the oil and gas services business, and strong financial profile. The rating is constrained by the volatility of the oil and gas sector and the Company's exposure to investment risk.

The rating may be raised if ELSA significantly strengthens its business position, validated by significant growth in revenue and earnings, while maintaining its conservative capital structure and strong cash flow protection measures on a sustained basis. The rating will be lowered if ELSA aggressively finances its expansion with debt that is substantially larger than projected, which could weaken its capital structure and cash flow protection measures, without being compensated by stronger business performance, and if we view a decline in support from and ownership by its Parent. The rating could also be under pressure if the prolonged COVID-19 pandemic adversely affects its business operations. Potentially lower service fees due to a drop of oil and gas prices, resulting in significantly lower revenue, cash flow, and/or profitability, could also trigger a rating downgrade.

Established in January 1969, ELSA is engaged in integrated upstream oil and gas services, upstream oil and gas support services, and logistics and distribution services related to the downstream oil and gas sector. At the end of 2020, Pertamina – the state-owned and biggest oil and gas company in the country – was its major shareholder with a 41.1% stake. The remaining shares were owned by Pertamina Pension Fund (14.9%) and others (44.0%, including the public with ownership stakes below 5% each).

DISCLAIMER

The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.