

PT Hartadinata Abadi Tbk

Credit Ratings

General Obligation (GO)
SR I/2019 Phase I

idA/Stable
idA

Rating Period

April 1, 2024 – April 1, 2025

Published Rating History

OCT 2023	idA/Stable
OCT 2022	idA-/Stable
OCT 2021	idA-/Stable
OCT 2020	idA-/Stable
OCT 2019	idA-/Stable

PEFINDO has affirmed its idA ratings for PT Hartadinata Abadi Tbk (HRTA) and its Shelf-Registered Bond I/2019. Outlook for the corporate rating is stable. The rating reflects its ample production capacity to support future revenue growth, strong demand for its products, and strong financial flexibility. However, the rating is constrained by its moderate capital structure amid its high need for working capital and exposure to overseas import restriction regulations.

The rating may be raised if HRTA could strengthen its business position in Indonesia's gold jewelry and gold bullion industry by exceeding its revenue and EBITDA projections, as well as outperforming the industry's growth in the near to medium term. This should be followed by a sustained conservative financial leverage. However, the rating could be lowered if HRTA fails to reach revenue or EBITDA targets as well as if its capital structure becoming substantially more aggressive than projected.

HRTA was established in 2004 and is mainly engaged in the crafting and sale of gold jewelry and gold bullion. Its products include necklaces, rings, bracelets, earrings, pendants, and customized products with a gold content of 30.0% to 99.99%. In addition, the Company presently operates a pawn business and is actively pursuing its expansion towards export market of gold jewelry. As of December 31, 2023, its shareholders were PT Terang Anugerah Abadi (71%), the public (28.20%), and others (0.8%).

Rating Definition

Debt security rated idA indicates that the obligor's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian obligors, is strong, however, the debt security is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated debt.

Financial Highlights

As of/for the year ended	Dec-2023 (Audited)	Dec-2022 (Audited)	Dec-2021 (Audited)	Dec-2020 (Audited)
Total adjusted assets [IDR bn]	5,027.7	3,846.9	3,476.5	2,829.4
Total adjusted debt [IDR bn]	2,796.9	2,048.6	1,892.7	1,418.8
Total adjusted equity [IDR bn]	1,970.8	1,720.3	1,513.9	1,355.7
Total sales [IDR bn]	12,857.0	6,918.5	5,237.9	4,138.6
EBITDA [IDR bn]	727.7	563.3	439.3	367.4
Net income after MI [IDR bn]	305.9	253.9	195.3	170.3
EBITDA margin [%]	5.7	8.1	8.4	8.9
Adjusted debt/EBITDA [X]	3.8	3.6	4.3	3.9
Adjusted debt/adjusted equity [X]	1.4	1.2	1.3	1.0
FFO/adjusted debt [%]	12.0	13.1	10.9	12.8
EBITDA/IFCCI [X]	2.4	2.5	2.5	2.6
USD exchange rate [IDR/USD]	15,416	14,278	14,105	13,901

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.

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