

PT Pembangunan Jaya Ancol Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
Corporate Rating		As of/for the year ended	Sep-2020	Dec-2019	Dec-2018	Dec-2017
<i>idA/Negative</i>			(Unaudited)	(Audited)	(Audited)	(Audited)
Rated Issues		Total Adjusted Assets [IDR Bn]	4,208.8	4,081.4	4,347.3	3,734.7
Shelf Reg. Bond I/2016		Total Adjusted Debt [IDR Bn]	1,180.7	966.9	1,296.4	795.4
Shelf Reg. Bond I/2018		Total Adjusted Equity [IDR Bn]	1,886.2	2,136.2	2,111.6	1,976.9
Shelf Reg. Bond II/2021		Total Sales [IDR Bn]	305.6	1,358.6	1,283.9	1,240.0
Rating Period		EBITDA [IDR Bn]	(98.4)	479.9	471.6	484.5
April 12, 2021 – April 1, 2022		Net Income after MI [IDR Bn]	(252.1)	230.4	223.4	220.2
Rating History		EBITDA Margin [%]	(32.2)	35.3	36.7	39.1
APR 2020		Adjusted Debt/EBITDA [X]	(9.0)	2.0	2.7	1.6
APR 2019		Adjusted Debt/Adjusted Equity [X]	*0.6	0.5	0.6	0.4
JUN 2018		FFO/Adjusted Debt [%]	(16.8)	31.8	23.2	42.2
JUN 2017		EBITDA/IFCCI [X]	*(1.8)	6.0	6.1	6.8
JUN 2016		USD exchange rate [IDR/USD]	14,918	13,901	14,481	13,548
OCT 2015						
OCT 2014						
OCT 2013						
OCT 2012						

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.

PT Pembangunan Jaya Ancol Tbk rated “idA” with negative outlook

PEFINDO has affirmed its “idA” ratings for PT Pembangunan Jaya Ancol Tbk (PJAA), its Shelf-Registered Bond I/2016, Shelf-Registered Bond I/2018, and Shelf-Registered Bond II/2021. We have also maintained the outlook to the corporate rating at “negative” to anticipate slower EBITDA and FFO recovery due to slower distribution of a vaccine. We expect that PJAA's operating performance will not begin to normalize to pre-COVID level until 2022. We also anticipate the Company's weakened capacity to fulfill its financial obligations, including its matured bonds in 2022, and to finance its operating expense amidst the lower demand and restriction for tourism sector in the near to medium term. The Company plans to repay its maturing bond in 2021 using fund sourced from Shelf Registered Bond II Phase II Year 2021 of IDR731.0 billion.

An obligor rated idA has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors.

The corporate rating reflects PJAA's strong presence in the recreation segment, important position to its controlling shareholder, and good asset quality. The rating is constrained by its exposure to event-driven travel disruptions, high financial leverage, and continual investment needs for product development.

The rating will be lowered if the recovery rate slower than expected and there is an increasing refinancing risk for the bond that will mature in 2022. The rating could also be lowered if we view that DKI Jakarta's commitment to provide support to PJAA weakens which may be indicated by a significant reduction in control over PJAA. The outlook could be revised to stable if the Company starts to operate and gain revenue normally on sustained basis which also depends on the expected economic recovery and distribution of a vaccine to contain the outbreak.

PJAA is the leader in the local recreation industry, with world-class facilities such as Dunia Fantasi, Ocean Dream Samudra, Atlantis, Sea World Ancol, and Allianz Ecopark. It is also engaged in resort sector through Putri Duyung and Bidadari Eco resort, retail and merchandise, and real estate by selling land lots, houses, and apartments in the Ancol area. As of September 30, 2020, its shareholders were the Municipal Government of DKI Jakarta (72%), PT Pembangunan Jaya (18%), and the public (10%).

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.