PEFINDO
CREDIT RATING AGENCY

Press Release
April 13, 2021

PT Pembangunan Jaya Ancol Tbk

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CREDIT PROFILE

Corporate Rating — *idA/Negative*

Rated Issues

Shelf Reg. Bond I/2016	*idA*
Shelf Reg. Bond I/2018	*idA*
Shelf Reg. Bond II/2021	*idA*

Rating Period

April 12, 2021 – April 1, 2022

Rating History

APR 2020	*idA/Negative*
APR 2019	*idA+/Stable*
JUN 2018	*idAA-/Negative*
JUN 2017	*idAA-/Stable*
JUN 2016	*idAA-/Stable*
OCT 2015	*idAA-/Stable*
OCT 2014	*idAA-/Stable*
OCT 2013	*idAA-/Stable*
OCT 2012	*idA+/Stable*

FINANCIAL HIGHLIGHTS

As of/for the year ended	**Sep-2020** (Unaudited)	**Dec-2019** (Audited)	**Dec-2018** (Audited)	**Dec-2017** (Audited)
Total Adjusted Assets [IDR Bn]	4,208.8	4,081.4	4,347.3	3,734.7
Total Adjusted Debt [IDR Bn]	1,180.7	966.9	1,296.4	795.4
Total Adjusted Equity [IDR Bn]	1,886.2	2,136.2	2,111.6	1,976.9
Total Sales [IDR Bn]	305.6	1,358.6	1,283.9	1,240.0
EBITDA [IDR Bn]	(98.4)	479.9	471.6	484.5
Net Income after MI [IDR Bn]	(252.1)	230.4	223.4	220.2
EBITDA Margin [%]	(32.2)	35.3	36.7	39.1
Adjusted Debt/EBITDA [X]	(9.0)	2.0	2.7	1.6
Adjusted Debt/Adjusted Equity [X]	*0.6	0.5	0.6	0.4
FFO/Adjusted Debt [%]	(16.8)	31.8	23.2	42.2
EBITDA/IFCCI [X]	*(1.8)	6.0	6.1	6.8
USD exchange rate [IDR/USD]	14,918	13,901	14,481	13,548

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%).