

PT Duta Anggada Realty Tbk

Corporate rating *i*BBB+/Stable

Rated Issues

Obligasi Duta Anggada
Realty Tahun 2020 Amounting to
IDR300 Bn

*i*BBB+

Rating Period

November 4, 2021 – November 1, 2022

“Debt Securities with *i*BBB rating has an adequate level of certainty to honor its financial obligations, but it can be affected by adverse changes in business and economic conditions, relative to obligor with a higher rating.”

The plus sign (+) indicates that the rating given is closer to rating scale above it.

Rating History

November 2020 *i*BBB+Kredit Rating Indonesia affirms '*i*BBB+' rating to Obligasi Duta Anggada Realty Tahun 2020 totaling IDR300 Bn

Kredit Rating Indonesia (KRI) assigns '*i*BBB+' Corporate Rating to PT Duta Anggada Realty Tbk ("DART" or "the Company") with a 'Stable' outlook. At the same time, KRI affirms '*i*BBB+' rating to DART's Obligasi Duta Anggada Realty Tahun 2020 amounting to IDR300 Bn. The Company plans to use the bond proceeds for refinancing. The above ratings still reflect DART's moderate asset quality, a sizeable portion of recurring income, and adequate financial flexibility. However, DART's ratings are limited by weakening performance of its properties due to prolong pandemic which impacting almost all of DART's properties. In addition, relocation of main tenant from its prime office, Chase Plaza, further hits the revenue. The ratings are also constraint by weakening capital structure and cash flow protection.

DART's properties are comprised of grade-A buildings that are mostly located at Jakarta's Central Business District (CBD) area with a sizeable net lettable area (NLA) of around 98,802 square meters. Furthermore, the Company's high proportion of recurring income (98.5% of the Company's revenue in 1H2021) protects the Company from severe COVID-19's effects. We also put a positive note on the 92.45% ownership of the Company's share by majority shareholders as they have the flexibility to issue new shares without having to lose control of the Company.

However, decreasing occupancy rate due to the relocation of main tenants at the Chase Plaza has put a limitation on the Company's rating. Weakening debt to equity ratio (DER) to 1.25x, as well as below 1.0x of interest coverage ratio as at June 30, 2021, have constrained the Company's ratings.

DART's Consolidated Financial Results Highlights

As of/For the year ended	June 2021 (Unaudited)	Dec 2020 (Audited)	Dec 2019 (Audited)	Dec 2018 (Audited)
Total Adjusted Assets (IDR, Bn)	6,682.3	6,656.1	6,880.9	6,905.3
Total Adjusted Debt (IDR, Bn)	3,379.5	3,139.2	3,184.2	2,943.2
Total Adjusted Equity (IDR, Bn)	2,713.2	2,914.1	3,315.3	3,576.1
Total Sales (IDR, Bn)	147.1	324.1	461.4	379.4
Net Income After MI (IDR, Bn)	(200.9)	(387.9)	(260.8)	13.1
EBIT Margin (%)	(22.0)	(19.0)	6.2	22.7
Return on Permanent Capital (%)	(1.1)	(1.0)	0.4	1.4
Adjusted Debt /Adj. Equity (x)	1.3	1.1	1.0	0.8
EBITDA/Total Adjusted Debt (x)	(0.0)	0.0	0.0	0.0
EBITDA/IFCCI (x)	(0.0)	0.0	0.4	2.3
FFO/Total Adjusted Debt (x)	(10.7)	(9.5)	3.6	3.3
USD Exchange Rate (IDR/USD)	14,496	14,105	14,481	13,548

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