

PT Medco Energi Internasional Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Sep-2021	Dec-2020	Dec-2019	Dec-2018	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	<i>idA+/Positive</i>	Total Adjusted Assets [USD Mn]	5,240.5	5,815.7	5,916.3	5,175.6
Rated Issues		Total Adjusted Debt [USD Mn]	2,771.6	2,948.7	3,237.3	2,854.8
<i>Shelf Registered Bond II Year 2017</i>		Total Adjusted Equity [USD Mn]	1,195.6	1,128.3	1,263.6	1,310.5
<i>Phase V Seri C</i>	<i>idA+</i>	Total Sales [USD Mn]	955.9	1,099.9	1,381.1	1,138.3
<i>Shelf Registered Bond II Year 2017</i>		EBITDA [USD Mn]	508.2	490.6	615.9	518.1
<i>Phase VI Seri B</i>	<i>idA+</i>	Net Income after MI [USD Mn]	56.1	(192.8)	(43.3)	(56.0)
Rating Period		EBITDA Margin [%]	53.2	44.6	44.6	45.5
<i>March 23, 2022 – March 25, 2022</i>		Adjusted Debt/EBITDA [X]	*4.1	6.0	5.3	5.5
Rating History		Adjusted Debt/Adjusted Equity [X]	2.3	2.6	2.6	2.2
<i>DEC 2021</i>	<i>idA+/Positive</i>	FFO/Adjusted Debt [%]	*8.8	2.2	6.4	6.7
<i>OCT 2021</i>	<i>idA+/Stable</i>	EBITDA/IFCCI [X]	3.0	1.7	2.7	2.7
<i>JUN 2021</i>	<i>idA+/Stable</i>	USD Exchange Rate [IDR/USD]	14,321	14,105	13,901	14,481
<i>JAN 2021</i>	<i>idA+/Stable</i>					
<i>MAY 2020</i>	<i>idA+/Negative</i>					
<i>NOV 2017 – JAN 2020</i>	<i>idA+/Stable</i>					
<i>APR 2016 – MAY 2017</i>	<i>idA+/Negative</i>					
<i>OCT 2015</i>	<i>idA+/Stable</i>					
<i>JUN 2015</i>	<i>idAA-/Negative</i>					
<i>2012 - 2014</i>	<i>idAA-/Stable</i>					

FFO = EBITDA – IFCCI + gross 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 mites have been reclassified according to PEFINDO's definitions.

Rating for PT Medco Energi Internasional Tbk's maturing bond affirmed at "idA+"

PEFINDO has affirmed its "idA+" rating for PT Medco Energi Internasional Tbk's (MEDC) Shelf Registered Bond II Year 2017 Phase V Seri C of IDR753.5 billion and Shelf Registered Bond II Year 2017 Phase VI Seri B of IDR151.5 billion, in accordance with the resolution of Bondholders Meeting, both of them will be early repaid on March 25, 2022. The Company will repay its maturing bond using proceeds from the issuance of Shelf Registered Bond IV Year 2021 Phase I that has been secured in an escrow account. As of September 30, 2021, MEDC had cash and cash equivalent of USD547.2 million (including USD64.9 million restricted time deposit and cash in banks).

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. The Plus (+) sign indicates that the rating is relatively strong within the respective rating category.

MEDC is a publicly listed, integrated energy and natural resources company, with three main businesses in its core business of oil and gas exploration and production (E&P) activities in Indonesia, the Middle East, North Africa, and Southeast Asia; power generation; and mining. In the first nine months of 2021 (9M2021), 80.4% of its revenue was generated from oil and gas, followed by the power business at 10.3%, trading 8.3%, and others 1.0%. At the end of September 2021, its shareholders consisted of PT Medco Daya Abadi Lestari (51.6%), Diamond Bridge Pte Ltd (21.5%), PT Medco Duta (0.2%), management (0.6%), and the public (26.1%).

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.