

PT Pintar Nusantara Sejahtera

Company rating *ii*BBB+/Stable

Rated Issues

Proposed Medium Term Notes III
Pintar Nusantara Sejahtera
Tahun 2022*ii*BBB+

“Debt securities with *ii*BBB rating have an adequate level of certainty to honor its financial obligations. However, this certainty is more likely to diminish in the future than with the higher rating categories”.

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

Rating Period

August 15, 2022 – August 1, 2023

Rating History

August, 2021	<i>ii</i> BBB/Positive
August, 2020	<i>ii</i> BBB/Stable
September, 2019	<i>ii</i> BBB/Stable

Ratings of PT Pintar Nusantara Sejahtera Upgraded for a Better Business Profile

Kredit Rating Indonesia (KRI) raised the ratings of PT Pintar Nusantara Sejahtera (PINTAR or the Company) to “*ii*BBB+” from “*ii*BBB”, and revised the outlook from “Positive” to “Stable”. At the same time, KRI assigns “*ii*BBB+” rating to the Company’s proposed Medium Term Notes III Pintar Nusantara Sejahtera Tahun 2022 amounting to USD 40 million. The rating upgrade is due to the Company’s better business profile recently and in near to medium term, which will affect its financial profile ahead. The Company plans to use the debt-notes proceeds for refinancing.

PINTAR’s revenue increased in 2021 to USD 77 million (vs USD 71.6 million in 2020) as the Company’s current satellite (N-1) utilization rate increased to more than 65%. We expect such condition to continue in 2022F as the Company has recorded a revenue of USD 33.5 million in 1H2022, still on track to at least meet the 2021’s revenue. The Company is also in the process of constructing two satellites, namely N-3 and N-5, which are expected to launch in the third quarter of 2023. Given this, we view that the Company’s revenue stream going forward to increase with a high degree of certainty of rental payments as the Indonesia Infrastructure Guarantee Fund (IIGF) guaranteed the rental payments to PINTAR if Badan Aksesibilitas Telekomunikasi dan Informasi (BAKTI) is defaulted.

However, we see that currently, the Company’s capital structure was leaning towards debt to finance the construction of its satellites with its debt-to-equity ratio was at 6.2x as of June 30, 2022.

As of June 30, 2022, PINTAR’s shareholder was Space Nusantara Pte Ltd (SPNL). SPNL is a holding company that incorporated in Singapore. SPNL is wholly owned by Space Nusantara Fund (SNF), a private equity investment with indirect special vehicle in telecommunication, technology, and infrastructure in Asia Pacific.

PINTAR Financial Results Highlights (Consolidated)

As of/For the year ended	June 2022 (Unaudited)	Dec 2021 (Audited)	Dec 2020 (Audited)	Dec 2019 (Audited)
Total Adjusted Assets (USD, Mn)	870.5	680.8	505.4	453.1
Total Adjusted Debt (USD, Mn)	756.4	631.3	488.2	454.8
Total Adjusted Equity (USD, Mn)	(86.6)	(75.8)	(60.2)	(74.8)
Total Sales (USD, Mn)	33.5	77.0	71.6	47.9
EBIT (USD, Mn)	7.3	22.2	8.2	6.6
EBIT Margin (%)	21.6	28.8	11.4	13.8
Return of Permanent Capital (%)	N.R	N.R	N.R	N.R
EBITDA/Total Adjusted Debt (x)	0.1	0.1	0.1	0.0
Adjusted Debt /Adj. Equity (x)	NR	NR	NR	NR
EBITDA/IFCCI (x)	1.3	1.8	1.7	0.7
FFO/Total Adjusted Debt (x)	0.0	0.0	0.1	(0.0)
USD Exchange Rate (IDR/USD)	14,848	14,054	14,104	13,901

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