

## PT Metro Healthcare Indonesia Tbk

## Company rating

*ir*BBB+/Stable

## Rated Issues

MTN Metro Healthcare  
Indonesia I Tahun 2021  
amounting to IDR650 Bn

*ir*BBB+

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

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

## Rating Period

October 12, 2022 – October 1, 2023

## Rating History

October, 2021 *ir*BBB+/Stable  
September, 2021 *ir*BBB+/Stable

**Kredit Rating Indonesia affirms ‘*ir*BBB+’ rating to MTN Metro Healthcare Indonesia I Tahun 2021 totaling IDR650 Bn**

Kredit Rating Indonesia (KRI) affirms a Company Rating of ‘*ir*BBB+’ for PT Metro Healthcare Indonesia Tbk (CARE or the Company) with a ‘Stable’ outlook. At the same time, KRI affirms ‘*ir*BBB+’ to CARE’s MTN Metro Healthcare Indonesia I Tahun 2021 totaling IDR650 Bn. The ratings still reflect the Company’s prudent capital structure and competitive service quality. However, the ratings are constrained by the Company’s limited market share and unstable profitability.

CARE’s capital structure remains healthy even after the issuance of IDR 650 billion medium term notes in 2021. CARE’s DER ratio stood at 0.3x as of June 30, 2022, lower than its rated peer. The Company remains committed in providing competitive service quality by using new medical equipment, bringing in specialist doctors, and has a telemedicine service that can be referred to their owned hospitals.

However, the Company’s ratings are constrained by the Company’s small market share in the industry, with total sales of only IDR290.9 billion in 2021, while its rated peer booked IDR 5.8 trillion. The Company has yet to reach its economies of scale causing its EBITDA margins to fluctuate from (1.7%) in 2020, 18.2% in 2021, and (16.8%) in 6M2022. EBIT margin pictured an inline condition with margins fluctuating from (7.3%) in 2020, 4.9% in 2021, and (26.6%) in 6M2022.

Established in 2015, CARE is one of the national healthcare providers in Indonesia that owns seven C-Class hospitals, one B-Class hospital, and one D-Class hospital. The Company’s shareholder ownership composition as of June 30, 2022, was PT Anugrah Kasih Rajawali (49.92%), Bank Julius Baer and Co Ltd Singapore (20.0%), PT Capital Life Syariah (7.83%), and the Public (22.25%).

**CARE 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 (IDR, Bn)	4,145.7	4,204.2	3,438.6	2,441.4
Total Adjusted Debt (IDR, Bn)	852.0	844.1	116.2	132.7
Total Adjusted Equity (IDR, Bn)	3,238.5	3,290.3	3,282.8	2,265.1
Total Sales (IDR, Bn)	112.7	290.9	216.3	154.1
EBIT (IDR, Bn)	(30.0)	52.9	-3.7	16.8
Net Income After MI (IDR, Bn)	(51.9)	6.2	14.2	(24.3)
EBIT Margin (%)	(26.6)	4.9	(7.3)	5.6
Return on Permanent Capital (%)	(1.5)	0.4	(0.6)	0.7
Adjusted Debt/Adj. Equity (x)	0.3	0.3	0.0	0.1
EBITDA/Total Adj. Debt (x)	(0.0)	0.1	(0.0)	0.1
EBITDA/IFCCI (x)	(0.5)	2.1	(0.3)	0.9
FFO/Total Adjusted Debt (%)	(9.7)	4.8	21.3	(2.5)
USD Exchange Rate (IDR/USD)	14,848	14,269	14,105	13,901

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