

PT Hotel Indonesia Properti

Company rating *ir*BBB+/Stable

Rated Issues

MTN I HIPro Tahun 2024

*ir*BBB+

Rating Period

April 26, 2024 – September 1, 2024

Rating History

January, 2024

*ir*BBB+/Stable

September, 2023

*ir*BBB+/Stable

"Debt Securities with *ir*BBB rating has 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.

Kredit Rating Indonesia affirms '*ir*BBB+' rating to Proposed MTN I HIPro Tahun 2024 amounting to IDR100 Bn

Kredit Rating Indonesia (KRI) affirms a Company Rating of '*ir*BBB+' with 'Stable' outlook to PT Hotel Indonesia Properti ("HIPro" or "the Company"). At the same time, KRI affirms '*ir*BBB+' rating to HIPro's Proposed MTN I HIPro Tahun 2024 amounting to IDR100 Bn. The ratings reflect HIPro's stronger growth, well diversified portfolio and healthy capital structure. However, the ratings are constrained by an alarming liquidity profile when compared to peers.

HIPro, established in 2021, is a spin-off company from PT Hotel Indonesia Natour (Persero) to form a holding company for hotel-related state-owned companies. Hotels owned by HIPro have been operated since a long time ago and have a historical value that differentiates its hotel from others. HIPro owns 11 hotels where 1 of them are 5-star hotels, 6 of them are 4-star hotels and the rest are 3-star hotels. Its hotel's locations are across Indonesia where 3 hotels located in Sumatera, 4 hotels located in Java, and 4 hotels located in Bali. The Company managed to book revenue of IDR559.0 Bn in FY23 from IDR138.4 Bn in FY22 (+28%) and almost reached its revenue before the pandemic. In terms of capital structure, the Company's debt-to-equity ratio is relatively healthy as its DER of 0.27x and 0.24x in FY22 and FY23, respectively.

However, the Company's rating is constrained by its liquidity profile since HIPro's current ratio is consistently below 1x (FY22: 0.69x, FY23:0.50x). The ratings can be increased if the Company manages to improve its capability in short term liabilities repayment.

The Company's shareholder ownership composition as of December 31, 2023 was PT Wijaya Karya Realty (99.99%) and Koperasi Tamansari (0.01%).

HIPro Financial Results Highlights

For the year ended	Des 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)
Total Adjusted Assets (IDR, Bn)	2,720.5	2,758.7	2,760.6
Total Adjusted Debt (IDR, Bn)	457.9	593.8	611.0
Total Adjusted Equity (IDR, Bn)	1,868.9	1,814.4	1,792.3
Total Sales (IDR, Bn)	559.0	436.5	138.4
Net Income (IDR, Bn)	55.0	25.8	-84.7
EBITDA Margin (%)	32.9	28.2	31.4
EBIT Margin (%)	19.6	14.3	-31.4
EBITDA/Adjusted Debt (x)	0.4	0.2	-0.1
Adjusted Debt/Adjusted Equity (x)	0.2	0.3	0.3
FFO/Adjusted Debt (%)	0.4	0.2	-0.1
EBITDA/IFCCI (x)	4.3	2.9	-0.9
USD Exchange Rate (IDR/USD)	15,416	15,731	14,269

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