

PT Dwi Guna Laksana Tbk

Corporate rating *irA-*/Stable

Rated Issues

Rating Period

February 11, 2022 – February 1, 2023

Rating History

"Obligor with *irA* rating has a high 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 minus sign (-) indicates that the rating is still higher than the rating category below, although it is closer to the lower rating than it is to the higher rating category.

Kredit Rating Indonesia assigns '*irA-*' corporate rating to PT Dwi Guna Laksana Tbk

Kredit Rating Indonesia (KRI) assigns a Corporate Rating '*irA-*' with 'Stable' outlook for PT Dwi Guna Laksana Tbk (DWGL or the Company). The rating reflects DWGL's increasing revenue with high likelihood of its steadiness going forward, better operating management, and healthier capital structure. The rating is limited by its number of customer base.

DWGL's revenue has increased from previously IDR1.72 Tn in 2019 to IDR2.24 Tn in 2021, or increasing by 14.1% CAGR. We expect the Company's revenue to sustain in mid-term as the Company has received contracts from new customers for more than three years. ses when facing COVID-19 in 2020 and 2021. For at least another year, we expect the high base profitability margin to continue as the benchmark coal price (HBA) is expected to stay above USD70/ton. The Company also has posted a healthier capital structure as its total equities has turned positive in late 2021.

However, the rating is constrained by the Company's limited customer-based since two of its major customers contributed to 81.31% of DWGL's revenue in 9M2021.

DWGL Financial Results Highlights

As of/For the year ended	Dec 2021 (Unaudited)	Dec 2020 (Audited)	Dec 2019 (Audited)	Dec 2018 (Audited)
Total Assets (IDR, bn)	1,184.1	703.7	863.9	1,603.6
Total Adjusted Debt (IDR, bn)	354.3	280.6	323.1	441.5
Total Adjusted Equity (IDR, bn)	111.6	(52.6)	(46.5)	(38.1)
Total Sales (IDR, bn)	2,240.2	1,568.5	1,724.2	1,439.6
Net Income After MI (IDR, bn)	69.4	35.6	(21.7)	(31.3)
EBIT Margin (%)	4.7	9.2	0.7	1.6
Return on Permanent Capital (%)	30.3	N.R	N.R	N.R
Adjusted Debt /Adj. Equity (x)	3.2	N.R	N.R	N.R
EBITDA/Total Adjusted Debt (x)	0.3	0.5	0.0	0.0
EBITDA/IFCCI (x)	3.0	3.8	0.2	0.3
FFO/Total Adjusted Debt (x)	0.3	0.1	(0.1)	(0.2)
USD Exchange Rate (IDR/USD)	14,269	14,104	13,901	14,481

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