

PT Dwi Guna Laksana Tbk

Company rating *irA-/Stable*

Rated Issues

Proposed Medium Term Notes
PT Dwi Guna Laksana Tbk
Tahun 2022

*irA-***Rating Period**

April 18, 2022 – May 1, 2023

"Debt Securities 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 debt securities 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.

Rating History

February 2022

irA-/Stable

July 2020

irBBB+/Stable

Kredit Rating Indonesia assigns '*irA-*' rating to Proposed Medium Term Notes PT Dwi Guna Laksana Tbk Tahun 2022 amounting to IDR 200 billion

Kredit Rating Indonesia (KRI) assigns '*irA-*' rating to PT Dwi Guna Laksana Tbk (DWGL or the Company) proposed Medium Term Notes PT Dwi Guna Laksana Tbk Tahun 2022 totalling IDR 200 billion with five years of time to maturity. The Company plans to the MTN proceeds for bank's loan repayment and working capital. The ratings reflect DWGL's increasing revenue with a high likelihood of its steadiness going forward, better operating management, and healthier capital structure. The ratings are constrained by the company's limited 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. We also see a better operating management as the Company has successfully suppressed its expenses when facing COVID-19 in 2020 and 2021. 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 number of customer-based since three of its major customers contributed to 96.83% of DWGL's revenue in 2021.

As of December 31, 2021, the Company's shareholders were Hawthorn-Capital Investment Pte., Ltd (51.54%), PT Asuransi Simas Jiwa – Simas Equity Fund 2 (7.18%), PT Dian Ciptamas Agung (9.37%), and public (31.91%)

DWGL Financial Results Highlights (Consolidated)

As of/For the year ended	Dec 2021 (Unaudited)	Dec 2020 (Audited)	Dec 2019 (Audited)	Dec 2018 (Audited)
Total Assets (IDR, bn)	1,245.7	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)	136.4	(52.6)	(46.5)	(38.1)
Total Sales (IDR, bn)	2,297.6	1,568.5	1,724.2	1,439.6
Net Income After MI (IDR, bn)	94.2	35.6	(21.7)	(31.3)
EBIT Margin (%)	5.4	9.2	0.7	1.6
Return on Permanent Capital (%)	34.2	N.R	N.R	N.R
Adjusted Debt /Adj. Equity (x)	2.6	N.R	N.R	N.R
EBITDA/Total Adjusted Debt (x)	0.4	0.5	0.0	0.0
EBITDA/IFCCI (x)	3.5	3.8	0.2	0.3
FFO/Total Adjusted Debt (x)	23.9	0.1	(0.1)	(0.2)
USD Exchange Rate (IDR/USD)	14,572	14,104	13,901	14,481

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