

PT METRO HEALTHCARE INDONESIA TBK

Company Rating	<i>ir</i>A-/Stable
Rated Issue	-
Rating Period	
April 16, 2025 – May 2, 2026	
Rating History	
September, 2024	<i>ir</i>BBB+/Stable
September, 2023	<i>ir</i>BBB+/Stable
October, 2022	<i>ir</i>BBB+/Stable
October, 2021	<i>ir</i>BBB+/Stable
September, 2021	<i>ir</i>BBB+/Stable

“Obligor with *ir*A 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 upgrades the rating of PT Metro Healthcare Indonesia Tbk to “*ir*A-“ from “*ir*BBB+”. The outlook for the Company Rating is “Stable”

Kredit Rating Indonesia (“KRI” or “we”) upgrades the rating of PT Metro Healthcare Indonesia Tbk (“CARE” or “the Company”) to “*ir*A-“ from “*ir*BBB+“. Outlook for the Company Rating is “Stable”. The upgrade rating reflects KRI views on the Company’s business performance after divesting two hospitals that had no potential for development and acquiring one hospital in Mojokerto that had a high operational bed occupancy rate.

We are of the view that the Company has improved its business performance on a sustainable basis by divesting two hospitals that had no room for development, given the limited land bank and possibility to acquire land next to the hospitals. As a result, patients were reluctant to visit the hospitals given the limited space for parking and the Company had difficulties to increase the operational bed occupancy rate. After the divestment, the Company acquired new hospital in Mojokerto which already had 69% of operational bed occupancy rate in FY24. With these corporate actions, the average operational bed occupancy rate has improved to 63.2% in FY24, significantly higher than in FY23 of 44.3%.

However, the rating is still constrained by the Company’s inconsistent profitability. In FY24, the Company recorded EBITDA margin of (1.3%), decreasing compared to FY23 period of 3.65%. The divestment of hospitals as well as acquiring a new hospital in mid-FY24 has lowered the Company’s profitability margin, although we believe that it was just temporarily, as the acquisition effects was not full-year captured. Going forward, we see a better profitability margin, as the new acquired hospital has a high bed occupancy rate (69% in FY24).

The rating could be increased if CARE manages to secure better revenue and sustainably proves better profitability margins ratios in the future. On the other hand, the rating could be lowered if the Company finances its expansion plan with debt that is substantially larger than projected, without being compensated by improving business performance.

Established in 2015, CARE is one of the national healthcare providers in Indonesia that owns six hospitals, comprised of five C-Class hospitals, and one B-Class hospital. The Company’s shareholder ownership composition as of December 31, 2024, was PT Metro Healthcare International (49.92%), Bank Julius Baer and Co Ltd Singapore (19.98%), and the Public (30.10%).

CARE Financial Result Highlights (Consolidated)

For the years ended	Dec 2024 (Audited)	Dec 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)
Total Adjusted Assets (IDR, Bn)	4,021.8	4,130.0	4,227.6	4,204.2
Total Adjusted Debt (IDR, Bn)	944.5	954.5	957.0	844.1
Total Adjusted Equity (IDR, Bn)	3,017.0	3,089.5	3,198.9	3,290.3
Total Sales (IDR, Bn)	319.0	242.7	234.0	290.9
EBIT (IDR, Bn)	(29.8)	(36.1)	(60.6)	52.9
Net Income (IDR, Bn)	(79.7)	(110.7)	(93.6)	6.2
EBIT Margin (%)	(9.3)	(14.9)	(25.9)	4.9
Return on Permanent Capital (%)	(0.7)	(0.9)	(1.4)	0.4
Adjusted Debt/Adjusted Equity (x)	0.3	0.3	0.3	0.3
EBITDA/Total Adjusted Debt (x)	(0.0)	(0.0)	(0.0)	0.1
EBITDA/IFCCI (x)	(0.1)	(0.2)	(0.4)	2.1
FFO/Total Adjusted Debt (%)	(5.8)	4.3	(7.4)	4.8
USD Exchange Rate (IDR/USD)	16,162	15,416	15,731	14,269

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