PT PP Properti Tbk

Company Rating	**$_{ir}$CCC/Stable**
Rated Issue	**-**
Rating Period	
September 1, 2025 – February 1, 2026	
Rating History	
December, 2024	**$_{ir}$D**
March, 2024	**$_{ir}$BBB-/Negative**
February, 2024	**$_{ir}$BBB+/Stable**
March, 2023	**$_{ir}$BBB+/Stable**
January, 2023	**$_{ir}$BBB+/Stable**
November, 2022	**$_{ir}$BBB+/Stable**
August, 2022	**$_{ir}$BBB+/Stable**
July, 2022	**$_{ir}$BBB+/Stable**
June, 2022	**$_{ir}$BBB+/Stable**
April, 2022	**$_{ir}$BBB+/Stable**

"Obligor with $_{ir}$CCC rating has several uncertainties about the Obligor in fulfilling its financial obligations, and is highly dependent on changes in business, financial and economic conditions that can support its capability to meet its financial obligations, so there is a possibility of default."

Kredit Rating Indonesia has upgraded the Company Rating to PT PP Properti Tbk to "$_{ir}$CCC"

Kredit Rating Indonesia ("KRI") has raised the Company Rating of PT PP Properti Tbk ("PPRO" or "the Company") to "$_{ir}$CCC" with "Stable" Outlook. This rating reflects the Company's weak ability to fulfill its financial obligation even after following the restructurization process.

PPRO witnessed a downturn in its financial performance, with revenue declining sharply from IDR 983 billion in FY23 to IDR 142 billion by 6M2025. This decline was mirrored in the Company's profitability, as evidenced by a reduction in the Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) Margin from 2.83% in FY23 to -7.61% in FY24 and -11.31% in 1H25. The Company managed to post a positive net income for 1H25 amounting IDR 39.71 billion, but this was largely supported by Other Incomes outside of the Company's core business.

The Debt-to-Equity ratio, a key indicator of leverage was moving into a non-aggressive capital structure territory after the restructurization from 1.43x in FY23 to 3.86x in FY24 and 0.48x in 6M2025. However, such improving capital structure was not followed with the Company's interest payment capacity as proved with the EBITDA/Interest ratio decreasing from 0.03x in FY23 to a precarious -0.04x in FY24 and -0.15x in 1H25, underscoring the challenges PPRO faces in managing its financial obligations amidst fluctuating earnings.

The Company had undergone and executed its asset divestiture plan to help in accommodating its weakening performances, to help its financial condition and impact its ability to repay obligations in the future. The Company also benefits from the support of its majority shareholder, PT PP (Persero) Tbk ("PTPP"), which aids in PPRO's business expansion through shareholder loans and business synergy. The rating can be downgraded if the Company failed to fulfill its financial obligation, however it can be upgraded if the Company managed to improve its performance, which reflected in its EBITDA.

As of June 30, 2025, PPRO's shareholder structure consisted of PT PP (Persero) Tbk, holding a majority stake of 64.96%, followed by public investors with 34.97%, and the Yayasan Kesejahteraan Karyawan PTPP which held a minor stake of 0.07%.

PPRO Financial Result Highlights (Consolidated)

As of/For the years ended	Jun 2025 (Unaudited)	Dec 2024 (Audited)	Dec 2023 (Audited)	Dec 2022 (Audited)
Total Adjusted Assets (IDR, billion)	17,850.35	18,210.26	19,660.84	21,804.99
Total Adjusted Debt (IDR, billion)	4,476.32	6,054.72	3,803.78	9,571.16
Total Adjusted Equity (IDR, billion)	9,249.17	1,568.81	2,656.37	3,984.00
Total Sales (IDR, billion)	142.24	458.51	983.51	1,704.68
EBITDA (IDR, billion)	(16.08)	(34.90)	27.87	231.31
Net Income After MI (IDR, billion)	39.71	(1,091.52)	(1,303.85)	30.43
EBITDA Margin (%)	(11.31)	(7.61)	2.83	13.57
Adjusted Debt/EBITDA (x)	(139.15)	(173.48)	136.47	41.38
Adjusted Debt/Adjusted Equity (x)	0.48	3.86	1.43	2.40
EBITDA/IFCCI (x)	(0.15)	(0.04)	0.03	1.38
FFO/Total Adjusted Debt (x)	(0.03)	(0.15)	(0.25)	0.01
USD Exchange Rate (IDR/USD)	16,233	16,162	15,416	15,731

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