

## PT AB Sinar Mas Multifinance (ABSM)

### Corporate rating

*irA*-/Stable

### Rated Issues

*Obligasi AB Sinar Mas  
Multifinance 2020*

*irA*-

"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."

### Rating Period

April 30, 2021 – May 1, 2022

### Rating History

May 14, 2020 – May 1, 2021

*irA*-

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 affirms '*irA*-' rating to Obligasi AB Sinar Mas Multifinance 2020 amounting to IDR 300 billion.

Kredit Rating Indonesia (KRI) assigns a Corporate Rating of '*irA*-' for PT AB Sinar Mas Multifinance (ABSM or the Company) with "stable" outlook. At the same time, KRI affirms '*irA*-' rating to Obligasi AB Sinar Mas Multifinance 2020 amounting to maximum IDR300 billion. The rating reflects strong support to ABSM from the parent company (PT Sinar Mas Multiartha Tbk – SMMA) and improved efficiency in 2020.

KRI views that ABSM rating is a reflection of commitment from its majority shareholder, SMMA (*irAA*), to provide operational support to ABSM. The Company distributed most of its financing to SMMA's affiliates in the last 4 years.

As of FY 2020, Operational profit to Average Asset profits increased in 2020 to 6.2% from 2.9% in the previous year due to a significant increase in net interest revenue. Net interest revenue in 2020 increased to IDR87.7 billion from IDR55.3 billion in the previous year.

ABSM's rating is sensitive to the ability to improve efficiency and propensity of SMMA to support the company.

**ABSM Financial Results Highlights**

As of/For the year ended	Dec 20 (Unaudited)	Dec 19 (Audited)	Dec 18 (Audited)	Dec 17 (Audited)	Dec 16 (Audited)
Total Assets (IDR bn)	847.09	789.05	917.93	1071.59	292.00
Total Debt (IDR bn)	353.62	325.60	473.72	552.78	38.38
Total Equity (IDR bn)	468.75	451.95	436.44	413.12	244.64
Net Interest Revenue (IDR bn)	87.72	55.29	63.84	53.53	138.06
Net Income (IDR bn)	36.01	15.38	17.87	25.76	27.87
Debt to Equity Ratio (x)	0.75	0.72	1.09	1.34	0.16
Equity/Asset (%)	55.34	57.28	47.55	38.55	83.78
Return On Asset (%)	5.87	1.80	1.80	3.78	6.90
Return On Equity (%)	10.43	3.46	4.21	7.83	8.50
NPF (%)	0.00	0.00	0.00	0.02	0.01

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