

PT MORA TELEMATIKA INDONESIA

Analysts: Ayuningtyas N.P / Martin Pandiangan

Phone/Fax/E-mail: (62-21) 50968469 / 50968468 / ayuningtyas.nur@pefindo.co.id / martin.pandiangan@pefindo.co.id

CREDIT PROFILE

Corporate Rating *idA+/Stable*

Rated Issues

Shelf Registered Sukuk Ijarah I
Phase I Year 2019 Serie A *idA+(sy)*

Rating Period

April 27, 2022 – July 9, 2022

Rating History

MAR 2022 *idA+/Stable*
MAR 2021 *idA/Stable*
MAR 2020 *idA/Stable*
JUN 2019 *idA/Stable*
MAR 2019 *idA/Stable*
MAY 2018 *idA/Stable*
SEP 2017 *idA/Stable*
JUL 2017 *idA/Stable*

FINANCIAL HIGHLIGHTS

| As of/for the year ended | Dec-2021 (Audited) | Dec-2020 (Audited) | Dec-2019 (Audited) | Dec-2018 (Audited) |
|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total adjusted assets [IDR bn] | 14,557.9 | 13,394.8 | 12,795.7 | 9,097.6 |
| Total adjusted debt [IDR bn] | 7,896.2 | 8,049.8 | 9,377.6 | 6,462.1 |
| Total adjusted equity [IDR bn] | 4,551.0 | 3,206.7 | 2,192.6 | 1,529.7 |
| Total sales [IDR bn] | 4,180.1 | 3,765.7 | 4,062.4 | 4,663.7 |
| EBITDA [IDR bn] | 2,039.3 | 1,901.4 | 1,526.7 | 1,231.8 |
| Net income after MI [IDR bn] | 578.9 | 578.0 | 591.5 | 504.5 |
| EBITDA margin [%] | 48.9 | 50.5 | 37.6 | 26.4 |
| Adjusted debt/EBITDA [X] | 3.9 | 4.2 | 6.1 | 5.2 |
| Adjusted debt/adjusted equity [X] | 1.7 | 2.5 | 4.3 | 4.2 |
| FFO to adjusted debt [%] | 14.0 | 11.8 | 7.7 | 10.6 |
| EBITDA/IFCCI [X] | 2.5 | 2.2 | 2.1 | 2.3 |
| USD exchange rate [IDR/USD] | 14,269 | 14,105 | 13,901 | 14,481 |

FFO = EBITDA – IFCCI + interest income – current tax expense

EBITDA = operating profit + depreciation expense + amortization expense

IFCCI = gross interest expense + other financial charges + capitalized interest; (FX loss not included)

MI = minority interest

The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.

PT Mora Telematika Indonesia's maturing sukuk ijarah rated "idA+(sy)"

PEFINDO has affirmed its "idA+(sy)" rating for PT Mora Telematika Indonesia (Moratel)'s Shelf-Registered Sukuk Ijarah I Phase I Year 2019 Serie A of IDR347 billion that will mature on July 9, 2022. The Company plans to repay its maturing sukuk ijarah using internal cash. As of December 31, 2021 Moratel had cash and cash equivalent of IDR1.1 trillion, sufficient to cover the maturing sukuk ijarah.

A syariah based financing instrument rated idA(sy) indicates that the issuer's capacity to meet its long-term financial commitments under the syariah financing contract, relative to other Indonesian issuers, is strong. However, it is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated instruments. The plus (+) sign indicates that the rating is relatively strong within its category.

Moratel is a telecommunications infrastructure and service provider. It has international links connecting Jakarta and Singapore, and domestic submarine and inland backbones serving mainly telecommunications operators and wholesale customers. It expanded its enterprise and retail segments by developing its internet service provider (ISP) business to maximize the use of its network under the "Oxygen" brand. Its subsidiaries, PT Palapa Ring Barat and PT Palapa Timur Telematika, were awarded government contracts in 2016 to construct and manage two national priority projects, the Palapa Ring West package and the Palapa Ring East package. The Palapa Ring West package commenced commercial operations in March 2018, while the Palapa Ring East package launched its commercial operations in August 2019. In September 2021, the Company acquired 65% of the share capital of PT Indo Pratama Teleglobal (IPT) that provides Satellite Communication (VSAT) telecommunication connectivity. As of December 31, 2021, its shareholders consisted of PT Candrakarya Multikreasi (45.7% stake), PT Gema Lintas Benua (33.78%), and PT Smart Telecom Tbk (20.51%).

DISCLAIMER

The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.