

PT Sarana Multigriya Finansial (Persero)

Credit Rating(s)

General Obligation	idAAA/Stable
SR Bond VII (New)	idAAA
SR Bond VI	idAAA
SR Bond V	idAAA
SR Bond IV	idAAA
SR Sukuk Musyarakah I (New)	idAAA(sy)
SR Sukuk Mudharabah II	idAAA(sy)

Rating Period

March 31, 2023 – March 01, 2024

Published Rating History

APR 2022	idAAA/Stable
APR 2021	idAAA/Stable
SEP 2020	idAAA/Stable
JUL 2020	idAAA/Stable
SEP 2019	idAAA/Stable
APR 2019	idAAA/Stable

Rating Definition

A debt security rated idAAA has the highest rating assigned by PEFINDO. The obligor's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian obligors, is superior. The suffix (sy) indicates that the rating mandates compliance with Islamic principles.

PEFINDO has assigned its "idAAA" rating to the proposed Shelf-Registration Bond VII PT Sarana Multigriya Finansial (Persero) (SMF) Year 2023 with a maximum amount of IDR19 trillion and "idAAA(sy)" rating to the proposed Shelf-Registration Sukuk Musyarakah I Year 2023 with a maximum amount of IDR4.5 trillion. At the same time, PEFINDO has affirmed the "idAAA" ratings of SMF and its outstanding bonds, as well as its "idAAA(sy)" rating of its outstanding Sukuk. The outlook for the corporate rating is "stable".

The corporate rating reflects SMF's very strong support from the Indonesian government, favorable asset quality, and very strong capitalization and liquidity profiles. However, the rating is still constrained by the slow growth of mortgage loan securitization products.

The rating could be lowered if PEFINDO witnesses any sign of material decrease in government support.

SMF is a state-owned entity that carries a special mission to increase home ownership in Indonesia, through the development of a secondary mortgage market to provide financing to mortgage lenders, such as banks and finance companies. SMF is wholly owned by the government.

Financial Highlights

As of/for the year ended	Dec-2022 (Audited)	Dec-2021 (Audited)	Dec-2020 (Audited)	Dec-2019 (Audited)
Total assets [IDR bn]	32,957.1	33,727.4	32,506.8	26,698.3
Total outstanding loans [IDR bn]	27,251.8	22,723.0	25,023.2	22,311.6
Total equity [IDR bn]	16,320.5	14,020.9	11,429.0	9,348.9
Net interest revenue [IDR bn]	653.8	708.0	811.6	723.1
Net income [IDR bn]	417.7	459.9	469.8	472.9
Cost to income [%]	25.2	24.0	17.3	17.5
Operating profit margin [%]	29.2	26.5	25.4	32.3
ROAA [%]	1.3	1.3	1.7	2.0
NPL/outstanding loans [%]	0.0	0.0	0.0	0.0
Equity/net serviced assets [%]	59.9	61.7	45.7	41.9
Total debt/equity [x]	1.3	1.4	1.8	1.8
Short-term liquidity ratio [%]	385.1	221.1	192.3	102.6
USD exchange rate [USD/IDR]	15,731	14,269	14,105	13,901

*Annualized

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.

Contact Analysts:

reza.firdaus@pefindo.co.id

kreshna.armand@pefindo.co.id

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