

## Adira Dinamika Multi Finance Tbk

### Credit Rating(s)

General Obligation (GO)	idAAA/Stable
SR Bond V	idAAA
SR Sukuk IV	idAAA <sub>(sy)</sub>
SR Bond IV	idAAA
SR Sukuk III	idAAA <sub>(sy)</sub>

### Rated Period

January 2, 2023 – January 1, 2024

### Published Rating History

JAN 2022	idAAA/Stable
JAN 2021	idAAA/Stable
APR 2020	idAAA/Stable
JAN 2020	idAAA/Stable
JAN 2019	idAAA/Stable

### Rating Definition

An obligor rated “idAAA” has the highest rating assigned by PEFINDO. The obligor’s capacity to meet its long-term financial commitment, relative to those of other Indonesian obligors, is superior.

The suffix “sy” means the rating mandates compliance with Islamic principles.

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PEFINDO has affirmed its “idAAA” ratings for PT Adira Dinamika Multi Finance Tbk (Adira Finance) and its outstanding Shelf Registration (SR) Bonds, including maturing SR Bond IV Phase II/2018 Series D (IDR162 billion due on March 21, 2023) and SR Bond V Phase III/2022 Series A (IDR620 billion due on April 2, 2023). PEFINDO has also affirmed its “idAAA<sub>(sy)</sub>” ratings for Adira Finance’s outstanding Shelf Registration Sukuk Mudharabah, including maturing SR Sukuk Mudharabah III Phase II/2018 Series C (IDR29 billion due on March 21, 2023) and SR Sukuk Mudharabah IV Phase III/2022 Series A (IDR153 billion due on April 2, 2023). The Company’s readiness to repay its maturing instruments is supported by cash and cash equivalent of IDR1.5 trillion at the end of November 2022 and financing receivable collections of IDR3.0 trillion per month. The outlook for the corporate credit rating is “stable”.

The rating reflects Adira Finance’s very strong support from its ultimate parent MUFG Bank, Ltd (MUFG Bank), very strong market position, well-diversified business portfolio, and very strong capitalization profile. However, the rating is constrained by challenges in improving its operating efficiency. The rating may be lowered if the support from MUFG Bank declines significantly, resulting from Adira Finance’s weakening business position, or if its asset quality and profitability profiles show significant and persistent deterioration.

Established in 1990, Adira Finance provides automotive purchase and multipurpose financing services. As of September 30, 2022 (9M2022), Adira Finance is 92.07% owned by PT Bank Danamon Indonesia Tbk (92.5% owned by MUFG Bank) and 7.93% by the public.

### Financial Highlights

As of/for the year ended	Sep-2022	Dec-2021	Dec-2020	Dec-2019
Consolidated figure	(Unaudited)	(Audited)	(Audited)	(Audited)
Total assets [IDR bn]	24,324.1	23,725.9	29,230.5	35,116.9
Net receivables [IDR bn]	20,596.3	20,238.8	22,852.0	29,915.0
Net service assets [IDR bn]	41,845.2	40,428.8	44,020.1	54,755.7
Total equity [IDR bn]	9,479.0	8,887.0	7,925.3	8,078.8
Net interest revenue [IDR bn]	4,415.6	5,637.9	6,065.2	7,253.0
Net income [IDR bn]	1,146.0	1,212.7	1,025.6	2,108.7
Cost to income [%]	59.8	58.1	53.5	49.0
Operating profit margin [%]	24.9	19.3	16.0	26.0
ROAA (including off-balance) [%]	*3.5	2.7	1.9	3.8
NPR balance / NSA [%]	3.8	4.5	6.7	3.5
Reserves / NSA [%]	3.5	3.4	4.4	2.9
Equity / NSA [%]	22.7	22.0	18.0	14.8
Total debt / equity [x]	1.1	1.2	2.1	2.8
Short-term liquidity ratio [%]	401.7	410.3	368.3	305.2
USD exchange rate [IDR/USD]	15,228	14,253	14,105	13,883

\*) 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.

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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.