

## PT Indomobil Finance Indonesia

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>				
		<b>As of /for the year ended</b>	<b>Dec-2021</b>	<b>Dec-2020</b>	<b>Dec-2019</b>	<b>Dec-2018</b>
			<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
<b>Corporate Rating</b>	<i>idA+/Stable</i>	Total assets [IDR bn]	14,177.9	13,566.4	15,298.5	13,562.9
<b>Rated Issues</b>		Net receivables [IDR bn]	12,517.9	11,896.5	14,880.5	13,039.2
<i>SR Bond IV/2020</i>	<i>idA+</i>	Net service assets [IDR bn]	12,784.1	12,105.4	15,038.9	13,142.4
<i>SR Bond III/2017</i>	<i>idA+</i>	Total equity [IDR Bn]	2,049.0	1,846.2	1,813.8	1,566.6
<b>Rating Period</b>		Net interest revenue [IDR bn]	784.5	980.2	1,093.3	963.3
<i>April 12, 2022 – April 1, 2023</i>		Net income [IDR bn]	114.4	70.0	131.4	114.7
<i>April 12, 2022 – July 7, 2022 for SR Bond III</i>		Cost to income [%]	40.9	39.1	38.1	37.7
<i>Phase I/2017 Series C</i>		Operating profit margin [%]	7.5	3.8	7.3	7.3
<b>Rating History</b>		ROAA [%]	0.8	0.5	0.9	1.0
<i>FEB 2022</i>	<i>idA/Stable</i>	NPR-balance/NSA [%]	2.5	5.2	3.9	3.5
<i>FEB 2021</i>	<i>idA/Stable</i>	Reserves/NSA [%]	2.1	1.7	1.1	0.8
<i>FEB 2020</i>	<i>idA/Stable</i>	Equity/NSA [%]	16.0	15.3	12.1	11.9
<i>MAR 2019</i>	<i>idA/Stable</i>	Total debt/equity [x]	5.6	5.9	7.0	7.2
<i>SEP 2018</i>	<i>idA/Stable</i>	Short-term liquidity ratio [%]	120.4	115.0	120.1	99.3
<i>FEB 2017</i>	<i>idA/Stable</i>	USD exchange rate [IDR/USD]	14,269	14,481	13,548	13,436

ROAA=return on average assets (including off-balance); NPR=non-performing receivables; NSA=net service assets.  
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.

### Indomobil Finance rating raised to "idA+"

PEFINDO has raised the ratings for PT Indomobil Finance Indonesia (Indomobil Finance) and its outstanding shelf registration bonds to "idA+" from "idA". The ratings action primarily reflects our reassessment on the strong likelihood of extraordinary support from Salim Group as the ultimate parent company of Indomobil Finance, considering its status as a strategically important subsidiary by acting as the preferred financing arm for automotive brands under Indomobil Group. Being part of Salim Group has provided the needed financial flexibility to get through unfavorable periods such as pandemic-ridden year in 2020-2021 and a number of various economic downcycle in prior years. The support is also reflected from the past capital injections from the Group to ensure Indomobil Finance in compliant with the creditors' covenant, such as when its debt-to-equity ratio has elevated to certain level. We are of the view that Salim Group has the capacity to provide extraordinary support, underpinned by the Group's net worth of USD8.5 billion as of year 2021 and its diversified businesses in food, agribusiness, property, automotive, financial services, and infrastructure sectors, to name a few.

The Company's readiness to pay its maturing Shelf Registration Bond III Phase I/2017 Series C of IDR65 billion due on July 7, 2022 is supported by cash and cash equivalent of IDR1.0 trillion, monthly collection of IDR692 billion and unused credit facility of IDR3.4 trillion as of December 2021. The outlook for the corporate rating is "stable".

An obligor rated idA has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors. The plus (+) sign indicates that the rating is relatively strong within its category.

The corporate rating reflects strong likelihood of support from Salim Group, strong asset-liability management profile, and well-diversified business portfolio. The rating is constrained by its moderate profitability measures and tight competition in the industry.

The rating may be raised if Indomobil Finance can strengthen its financial indicators substantially and on a consistent basis, while at the same time maintains its overall business profile. The rating may be under pressure if its business position weakens substantially and consistently, resulting in its profitability indicators deteriorates significantly. We may also consider a rating change following substantial alteration on the Group's capacity or its support likelihood to Indomobil Finance.

Indomobil Finance is the financing arm of the Indomobil Group, a leading automotive group in Indonesia part of Salim Group that holds distribution licenses for a number of global car manufacturers, as well as other automotive-related businesses, including after sales service, vehicle assembly, component manufacturing, and spare parts distribution. As of December 31, 2021, it was owned by PT Indomobil Multi Jasa Tbk (99.909%) and PT IMG Sejahtera Langgeng (0.091%).

**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*