

PT Bintang Oto Global Tbk

Company rating *ir*BBB+/Stable

Rated Issues

MTN Bintang Oto Global Tahun 2021 *ir*BBB+

Rating Period

July 31 2023 – August 1, 2024

Rating History

July, 2022 *ir*BBB+

August, 2021 *ir*BBB+

February, 2021 *ir*BBB+

"Debt Securities with *ir*BBB rating have an adequate level of certainty to honor its financial obligations. However, this certainty is more likely to diminish in the future than with the higher rating categories".

The positive sign (+) indicates that the rating given is closer to the rating scale above it.

Kredit Rating Indonesia affirms '*ir*BBB+' rating to MTN Bintang Oto Global Tahun 2021 amounting to IDR500 Bn

Kredit Rating Indonesia (KRI) affirms a Company Rating of '*ir*BBB+' for PT Bintang Oto Global Tbk ("BOGA" or the "Company") with a 'Stable' outlook. At the same time, KRI affirms '*ir*BBB+' rating to BOGA's MTN Bintang Oto Global Tahun 2021 totaling IDR500 Bn.

The above ratings reflect the Company's diversified revenue streams and moderate capital structure. However, the ratings are constrained by the Company's limited national market share as one of Honda cars distributors.

BOGA has more diversified revenue streams than its peer as its revenue comes from car sales (88.8%), service and spare parts (6.8%), operational leases (3.3%) and incentives (1.1%) in 2022. Furthermore, we are of the view that BOGA still has a good level of capitalization, shown by the Debt-to-Equity Ratio (DER) of 0.6x as of December 31, 2022 and March 31, 2023.

However, the Company's ratings are still constrained by its limited market share with only 2.66% and 2.59% of national Honda car sales in 2021 and 2022, respectively. On the other hand, the Company faces challenges to expand its business by entering the rental of commercial cars to serve one of the logistics companies in Indonesia using the fund from issuance of medium-term notes. In terms of back up plan related to business expansion, BOGA plans to widen its branch or to open new branch.

The ratings can be increased if BOGA manages to secure better market position and proves its capabilities in the commercial car rental business. On the other hand, the ratings could be lowered if the Company finances its expansion plan with debt that is substantially larger than projected, without being compensated by improving business performance.

Established in 2011, BOGA is a national car dealer company, especially Honda. The Company's shareholder ownership as of March 31, 2023, was PT Sinar Solusindo Sejahtera (29.5%), and public (70.5%).

BOGA Financial Results Highlights (Consolidated)

As of/For the year ended	Mar 2023 (Unaudited)	Dec 2022 (Audited)	Dec 2021 (Audited)	Dec 2020 (Audited)
Total Adjusted Assets (IDR, Bn)	966.9	895.6	804.5	585.9
Total Adjusted Debt (IDR, Bn)	291.6	269.8	258.5	69.8
Total Adjusted Equity (IDR, Bn)	477.8	470.2	455.5	427.9
Total Sales (IDR, Bn)	222.9	733.7	556.3	478.0
Net Income (IDR, Bn)	7.6	14.8	27.7	14.6
EBITDA (IDR, Bn)	4.6	28.5	27.9	19.7
EBIT Margin (%)	2.1	3.9	5.0	1.3
EBITDA/Adjusted Debt (x)	0.1	0.1	0.1	0.3
Adjusted Debt/Adjusted Equity (x)	0.6	0.6	0.6	0.2
FFO/Adjusted Debt (%)	-0.4	0.1	0.1	-0.4
EBITDA/IFCCI (x)	0.7	1.4	9.6	3.3
USD Exchange Rate (IDR/USD)	15,062	15,731	14,269	14,105

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