

PT Global Mediacom Tbk

Bond Report

May, 2022

Securing a sustainable growth

New issuance of BMTR's Shelf Registered Bond III Year 2022 Phase I and Shelf Registered Sukuk Ijarah III Year 2022 Phase I.

PT Global Mediacom Tbk (BMTR) is issuing conventional bonds with a principal amount of Rp700bn and sukuk ijarah of Rp500bn. The conventional bonds are guaranteed by a special guarantee in the form of a pledge on the shares of the subsidiary, namely PT MNC Digital Entertainment Tbk (MSIN) of at least 125% of the principal value. The sukuk ijarah is also guaranteed by a special guarantee in the form of a pledge for the company's shares in MSIN at least 125% of the remaining value of the ijarah returns. The proceeds from the bonds' public offering will be used entirely for partially refinancing the maturing Shelf Registered Bond I Year 2017 Phase I Series A. For the proceeds from the sukuk ijarah public offering, a total of Rp213.05bn will be used for the repayment of Shelf Registered Sukuk Ijarah I Year 2017 Phase I Series A. The remaining Rp286.95bn will be used for working capital. The bonds and sukuk ijarah are rated idA+ and idA+sy by Pefindo credit rating.

Maintain leading position with sound profitability. BMTR recorded positive earnings growth in FY21 with total revenue rising by +15.9% YoY to Rp13.98trn. Meanwhile, net profit grew at a double-digit growth of +52.2% YoY to reach Rp1.39trn with a higher net profit margin of 9.9% from 7.6% in FY20. Significant improvement in the financial performance was supported by commanding FTA ad spend share of 48.5% in FY21 with a comfortable lead against Emtek Group as the closest competitor at only 25.7%. The company is also able to capture the gradual recovery of advertising spending in Indonesia which grew by 13% YoY to Rp259trn last year and is expected to continue to increase above ~14% YoY for FY22F. Potential revenue growth from higher ad spend coupled with dominant market share, as well as the MNC's group integrated business model, should bode well for the company to keep its EBITDA margin at a superior level of more than 37% annually.

Improving the capital structure. In FY21, BMTR's total debt decreased by -11.5% YoY to Rp8.29trn. As a result, its total debt to EBITDA also decreases to 1.57x from 2.04x in FY20. The interest coverage improved to 4.70x in FY21 from 3.51x in FY20. We are optimistic that BMTR can manage its credit metrics. Considering its strong cash position of Rp1.36trn, and operating cash flow at above Rp4.0trn in the last 5 years, excluding the pandemic period, these should improve BMTR's leverage and support its ability to pay its financial obligations.

Year to	Revenue	OP	NP	EPS	BPS	PER	PBV	ROE
Dec.	(Bn Rp)	(Bn Rp)	(Bn Rp)	(Rp)	(Rp)	(x)	(x)	(%)
2017	10,829	2,848	494	36	1,020	16.5	0.6	7.5%
2018	11,695	3,231	827	60	1,033	4.1	0.2	9.5%
2019	12,937	3,706	1,404	95	1,171	3.7	0.3	14.6%
2020	12,064	3,269	913	59	1,351	4.9	0.2	9.4%
2021	13,977	3,886	1,389	85	1,502	3.1	0.2	10.8%

Source: Company, Shinhan Sekuritas Indonesia

Major Shareholders:	
PT MNC Investama Tbk	45.75%
Public	47.80%

Indonesia Sovereign Rating	
S&P	BBB/Stable
Moody's	Baa2/Stable
Fitch	BBB/Stable

Corporate Rating	
Pefindo	idA+/Stable

Bonds Offering	
Shelf Registered Bond III	
Global Mediacom Phase I 2022	
Principal Amount : Rp 700,000,000,000	
Shelf Registered Sukuk Ijarah III	
Global Mediacom Phase I 2022	
Principal Amount : Rp 500,000,000,000	

Rated Issues	
idA+ (single A plus)	
idA+sy (single A plus Syariah)	

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Business Profile

The largest integrated media group in Indonesia. Established in June 30, 1981 and listed on the Indonesia Stock Exchange (IDX) since 1995, BMTR is the largest and one of the leading integrated media groups in Indonesia. The company is supported by two main business lines that generates the largest revenue contribution, namely advertising based media and content by PT Media Nusantara Citra Tbk (MNCN), which also includes content and digital entertainment by PT MNC Digital Entertainment Tbk (MSIN), and subscriber-based media and broadband managed by PT MNC Vision Networks Tbk (IPTV). Currently, 68.8% of BMTR’s revenues are generated by advertising and content, followed by Pay TV and broadband which contributed 26.8%, and others that contribute 4.4%. BMTR has a very long track record and strong reputation in delivering high quality programs and content. It also has a solid position as a market leader in the country’s media industry. Furthermore, as a public company with access to the capital and bond market, as well as strong MNC Group integrated business, the company’s financial flexibility is strong, in our view.

Proven track record and the group’s integrated business to provide financial flexibility

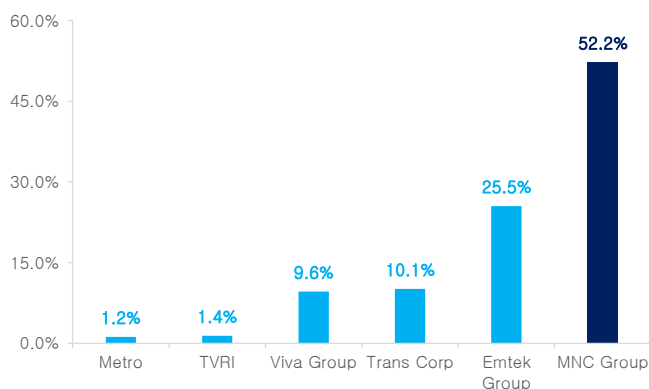
FTA market leader with strong content. BMTR holds a 52.67% stake in MNCN and 60.67% stake in IPTV, while MNCN holds a 72.57% stake in MSIN. MNCN is the leading FTA TV broadcaster in Indonesia combined with a prime-time audience share of 52.2% in FY21 for its 4 channels, a huge lead from SCMA with 25.5% in the second place. It manages 4 Free-To-Air TVs (RCTI, MNCTV, GTV, and iNewsTV) that delivers high rating and audience share. It focuses on family-driven programs to maximize the monetization of ads in-between program breaks. Moreover, the high in-house production allowed the company to gain more non-time consumer ads, as 80% of content broadcasted is local content and 99% of it is produced in-house. In terms of content production, it produces +20,000 hours of fresh content annually and owns more than >300,000 hours of content library. The content production market share reached 56.5% for Animation, 48% for reality programs, 37% for drama series, and 31% for infotainment.

Major advantage in terms of FTA TV audience share and content share in multiple genres

Dominant operator in a low penetrated market. IPTV provides DTH-based Pay TV services through MNC Vision as the post-paid Pay TV with 1.6 million subscribers which represents 90% market share to capture massive market opportunity across the country. Subscriber’s growth will be focused on reaching broader segments in tier-2 and tier-3 cities which represents 70% of total households in Indonesia and local cable operator acquisitions to expand DTH market share. For the pre-paid Pay TV, there is K-Vision which managed to acquire 6,000-10,000 new subscribers on a daily basis with more than 8.65 million subscribers as of November 2021. Furthermore, the company provides fixed broadband and IPTV through MNC Play which is the 3rd largest operator with close to 1.5 million home passes and 309,000 subscribers since its inception in 2015.

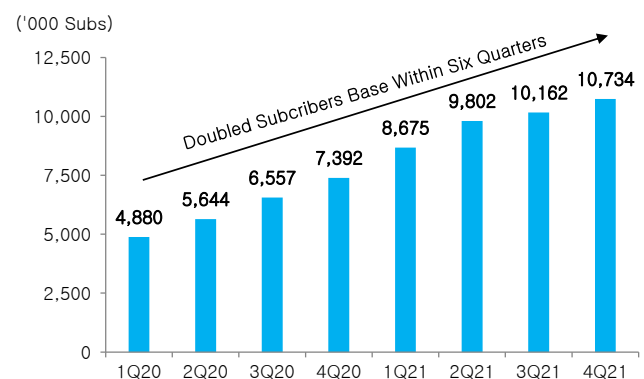
Ample room for growth in Indonesia’s relatively low penetration of fixed broadband (2019: 14%) and Pay TV/IPTV (2020: 13%) of the total households

Audience Share (Prime Time – FTA TV) 2021 Avg.



Source: Nielsen, Shinhan Sekuritas Indonesia

Subscribers Growth (DTH, Broadband, & IPTV)



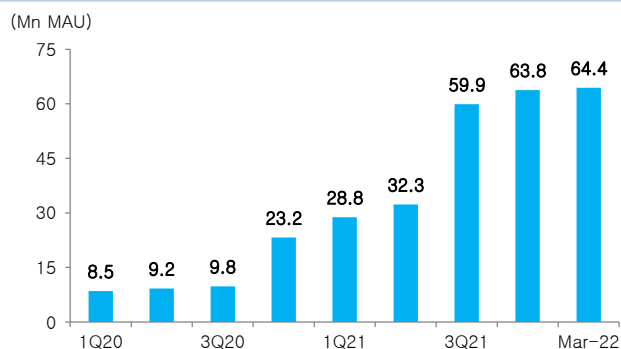
Source: Company, Shinhan Sekuritas Indonesia

Securing future growth in the digital era. The consolidation of BMTR's digital assets into one entity with MSIN as the vehicle is expected to create the biggest digital entertainment group in Indonesia. The strategic step includes the injection of Indonesia's biggest AVOD super app RCTI+ and SVOD OTT Vision+, as well as online portals. The positioning of RCTI+ differs from Vision+, as it generates 100% of its revenue from advertising or an advertising-based super app, with monthly active users reaching 64.4 million in 1Q22. The rapid growth was mainly contributed by new compelling content across its 5 major content categories of video, audio, new, music, and UGC./talent search. Recently, RCTI has also pulled back its linear viewing rights from third-party OTT or streaming services platforms and is now available exclusively only on RCTI+ and Vision+. This will serve as the catalyst going forward to capture traditional TV viewers onto digital platforms, as the AVOD platform's revenue is estimated to dominate Indonesia's digital advertising market share in the short to medium terms. According to MPA, RCTI+ is set to grab a significant share from other established players' markets by capturing 18% of the overall advertising market in Indonesia by 2024 from the current market share of 11% in 2021.

Solidify its presence in the OTT market through the rapid growth of RCTI+ (Mar-22: 64.4mn) and Vision+ (4Q21: 2.08mn) monthly active users and subscribers, respectively

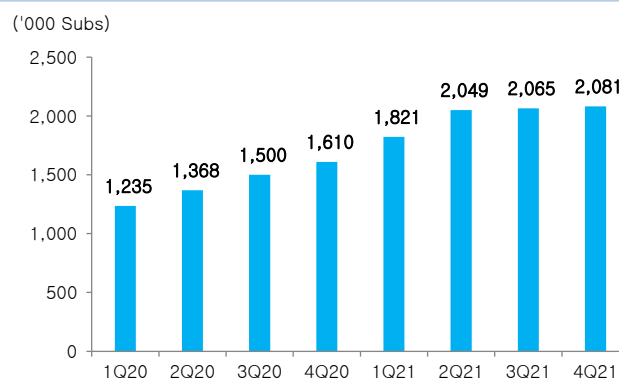
The presence of Vision+ is also expected to benefit the company as it is the fastest-growing SVOD OTT platform in Indonesia that offered the widest and strongest local content in the market, which is able to generate 2 million paid subscribers, 47.5 million MAU, and 7 million registered users as of October 2021. Vision+ also has a partnership with Migo to accelerate its content last-mile distribution and giving low cost, ads free access to non-broadband connected audiences across Indonesia. This collaboration is expected to be a catalyst for subscribers' growth of Vision+ moving forward.

RCTI+ Monthly Active User



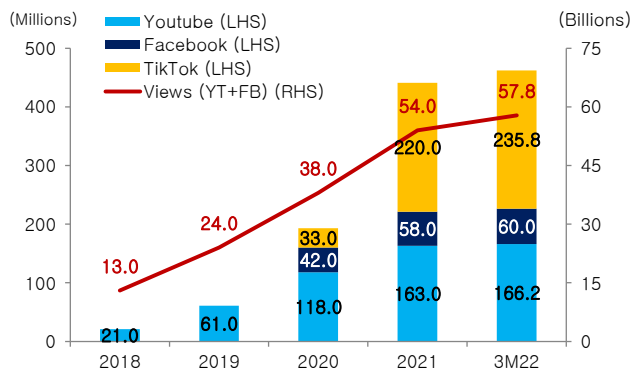
Source: Company, Shinhan Sekuritas Indonesia

Vision+ Subscriber Growth



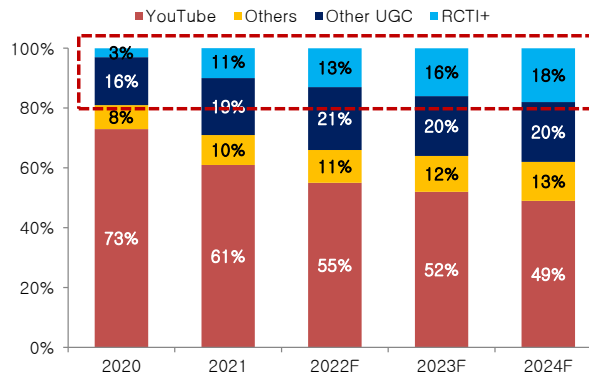
Source: Company, Shinhan Sekuritas Indonesia

BMTR social media presence



Source: Company, Shinhan Sekuritas Indonesia

Indonesia AVOD Revenue Market Share



Source: MPA, Shinhan Sekuritas Indonesia

The other injection consists of online portals namely, okezone.com (general and news portal), sindonews.com (in-depth information/news), iNews.id (information and news mainly derived from local and regional sources), idxchannel.com (economy, business, finance, and capital market), celebrities.id (information and news on celebrity personalities and lifestyle), sportstars.id (domestic and international sports news, as well as sporting personalities news), and lastly, BuddyKu which has just been released to the Indonesian market as an AI-based news app, where its content is curated via AI from MSIN online portals, other publishers, and content generated by users which is delivered to users based on personalization and preferred interest profiles. The online portals has gained a collective monthly active user of around 80 million. Following this consolidation, MSIN will serve as a fully integrated and the largest digital entertainment group, also with a higher social media traffic generator. The company's YouTube channels have garnered over 166 million subscribers and 53 billion views. Moreover, the multi-channel network unit also recorded positive and outstanding results as gained 88 million subscribers and 12 billion views. The monetization of its social media channels also added a new revenue stream through Facebook (established in July 2020) and TikTok (established in September 2020), both platforms having huge bases of followers, wherein it reached 60 million with 4.6 billion views, and 236 million followers, respectively.

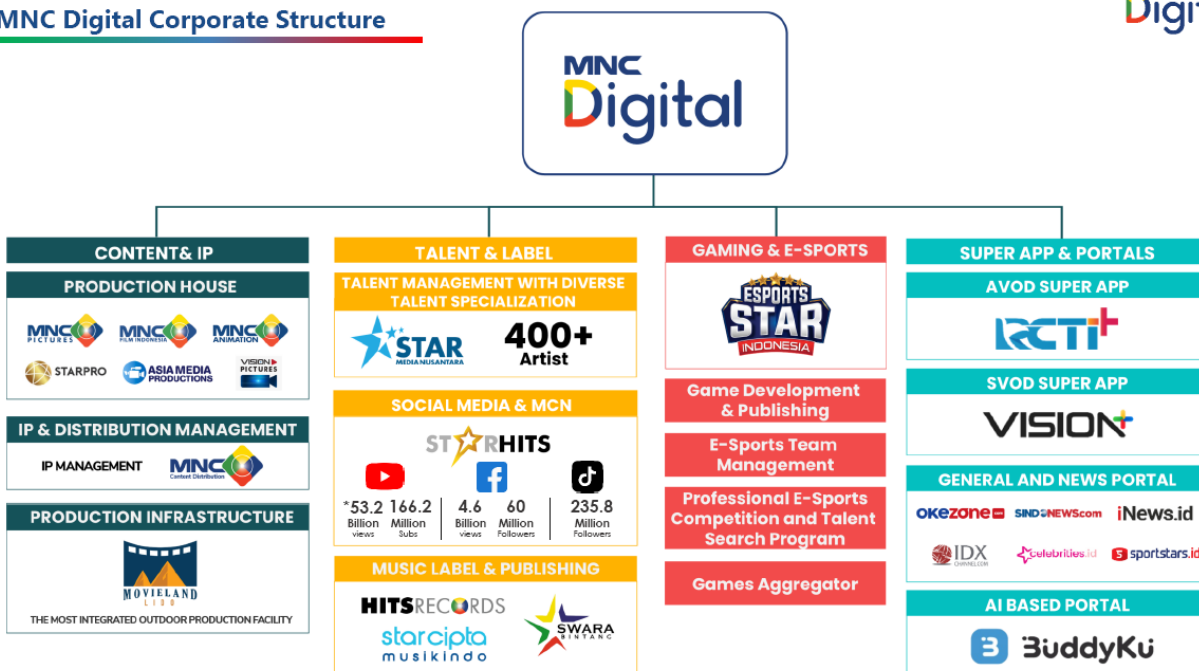
Monetized the social media channels with high traffic generator as a new revenue stream

We see that the transformation in this digital media consolidation will benefit the company and increase its ability in capturing business opportunities in various digital media. Currently, TV remains to be the prominent media, but digital advertising is expected to be the growth driver in the long run. This is in line with the digital economy in Indonesia that is expected to expand along with growing e-commerce, and online media, including games, music, and OTT subscription services. Moreover, according to Media Partners Asia, digital media market share is projected to increase from 37% in 2020 to 51% YoY in 2024F. In terms of amount, the digital media is estimated to increase by 19% CAGR 2020 2024 from USD 840 million to USD 1,676 million.

Capturing the growth of digital media with a potential 51% share of the total media in 2024F.

MNC Digital Corporate Structure

MNC Digital Corporate Structure



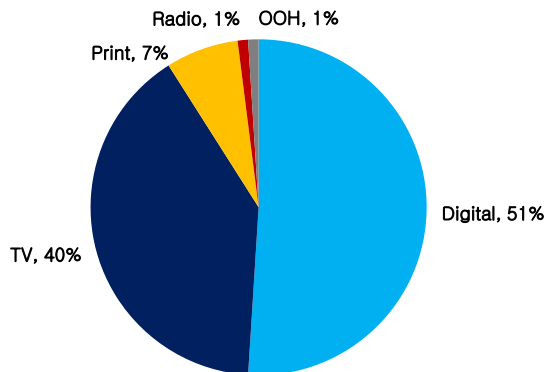
Source: Company

Industry Outlook

The momentum of recovery. Given advertising as the bulk of BMTR's revenue with a 65.8% contribution to total revenue in FY21, we are of the view that the uptrend of advertising spending in Indonesia will translate to higher revenue performance. According to Nielsen, Indonesia's advertising spending in FY21 rose by +13.1% YoY to Rp259trn and is estimated to accelerate in FY22 with an estimated growth of 14.0% YoY to reach Rp295trn. In the midst of lingering risk from the spread of Covid-19 cases in the country, the advertising spending was still able to book a positive growth despite lower advertising expenses from FMCGs. We suggest that this growth was sourced from Indonesian e-commerce advertising activities during the pandemic. Meanwhile, the FMCGs advertising expenses begin to gain traction in 3Q21 which is reflected in the advertising expenses of Indonesia's consumer goods giants such as UNVR, INDF, MYOR, and KLBF. The recovery should have a positive impact on BMTR's non-digital revenue which in 2021 remain resilient with revenue of Rp7.18trn (+10.3% YoY). Meanwhile, Media Partners Asia projected that the digital media to dominate the all media market share by 2024F with 51% or exceeding the TV market share of 40%. Digital media is expected to be the next wave of growth as the Covid-19 pandemic situation trigger and accelerates technology adoption. Currently, the digital revenue contribution to BMTR's total revenue still stood at 14.4% in FY21. However, the digital growth is always recorded higher than the non-digital revenue since 2018.

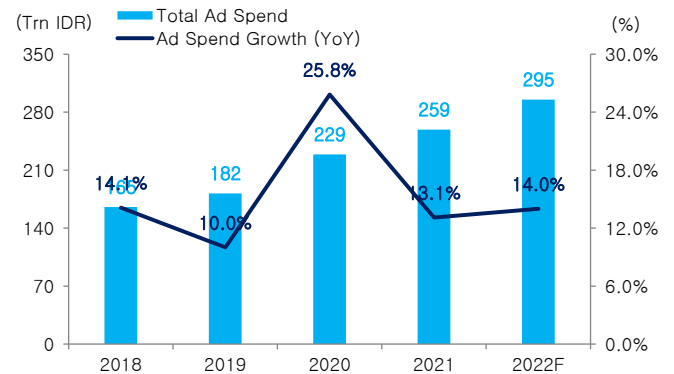
Advertising spending remain resilient while FMCG's advertising expenses began to pick up

Market Share All Media in 2024F



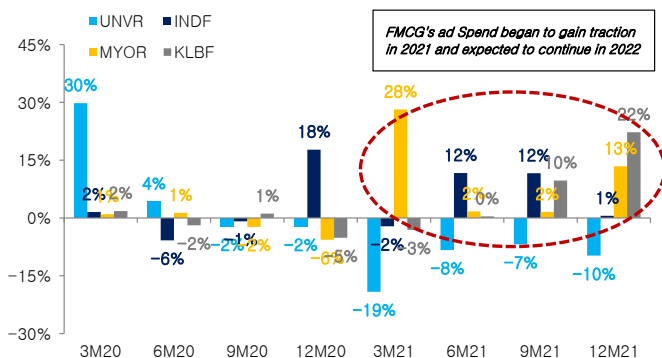
Source: Media Partners Asia

Indonesia Advertising Spending



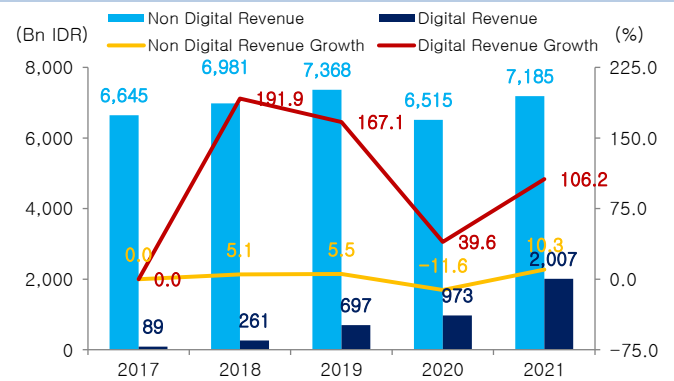
Source: Nielsen, Shinhan Sekuritas Indonesia

FMCG's Advertising Expenses Growth (YoY)



Source: Company, Shinhan Sekuritas Indonesia

BMTR Digital and Non-Digital Revenue



Source: Company, Shinhan Sekuritas Indonesia

Financial Profile

Double-digit top-line growth. BMTR managed to book Rp13.98trn of revenue in FY21, increased by +15.9% YoY. The media sector was gradually recovering from the Covid-19 pandemic's impact on the economy, resulting in the company's advertising revenue increasing by +65.8% YoY to Rp9.19trn. Non-digital advertising revenue was up +10.3% YoY to Rp7.18trn, while digital revenue increased +106.2% YoY to Rp2.01trn due to the acceleration of digital technology adaption. The positive growth in non-digital advertising was in line with the significant increase in the overall national advertising expenditure on the back of the reopening of the economy, which grew by +13.1% YoY to Rp295trn, continuing the uptrend after experiencing a growth of +25.8% in FY20. Furthermore, early signs in 2022 for the advertising market are showing a positive trend as the industry is estimated to increase by +14.0% YoY. Meanwhile, BMTR also booked a significant increase in its advertising market share for FTA TV/non-digital. The company's share of FTA TV viewers reached 48.5% in FY21. Moreover, the company continued to record a strong collective audience share for the year at 52.2% in the Prime Time belt and 44.8% in the Non-Prime Time belt, the highest amongst all FTA TV groups in Indonesia.

Improving economic condition and strong program ratings driven the robust top-line performance

Content is king. Revenue from content stood at Rp1.57trn in FY21, increased +11.2% YoY supported by the content generated for its 4 FTA televisions. Along with the positive trend, the media sector's content performance remained strong on the back of in-house drama production and special programming lineups. Including the record-breaking drama series "Ikatan Cinta" which continued to top the charts. The company produces an average of +20,000 hours of new content in a year, managing library with >300,000 hours of content, and leads production market share for various programs, including 37% of drama series. Meanwhile, in Pay TV media and broadband business, the revenue grew by +26.8% YoY to Rp3.74trn.

Rich content for its 4 FTA TV with high-quality production to top the program charts

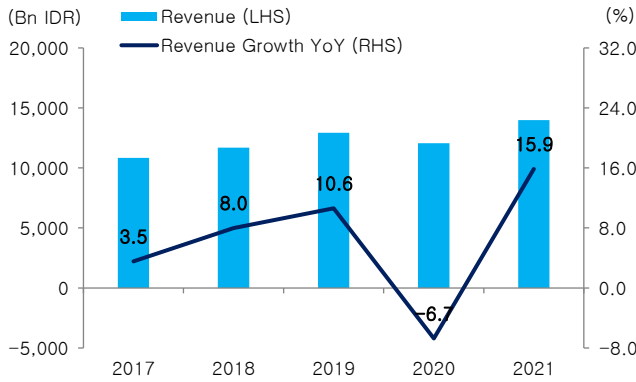
Earnings growth bounce back to positive. Amid the efficiency of cost and strong revenue generation, the company was able to turn around the net profit decline of -35.0% YoY in FY20 to a net profit of +52.2% YoY to Rp1.39trn in FY21. The net profit margin was improved from 7.6% in FY20 to 9.9% in FY21. The increase in revenue was offset by higher direct cost which was up by +19.5% YoY to Rp7.39trn and the increase in operating expenses by +3.4% YoY to Rp2.69trn. This brings gross profit to Rp6.58trn or grew by +47.1% YoY while the operating profit margin was higher to 27.8% from 27.1%. On the other hand, its EBITDA margin declined to 37.9% from 38.1%. Going forward, profitability is expected to improve in line with more efficient operations and shares of resources. BMTR produces movie and drama content internally through its own production house under PT MNC Pictures, its talent management unit, and integrated studio operating, which can further cut its operating time and expenses, particularly for studio and equipment rental. The internal production house can also increase its profitability through additional revenue from non-time consumer advertisements.

Higher profitability and cost efficiency leads to a jump in the net profit growth

Refinancing maturing bonds to maintain its debt level. BMTR has gradually reduced its total debt for the past three years. The company's financial leverage is decreasing, as reflected by the total debt to EBITDA ratio of 1.57x at the end of 2021, mainly due to lower debt by -11.5% to Rp8.29trn, while EBITDA was recorded higher by +15.0% YoY to Rp5.29trn. We are of the view that BMTR's debt level is moderate as reflected in the debt to equity ratio that stood at 0.42x in 2021 or lower compared to 0.55x in 2019. Meanwhile, BMTR's customers make a faster payment resulting in lower receivable days of 88 days, while maintaining shorter payment terms to its suppliers, as reflected in its payable days of 22 in 2021. Hence, it may lead to higher working capital requirements going forward. Moreover, BMTR is also to maintain its debt level through the refinancing of its maturing bond and sukuk this year, by proceeds from the issuance of new debt instruments.

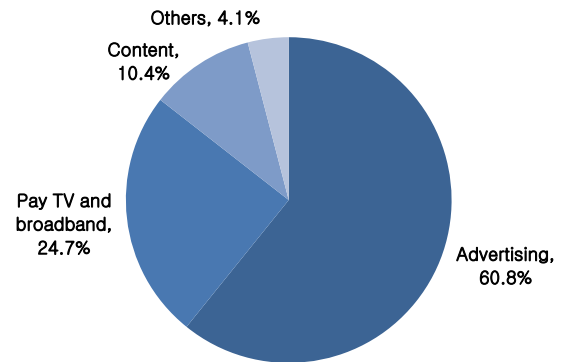
Healthy balance sheet position in line with deleveraging efforts in the recent years

BMTR Revenue Trend



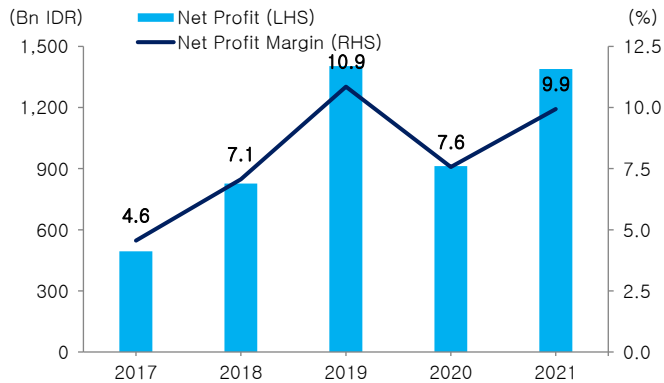
Source: Company, Shinhan Sekuritas Indonesia

FY21 Revenue Breakdown



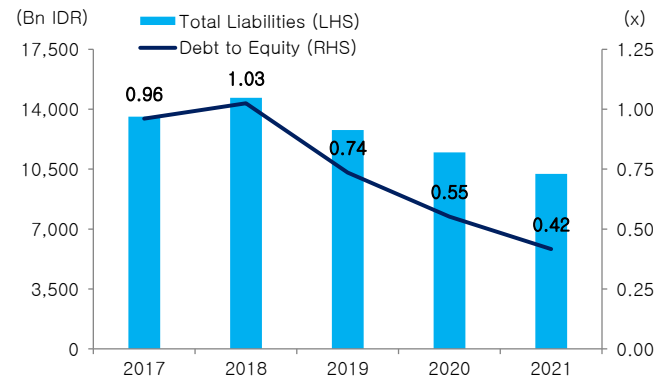
Source: Company, Shinhan Sekuritas Indonesia

BMTR Net Profit Trend



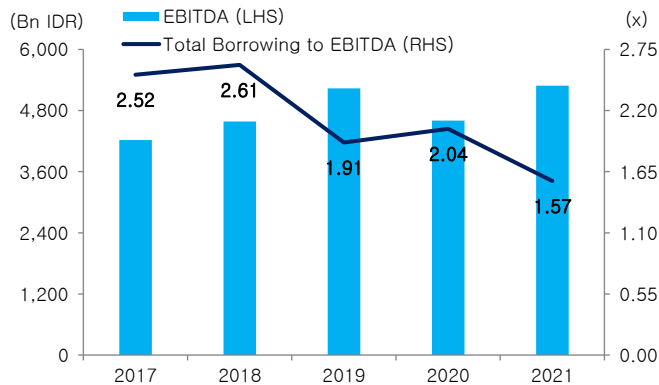
Source: Company, Shinhan Sekuritas Indonesia

Debt to Equity Ratio



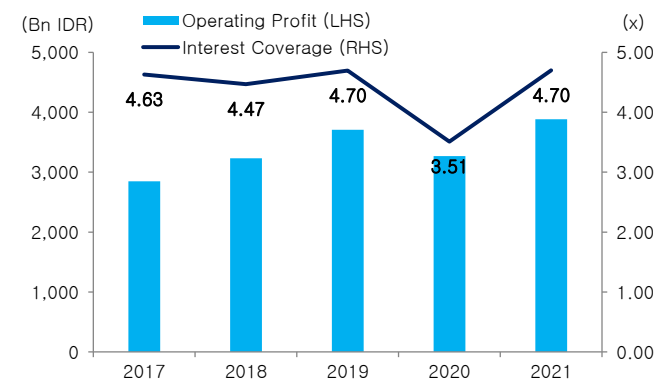
Source: Company, Shinhan Sekuritas Indonesia

Total borrowing to EBITDA



Source: Company, Shinhan Sekuritas Indonesia

Interest Coverage Ratio



Source: Company, Shinhan Sekuritas Indonesia

Bonds Profile

The new bonds issuance is offering indicative coupons at 8.00%-8.50% for 1-year tenor, 9.50%-10.00% for 3-years tenor, and 10.50%-11.00% for 5-years tenor or implying a risk premium of 301 bps-351 bps, 301 bps-351 bps, and 361 bps-411 bps respectively above the current risk-free rate. Looking at the average idA+ rated category that is trading at an average risk premium of 236bps, thus the coupon that is offered is higher than the current average risk premium, justify by robust earnings performance, superior profitability, and leading position in the market, as well as deleveraging efforts. We are of the view that the issuance of the bonds and sukuk ijarah is carried out at the right momentum in the midst of still low interest rates so that it will not burden the company's financial performance in the future. Therefore, the bonds and sukuk ijarah issued by the company is attractive to be used as a means of investment and portfolio diversification.

Risk premium comparison

Tenor	Name	Maturity	Coupon (%)	Yield (%)	BMTR's Indicative Coupon (%)	Spread (bps)	Avg. Spread idA+ rated bond
1	FR0063	15-May-23	5.625	4.990	8.00-8.50	301-351	168.417
3	FR0081	15-Jun-25	6.500	6.490	9.50-10.00	301-351	268.548
5	FR0090	15-Apr-27	5.125	6.890	10.50-11.00	361-411	271.752
Average							236.239

Source: PHEI, Bloomberg Shinhan Sekuritas Indonesia

BMTR's Outstanding Bonds

No	Name	Rating	Nominal (Rp Million)	Tenor	Interest Rate/Installment Payment (Annually)	Maturity	Total Nilai Efek yang Terutang (Rp juta)
1	Obligasi Berkelanjutan II Tahap II Tahun 2021 Seri A	idA	669.04	1 tahun	9,4%	24-Sep-22	669.04
2	Sukuk Ijarah Berkelanjutan II Tahap II Tahun 2021 Seri A	idA(sy)	293.45	1 tahun	Rp27,584,300,000	24-Sep-22	293.45
3	Obligasi Berkelanjutan II Global Mediacom Tahap I Tahun 2020 Seri B	idA	367.5	3 tahun	11,25%	11-Sep-20	367.5
4	Sukuk Ijarah Berkelanjutan III Global Mediacom Tahap I Tahun 2020 Seri B	idA(sy)	1.6	3 tahun	Rp180 juta	11-Sep-20	1.6
5	Obligasi Berkelanjutan II Tahap II Tahun 2021 Seri B	idA	20.405	3 tahun	10,3%	14-Sep-24	20.405
6	Sukuk Ijarah Berkelanjutan II Tahap II Tahun 2021 Seri B	idA(sy)	6.5	3 tahun	Rp669,500,000	14-Sep-24	6.5
7	Obligasi Berkelanjutan I Global Mediacom Tahap I Tahun 2017 Seri A	idA	804.8	5 tahun	11,50%	7 Juli 2022	804.8
8	Sukuk Ijarah Berkelanjutan I Global Mediacom Tahap I Tahun 2017 Seri A	idA(sy)	213.05	5 tahun	Rp12,735 juta	7 Juli 2022	213.05
9	Obligasi Berkelanjutan II Tahap I Tahun 2020 Seri C	idA	1.075	5 tahun	12%	11-Sep-25	1.075
10	Sukuk Ijarah Berkelanjutan II Tahap I Tahun 2020 Seri C	idA(sy)	430	5 tahun	Rp51,600,000	11-Sep-25	430
11	Obligasi Berkelanjutan II Tahap II Tahun 2021 Seri C	idA	10.555	5 tahun	11,0%	14-Sep-26	10.555
12	Sukuk Ijarah Berkelanjutan II Tahap II Tahun 2021 Seri C	idA(sy)	50	5 tahun	Rp5,500,000	14-Sep-26	50
13	Obligasi Berkelanjutan I Global Mediacom Tahap I Tahun 2017 Seri B	idA	6.3	6 tahun	11,75%	7 Juli 2023	6.3
14	Sukuk Ijarah Berkelanjutan I Global Mediacom Tahap I Tahun 2017 Seri B	idA(sy)	14	6 tahun	Rp1,645 juta	7 Juli 2023	14
15	Obligasi Berkelanjutan I Global Mediacom Tahap I Tahun 2017 Seri C	idA	38.9	7 tahun	12,00%	7 Juli 2024	38.9
16	Sukuk Ijarah Berkelanjutan I Global Mediacom Tahap I Tahun 2017 Seri C	idA(sy)	22.95	7 tahun	Rp2,586 juta	7 Juli 2024	22.95
Total			2.470.605				2.470.605

Source: Company, Shinhan Sekuritas Indonesia

Coupon comparison with "A+" rated bonds in the secondary market

No	Company	Maturity	Tenor	Amount Issued (Bn Rupiah)	YTM (%)	Coupon (%)	Rating	Spread
1	Sinar Mas Agro Resources & Technology Tbk PT	29-Oct-22	1	477,000,000,000	4.44	6.00	idA+	159.750
2	Indah Kiat Pulp & Paper Tbk PT	06-Mar-23	1	701,945,000,000	4.17	6.00	idA+	159.750
3	Indah Kiat Pulp & Paper Tbk PT	18-Dec-22	1	796,810,000,000	5.99	6.00	idA+	159.750
4	Indah Kiat Pulp & Paper Tbk PT	10-Oct-22	1	1,500,000,000,000	3.71	6.75	idA+	234.750
5	Indah Kiat Pulp & Paper Tbk PT	18-Dec-22	1	187,195,000,000	5.61	6.00	idA+	159.750
6	Oki Pulp & Paper Mills PT	18-Jul-22	1	1,315,365,000,000	4.89	7.25	idA+	284.750
7	Permodalan Nasional Madani PT	18-Jul-22	1	1,158,000,000,000	4.05	6.00	idA+	159.750
8	Oki Pulp & Paper Mills PT	18-Jul-22	1	700,035,000,000	5.99	7.25	idA+	284.750
9	Indah Kiat Pulp & Paper Tbk PT	06-Mar-23	1	707,975,000,000	5.54	6.00	idA+	159.750
10	Indah Kiat Pulp & Paper Tbk PT	10-Oct-22	1	500,000,000,000	6.00	6.75	idA+	234.750
11	Indomobil Finance Indonesia PT	29-Nov-22	1	1,279,000,000,000	4.29	4.90	idA+	49.750
12	Sinar Mas Agro Resources & Technology Tbk PT	26-Feb-23	1	100,000,000,000	4.58	5.00	idA+	59.750
13	Sinar Mas Agro Resources & Technology Tbk PT	20-Jun-22	1	600,000,000,000	-6.82	6.75	idA+	234.750
14	Oki Pulp & Paper Mills PT	10-Apr-23	1	1,318,645,000,000	2.81	5.75	idA+	134.750
15	Indomobil Finance Indonesia PT	05-Apr-23	1	1,324,375,000,000	4.39	4.90	idA+	49.750
16	Sinar Mas Multifinance PT	11-Feb-24	3	333,500,000,000	7.16	10.50	idA+	469.720
17	Indah Kiat Pulp & Paper Tbk PT	11-Dec-23	3	2,468,445,000,000	4.45	10.00	idA+	419.720
18	Sinar Mas Agro Resources & Technology Tbk PT	19-Feb-24	3	380,000,000,000	5.70	9.00	idA+	319.720
19	Permodalan Nasional Madani PT	04-Dec-23	3	337,000,000,000	3.00	7.75	idA+	194.720
20	Sinar Mas Agro Resources & Technology Tbk PT	03-Apr-23	3	608,500,000,000	7.07	8.50	idA+	269.720
21	Oki Pulp & Paper Mills PT	08-Jul-24	3	234,605,000,000	8.64	9.50	idA+	369.720
22	Jasamarga Pandoan Tol PT	17-Jul-22	3	100,000,000,000	4.95	8.50	idA+	269.720
23	Medco Energi Internasional Tbk PT	23-Nov-24	3	941,805,000,000	5.74	7.75	idA+	194.720
24	Indah Kiat Pulp & Paper Tbk PT	23-Mar-24	3	1,894,625,000,000	6.61	9.50	idA+	369.720
25	Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat PT	29-Dec-24	3	630,000,000,000	6.50	6.45	idA+	64.720
26	Indah Kiat Pulp & Paper Tbk PT	24-Feb-25	3	451,225,000,000	7.86	8.75	idA+	294.720
27	Medco Energi Internasional Tbk PT	20-Feb-23	3	908,700,000,000	5.72	8.90	idA+	309.720
28	Indomobil Finance Indonesia PT	19-Nov-24	3	52,800,000,000	5.70	6.50	idA+	69.720
29	Indah Kiat Pulp & Paper Tbk PT	08-Dec-24	3	304,525,000,000	8.01	8.75	idA+	294.720
30	Oki Pulp & Paper Mills PT	30-Mar-25	3	1,800,535,000,000	8.64	9.00	idA+	319.720
31	Indah Kiat Pulp & Paper Tbk PT	24-Feb-25	3	1,076,520,000,000	8.54	8.75	idA+	294.720
32	Medco Energi Internasional Tbk PT	09-Sep-24	3	400,000,000,000	8.38	7.75	idA+	194.720
33	Sinar Mas Agro Resources & Technology Tbk PT	19-Oct-24	3	1,065,000,000,000	5.56	8.50	idA+	269.720
34	Permodalan Nasional Madani PT	28-Nov-22	3	586,500,000,000	2.89	8.40	idA+	259.720
35	Sinar Mas Agro Resources & Technology Tbk PT	16-Feb-25	3	625,000,000,000	5.65	7.25	idA+	144.720
36	Indomobil Finance Indonesia PT	25-Mar-25	3	382,000,000,000	6.00	6.50	idA+	69.720
37	Oki Pulp & Paper Mills PT	08-Jul-24	3	1,348,345,000,000	7.73	9.50	idA+	369.720
38	Permodalan Nasional Madani PT	28-May-22	3	1,401,000,000,000	9.28	9.50	idA+	369.720
39	Indah Kiat Pulp & Paper Tbk PT	08-Dec-24	3	876,810,000,000	8.54	8.75	idA+	294.720
40	PP Persero Tbk PT	27-Nov-22	3	1,000,000,000,000	3.70	8.25	idA+	244.720
41	Indah Kiat Pulp & Paper Tbk PT	30-Sep-24	3	449,250,000,000	8.61	9.25	idA+	344.720
42	Sinar Mas Agro Resources & Technology Tbk PT	10-Jun-24	3	600,000,000,000	6.48	8.75	idA+	294.720
43	Timah Tbk PT	15-Aug-22	3	387,000,000,000	3.55	8.50	idA+	269.720
44	Summarecon Agung Tbk PT	15-Oct-22	3	500,000,000,000	5.01	9.13	idA+	332.220
45	Permodalan Nasional Madani PT	08-Jul-24	3	515,000,000,000	3.42	7.00	idA+	119.720
46	Permodalan Nasional Madani PT	17-Mar-24	3	159,000,000,000	3.57	7.25	idA+	144.720
47	Indah Kiat Pulp & Paper Tbk PT	30-Sep-24	3	1,050,000,000,000	8.25	9.25	idA+	344.720
48	Oki Pulp & Paper Mills PT	08-Jul-26	5	336,290,000,000	9.06	10.25	idA+	366.960
49	Oki Pulp & Paper Mills PT	08-Jul-26	5	65,360,000,000	9.25	10.25	idA+	366.960
50	Sinar Mas Agro Resources & Technology Tbk PT	03-Apr-25	5	166,500,000,000	6.11	9.00	idA+	241.960
51	Sinar Mas Multifinance PT	11-Feb-26	5	51,000,000,000	7.76	11.50	idA+	491.960
52	Permodalan Nasional Madani PT	17-Mar-26	5	339,200,000,000	4.83	8.25	idA+	166.960
53	Global Mediacom Tbk PT	07-Jul-22	5	804,800,000,000	0.33	11.50	idA+	491.960
54	Medco Energi Internasional Tbk PT	14-Jun-22	5	753,500,000,000	3.92	11.30	idA+	471.960
55	Medco Energi Internasional Tbk PT	29-Mar-23	5	217,500,000,000	5.67	9.15	idA+	256.960
56	Indomobil Finance Indonesia PT	19-Nov-26	5	593,540,000,000	8.79	7.50	idA+	91.960
57	Medco Energi Internasional Tbk PT	09-Sep-26	5	600,000,000,000	6.96	8.50	idA+	191.960
58	Permodalan Nasional Madani PT	13-Apr-23	5	1,246,000,000,000	4.85	8.50	idA+	191.960
59	Medco Energi Internasional Tbk PT	28-Sep-22	5	151,500,000,000	4.02	10.80	idA+	421.960
60	Indomobil Finance Indonesia PT	07-Jul-22	5	65,000,000,000	3.73	9.10	idA+	251.960
61	Indah Kiat Pulp & Paper Tbk PT	11-Dec-25	5	582,715,000,000	8.76	11.00	idA+	441.960
62	Indah Kiat Pulp & Paper Tbk PT	24-Feb-27	5	203,550,000,000	8.97	9.25	idA+	266.960
63	Indah Kiat Pulp & Paper Tbk PT	30-Sep-26	5	50,750,000,000	9.34	10.00	idA+	341.960
64	Medco Energi Internasional Tbk PT	23-Nov-26	5	58,195,000,000	6.52	8.50	idA+	191.960
65	Global Mediacom Tbk PT	07-Jul-22	5	213,050,000,000	4.00	11.50	idA+	491.960
66	Sinar Mas Agro Resources & Technology Tbk PT	16-Feb-27	5	275,000,000,000	6.61	8.25	idA+	166.960
67	Permodalan Nasional Madani PT	12-Jul-22	5	750,000,000,000	2.52	9.25	idA+	266.960
68	Indomobil Finance Indonesia PT	18-May-23	5	50,000,000,000	4.66	8.45	idA+	186.960
69	Lontar Papyrus Pulp & Paper Industry PT	10-Oct-23	5	2,000,000,000,000	6.92	11.00	idA+	441.960
70	Indomobil Finance Indonesia PT	25-Mar-27	5	32,285,000,000	6.77	7.50	idA+	91.960
71	Oki Pulp & Paper Mills PT	30-Mar-27	5	380,820,000,000	9.57	9.75	idA+	316.960
72	Permodalan Nasional Madani PT	08-Jul-26	5	327,000,000,000	4.80	8.00	idA+	141.960
73	Sinar Mas Agro Resources & Technology Tbk PT	19-Oct-26	5	958,000,000,000	6.59	9.00	idA+	241.960
74	Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat PT	29-Dec-26	5	620,000,000,000	7.44	6.95	idA+	36.960
75	Timah Tbk PT	28-Sep-22	5	180,000,000,000	3.23	8.75	idA+	216.960
76	Indah Kiat Pulp & Paper Tbk PT	24-Feb-27	5	108,020,000,000	8.97	9.25	idA+	266.960
77	Sinar Mas Agro Resources & Technology Tbk PT	19-Feb-26	5	220,000,000,000	6.39	9.50	idA+	291.960
78	Medco Energi Internasional Tbk PT	28-Sep-23	5	41,250,000,000	5.45	10.75	idA+	416.960
79	Jakarta Lingkar Barat satu	20-Sep-23	5	425,000,000,000	5.86	10.65	idA+	406.960
80	Indomobil Finance Indonesia PT	15-Feb-23	5	157,000,000,000	3.60	8.15	idA+	156.960
81	Sinar Mas Agro Resources & Technology Tbk PT	10-Jun-26	5	300,000,000,000	6.46	9.25	idA+	266.960
82	Permodalan Nasional Madani PT	04-Dec-25	5	280,000,000,000	4.41	8.75	idA+	216.960
83	Indah Kiat Pulp & Paper Tbk PT	08-Dec-26	5	338,335,000,000	8.94	9.25	idA+	266.960
84	Indah Kiat Pulp & Paper Tbk PT	08-Dec-26	5	247,090,000,000	8.89	9.25	idA+	266.960
85	Bank Pembangunan Daerah Jawa Barat Dan Banten Tbk PT	08-Jun-27	5	399,910,000,000	8.06	7.85	idA+	126.960
86	Indah Kiat Pulp & Paper Tbk PT	30-Sep-26	5	450,000,000,000	8.98	10.00	idA+	341.960
87	PP Persero Tbk PT	06-Jul-23	5	460,000,000,000	6.17	8.50	idA+	191.960
88	Timah Tbk PT	15-Aug-24	5	25,900,000,000	8.72	8.75	idA+	216.960
89	Medco Energi Internasional Tbk PT	20-Feb-25	5	476,300,000,000	6.57	9.30	idA+	271.960
90	Summarecon Agung Tbk PT	15-Oct-24	5	200,000,000,000	5.68	9.50	idA+	291.960
91	Jasamarga Pandoan Tol PT	17-Jul-24	5	685,000,000,000	6.60	9.00	idA+	241.960
92	PP Persero Tbk PT	27-Nov-24	5	250,000,000,000	7.44	8.50	idA+	191.960
93	Permodalan Nasional Madani PT	28-May-24	5	564,000,000,000	3.48	9.85	idA+	326.960
94	Timah Tbk PT	15-Aug-24	5	467,000,000,000	7.10	8.75	idA+	216.960
95	Permodalan Nasional Madani PT	28-Nov-24	5	763,500,000,000	4.18	8.75	idA+	216.960

Source: Bloomberg, Shinhan Sekuritas Indonesia

Income Statement

(Bn Rp)	2017	2018	2019	2020	2021
Revenue	10,829	11,695	12,937	12,064	13,977
Direct Costs	5,547	6,048	6,619	6,185	7,393
Gross Profit	5,283	5,647	6,318	5,879	6,583
EBITDA	4,222	4,587	5,236	4,602	5,291
Operating Expense	2,435	2,416	2,611	2,610	2,697
Operating Profit	2,848	3,231	3,706	3,269	3,886
Pre-Tax Profit	2,026	1,783	2,908	2,224	3,057
Tax Expense (Benefit)	972	431	590	423	606
Net Profit	494	827	1,404	913	1,389
EPS (Rp)	36	60	95	59	85

Source: Company, Shinhan Sekuritas Indonesia

Balance Sheet

(Bn Rp)	2017	2018	2019	2020	2021
Assets					
Cash and Equivalent	767	1,023	826	905	1,365
Receivables	3,381	3,208	3,370	3,668	3,964
Inventories	2,925	3,249	3,212	3,577	3,772
Others	2,312	1,901	1,414	1,710	1,479
Total Current Assets	9,386	9,381	8,822	9,859	10,580
Net Fixed Assets	11,386	12,734	13,556	14,109	14,113
Other Assets	6,923	6,854	7,776	8,293	10,102
Total Assets	27,695	28,968	30,155	32,262	34,796
Liabilities and Equities					
Payables	1,887	1,686	1,751	1,328	1,303
Other Short-Term Liabilities	2,407	5,270	4,685	3,948	6,221
Total Current Liabilities	4,294	6,956	6,436	5,276	7,524
LT. Debt	8,882	7,296	5,875	5,728	2,288
Other Long Term Liabilities	392	414	473	474	417
Total Long-Term Liabilities	9,274	7,710	6,347	6,201	2,706
Total Liabilities	13,568	14,666	12,783	11,477	10,230
Shareholders' Equity	14,126	14,302	17,371	20,784	24,566
BVPS (Rp)	1,020	1,033	1,171	1,351	1,502

Source: Company, Shinhan Sekuritas Indonesia

Cash Flow

(Bn Rp)	2017	2018	2019	2020	2021
CFs from Operation					
Net Profit	494	827	1,404	913	1,389
Change in Working Capital	3,879	3,341	2,584	2,378	2,639
CFs from Operation	4,372	4,168	3,987	3,291	4,029
CFs from Investments	-4,487	-4,093	-3,593	-3,084	-2,301
CFs from Financing	66	181	-592	-127	-1,267
Net Inc./ (Dec.) in Cash	-49	256	-197	79	460
Cash at End Period	767	1,023	826	905	1,365

Source: Company, Shinhan Sekuritas Indonesia

Key Ratio

	2017	2018	2019	2020	2021
Profitability					
Gross Margin	48.8%	48.3%	48.8%	48.7%	47.1%
Operating Margin	26.3%	27.6%	28.7%	27.1%	27.8%
EBITDA Margin	39.0%	39.2%	40.5%	38.1%	37.9%
Net Income Margin	4.6%	7.1%	10.9%	7.6%	9.9%
ROAA	4.0%	4.8%	7.8%	5.8%	7.3%
ROAE	7.5%	9.5%	14.6%	9.4%	10.8%
Growth					
Revenue	3.5%	8.0%	10.6%	-6.7%	15.9%
Operating Profit	39.2%	13.5%	14.7%	-11.8%	18.9%
EBITDA	28.7%	8.6%	14.1%	-12.1%	15.0%
Net Income	142.2%	67.4%	69.8%	-35.0%	52.2%
Solvability					
Current Ratio (x)	2.2	1.3	1.4	1.9	1.4
Quick Ratio (x)	1.2	0.7	0.7	0.9	0.8
Total Borrowing to EBITDA (x)	2.5	2.6	1.9	2.0	1.6
Interest Coverage (x)	4.6	4.5	4.7	3.5	4.7

Source: Company, Shinhan Sekuritas Indonesia



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