

## PT BANK SINARMAS Tbk (BSIM)

### Company rating

***ir*A+/Stable**

### Rated Issues

Obligasi Subordinasi

Berkelanjutan I Bank Sinarmas

***ir*A/Stable**

### Rating Period

March 25, 2024 – April 1, 2025

"Debt Securities with *ir*A rating has a high level of certainty to honor its financial obligations, but it can be affected by adverse changes in business and economic conditions, relative to debt securities with a higher rating."

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

### Rating History

March, 2023

***ir*A+/Stable**

April, 2022

***ir*A+/Stable**

October, 2021

***ir*A/Stable**

October, 2020

***ir*A/Stable**

Kredit Rating Indonesia has affirmed its '*ir*A+' rating for PT Bank Sinarmas Tbk with "stable" outlook.

Kredit Rating Indonesia (KRI) affirmed its '*ir*A+' rating for PT Bank Sinarmas Tbk (BSIM) with "stable" outlook. At the same time, KRI has affirmed '*ir*A' rating to Obligasi Subordinasi Berkelanjutan I Bank Sinarmas totaling IDR3 trillion. The rating reflects BSIM's strong capitalization and improved profitability. However, the level of BSIM's asset quality is also considered in ratings assigned.

BSIM was established on 1989 and acquired by PT Sinar Mas Multiartha Tbk (SMMA/*ir*AA) on 2005 under the name of Bank Shinta. In 9M2023, BSIM contributed of 41.8% to the total assets of SMMA. As of September 2023, BSIM is owned by SMMA with 60.0% share, PT Shinta Utama of 2.4% and public of 37.6%.

As of 9M2023, BSIM owned 380 offices and outlets across Indonesia to support their business activities. BSIM has also gradually improved its IT infrastructure and human resource to deliver better quality of services with digitalization.

BSIM's asset quality has deteriorated in FY2022, with gross NPL ratio was at an alarming level of 8.0% from 4.6% in 2021. As of 9M2023, the ratio improved at 5.6%, however, the figure was still above the industry average of 2.4%. The non-performing loan was contributed from debtors in wholesale, household, and agriculture industry. KRI is of the view that BSIM needs to continually enhance its lending process and monitoring to improve its asset quality.

Downward rating pressures can come from a material decrease of its capitalization and asset quality to weaken further, which eroding the Bank's ability to generate profitability.

**BSIM Financial Results Highlights**

As of/For the year ended	Sep 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)	Dec 2020 (Audited)	Dec 2019 (Audited)
Total Asset (IDR, Bn)	47,699.4	47,357.4	52,672.0	44,612.0	36,559.6
Total Gross Loans (IDR, Bn)	16,518.1	15,898.6	18,328.2	20,940.4	23,125.3
Total Equity (IDR, Bn)	7,535.3	7,285.0	7,359.4	6,056.8	6,074.5
Total Cust. Deposit (IDR, Bn)	38,812.7	38,714.0	44,468.9	36,756.6	28,219.9
Net Interest Income (IDR, Bn)	1,990.3	2,581.9	2,415.4	2,142.4	2,220.2
Net Income (IDR, Bn)	219.8	221.2	127.8	118.5	6.8
ROA (%)	0.7	0.5	0.3	0.3	0.2
NPL Gross (%)	5.6	8.0	4.6	4.8	7.8
Loan Loss Reserve/NPL (%)	69.9	67.6	74.5	70.7	44.8
CAR (%)	26.7	29.5	29.1	17.3	17.3
LDR (%)	42.6	41.1	41.2	57.0	82.0

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