

PT Tiphone Mobile Indonesia Tbk.

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Sep-2019	Dec-2018	Dec-2017	Dec-2016	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	<i>idD</i>					
Rated Issues						
<i>Shelf Reg. Bonds II/2019</i>	<i>idD</i>	Total Adjusted Assets [IDR Bn]	8,674.9	7,787.8	8,198.5	7,664.2
<i>Shelf Reg. Bonds I/2017</i>	<i>idD</i>	Total Adjusted Debt [IDR Bn]	4,295.7	3,758.7	4,777.1	4,208.9
<i>Shelf Reg. Bonds I/2016</i>	<i>idD</i>	Total Adjusted Equity [IDR Bn]	3,733.2	3,337.3	2,992.1	2,654.1
	<i>idD</i>	Total Sales [IDR Bn]	19,947.8	29,343.1	27,914.3	27,310.1
	<i>idD</i>	EBITDA [IDR Bn]	780.0	891.4	834.3	893.0
		Net Income after MI [IDR Bn]	382.1	443.7	417.6	468.2
Rating Period		EBITDA Margin [%]	3.9	3.0	3.0	3.3
<i>July 14, 2020 – January 1, 2021</i>		Adjusted Debt/EBITDA [X]	*4.1	4.2	5.7	4.7
		Adjusted Debt/Adjusted Equity [X]	1.2	1.1	1.6	1.6
Rating History		FFO/Adjusted Debt [%]	*11.9	8.8	4.6	8.2
<i>JUL 2020</i>	<i>idSD</i>	EBITDA/IFCCI [X]	2.9	2.3	1.7	2.3
<i>JUN 2020</i>	<i>idSD</i>	USD Exchange Rate [IDR/USD]	14,174	14,481	13,548	13,436
<i>MAY 2020</i>	<i>idBB+/C.W.Negative</i>	<i>FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense</i>				
<i>APR 2020</i>	<i>idBBB+/C.W.Negative</i>	<i>EBITDA = Operating Profit + Depreciation Expense + Amortization Expense</i>				
<i>JAN 2020</i>	<i>idBBB+/Stable</i>	<i>IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)</i>				
<i>JAN 2019</i>	<i>idBBB+/Stable</i>	<i>MI = Minority Interest * = Annualized</i>				
<i>SEP 2018</i>	<i>idBBB+/Stable</i>	<i>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.</i>				
<i>JUL 2018</i>	<i>idBB/Positive</i>					
<i>JUN 2018</i>	<i>idBB/C.W. Negative</i>					
<i>APR 2018</i>	<i>idA-/Stable</i>					
<i>2014 - MAY 2017</i>	<i>idA/Stable</i>					

PT Tiphone Mobile Indonesia Tbk and Shelf-Registered Bond I Tiphone Phase II Year 2016 Serie C rated "idD"

PEFINDO has lowered the rating for PT Tiphone Mobile Indonesia Tbk. (TELE)'s Shelf-Registered Bond I Tiphone Phase II Year 2016 Serie C to "idD" from "idCCC". The downgrade reflects TELE's failure to pay its bond interest payment amounting to IDR3.9 billion due on July 14, 2020, based on KSEI's announcement No.KSEI-7317/DIR/0720 regarding postponement of payment of the 15th interest of TELE's Shelf-Registered Bond I Tiphone Phase II Year 2016 Serie C (TELE01CCN2). We have also revised the TELE's corporate rating to "idD" from "idSD". Based on TELE's released statement to IDX on July 7, 2020 No: 010/SX/COR-TMI/VII/2020, TELE and its four subsidiaries (PT Telesindo Shop, PT Simpatindo Multi Media, PT Perdana Mulia Makmur and PT Poin Multimedia Nusantara) were declared as in a state of temporary Postponement of Debt Payment Obligations (PKPU) for 42 days. Under this temporary PKPU, TELE is trying to restructure all of its debts and obligations, including its due ones. We expect that the Company's liquidity position is under pressure following lower revenue generation and longer receivable collection days due to COVID-19 outbreak.

An obligor rated *idD* has failed to pay all of its financial obligations, rated or unrated, when they came due.

Debt security is rated *idD* when it is in payment default, or default of a rated obligation occurs automatically upon the first occurrence of non-payment of the obligation.

Established in 2008, TELE trades and distributes mobile phone vouchers, starter packs, and cellular phones. It is also a mobile content provider and offers repair services. As of September 30, 2019, its shareholders were PT Upaya Cipta Sejahtera (37.3%), PT PINS Indonesia (PINS) 24.0%, PT Esa Utama Inti Persada (13.7%), and others including the public (25.0%). Its revenue comes mainly from the sales of vouchers and starter packs that contributed 80.3% of its total revenue during the first nine months of 2019, followed by cellular phones that contributed 19.7%.

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.