

PT Bank Pembangunan Daerah Sulawesi Tengah

Credit Rating(s)

General Obligation (GO) idA-/Stable

Rating Period

May 19, 2022 – May 1, 2023

Published Rating History

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PEFINDO has assigned its "idA-" rating to PT Bank Pembangunan Daerah Sulawesi Tengah (Bank Sulteng). The outlook for the corporate rating is "stable".

The rating reflects Bank Sulteng's captive market in Central Sulawesi, strong capitalization, and above average asset quality. However, the rating is constrained by its concentrated funding source and intense competition in the productive loan segment.

The rating may be raised if Bank Sulteng significantly strengthens its market position and funding structure while maintaining its financial performance on a sustained basis. Conversely, the rating may be lowered if its financial indicators deteriorate significantly, or its market presence declines substantially.

Established in 1969, Bank Sulteng is the regional development bank (Bank Pembangunan Daerah or BPD) of Central Sulawesi. It is engaged in commercial banking, with most of its services directed to Central Sulawesi's government and its employees. It is supported by 752 employees and a network of one head office, 14 branch offices, 10 sub-branches, and 174 other offices to support the Bank's operation. As of March 31, 2022 (1Q2022), it was 35.30% owned by the Provincial Government of Central Sulawesi, 39.80% by the Municipal Regional Governments, and 24.90% by PT Mega Corpora.

Rating Definition

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

Financial Highlights

As of/for the year ended	Mar-2022 (Unaudited)	Dec-2021 (Audited)	Dec-2020 (Audited)	Dec-2019 (Audited)
Total assets [IDR bn]	11,118.7	11,001.2	8,349.6	7,608.5
Total equity [IDR bn]	1,397.0	1,252.6	1,111.6	1,021.4
Total gross loans [IDR bn]	5,650.1	5,625.6	4,590.4	4,014.5
Total deposit + ST funding [IDR bn]	8,165.0	7,979.5	6,008.1	5,781.9
Net interest revenue [IDR bn]	142.8	529.8	491.9	396.3
Net income (loss) [IDR bn]	67.4	205.0	184.4	126.1
NIR/average earning assets [%]	*5.4	5.7	6.4	6.1
Operating expense/op. income [%]	61.0	65.8	67.5	74.7
ROAA [%]	*2.4	2.1	2.3	1.8
NPL (3-5)/gross loans [%]	1.7	1.3	1.3	1.4
Loan loss reserves/NPL (3-5) [%]	98.8	128.3	163.8	109.6
Risk-weighted CAR [%]	28.6	28.0	27.4	27.2
Gross loans/total deposits (LDR) [%]	69.2	70.5	76.4	69.4
USD exchange rate [IDR/USD]	14,349	14,269	14,105	13,901

*Annualized

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.

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