

**KIK EBA MANDIRI GIAA01 :****Corporate rating****Rated Instruments**

EBA – Class A

*ir***CCC**<sub>(sf)(cg)</sub> / **Creditwatch****Rating Period**

June 21, 2021 – May 1, 2022

**Rating History***ir***BBB**<sup>-</sup><sub>(sf)(cg)</sub>

“Debt securities with an *ir***CCC** rating have uncertainty factors in meeting financial obligations and is highly dependent on business, financial and economic conditions to support its ability to fulfill financial obligations. The debt securities have a high possibility of failing to pay the financial obligations on time if certain conditions are not meet.

**EBA – Class A: Instruments Profile**

Principal	IDR1,800,000,000,000 (90%)
Total principal outstanding of EBA Class A, as of March 30, 2020	IDR1,080,000,000,000
Issuer	PT Mandiri Manajemen Investasi (“MMI”)
Originator	PT Garuda Indonesia (Persero) Tbk (“GIAA”)
Collection agent / servicer	PT Garuda Indonesia (Persero) Tbk (“GIAA”)
Custodian bank / trustee	PT Bank Maybank Indonesia Tbk (“BNII”)
Underlying assets	Rights for GIAA’s sales.
Amount of expected cash flow	In total of IDR2,615,000,000,000 for both EBA - Class A and Class B.
Tenor	5 years (expected last payment on July 27, 2023)
Annual principal repayment	IDR360 Bn (guaranteed by PT Asuransi Kredit Indonesia “Askrindo”), paid once a year
Investment return payment	Quarterly
Credit enhancement	External credit enhancement from PT Askrindo Mandatory sinking fund

**Kredit Rating Indonesia lowers the rating of Class A KIK EBA Mandiri GIAA01 from ‘*ir***BBB**<sup>-</sup><sub>(sf)(cg)</sub>’ to ‘*ir***CCC**<sub>(sf)(cg)</sub> / Creditwatch’**

Kredit Rating Indonesia (KRI) has lowered the rating of Class A KIK EBA Mandiri GIAA01 (“KIK-MandiriGIAA01”) from “*ir***BBB**<sup>-</sup><sub>(sf)(cg)</sub>” to “*ir***CCC**<sub>(sf)(cg)</sub> / Creditwatch” given the high likelihood of missing the payment of amortized principal and investment return due on July 27, 2021. The rating downgrade is also based on the PT Garuda Indonesia (Persero) Tbk (“GIAA”) Announcement Letter No. GARUDA/JKTDF/20625/2021a dated June 17, 2021 to Indonesia Stock Exchange regarding deferred payment of The Periodic Distribution Amount of USD500 Mn Garuda Indonesia Global Sukuk Limited Trust Certificate (“SUKUK”).

The rating of the KIK-EBA MandiriGIAA01 will be lowered to “*ir***D**” if it fails to pay the amortized principal and investment return in 90 working days after July 27, 2021. The rating could be raised if there is proof of funds to pay the upcoming obligation.

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