

PT Pyridam Farma Tbk

Company rating	<i>ir</i> BBB+/Stable	<p>“Debt Securities with <i>ir</i>BBB rating have an adequate level of certainty to honor its financial obligations. However, this certainty is more likely to diminish in the future than with the higher rating categories”</p> <p>“Debt securities with <i>ir</i>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”</p> <p>The positive sign (+) indicates that the rating given is closer to the rating scale above it.</p>
Rated Issues		
Obligasi Pyridam Farma I Tahun 2020 amounting to IDR 300 Bn	<i>ir</i> A+	
Obligasi Berkelanjutan I Pyridam Farma Tahap I Tahun 2022 amounting to IDR 1.2 Tn	<i>ir</i> BBB+	
Rating Period		
October 28, 2022 – November 1, 2023		
Rating History		
November, 2021	<i>ir</i> BBB+/Stable	
October, 2021	<i>ir</i> BBB+/Stable	
October, 2020	<i>ir</i> BBB/Stable	

Kredit Rating Indonesia affirms ‘*ir*A+’ rating to Obligasi Pyridam Farma I Tahun 2020 totaling IDR 300 Bn and ‘*ir*BBB+’ rating to Obligasi Berkelanjutan I Pyridam Farma Tahap I Tahun 2022 amounting to IDR 1.2 Tn

Kredit Rating Indonesia (KRI) affirms a Company Rating of ‘*ir*BBB+’ for PT Pyridam Farma Tbk (PYFA or the Company) with a ‘Stable’ outlook, and ‘*ir*BBB+’ rating to Obligasi Berkelanjutan I Pyridam Farma Tahap I Tahun 2022 amounting to IDR 1.2 trillion. At the same time, KRI also affirms ‘*ir*A+’ rating to PYFA’s Obligasi Pyridam Farma I Tahun 2020 amounting to IDR 300 billion as 50% of its total outstanding debt and interest amounting to IDR 225 billion is guaranteed by PT Asuransi Sinar Mas. The ratings were still driven by the Company’s significant business improvement, while at the same time the ratings are still constrained by its weak financial profile.

PYFA just recently acquired another pharmaceutical company which is expected to increase the type of products owned as well as the target segments. This acquisition is expected to instantly affect the Company’s revenue since the acquired company has already operated. However, the Company’s ratings are still constrained by its aggressive capital structure with debt-to-equity ratio of 6.9x as of June 30, 2022, the most aggressive to its rated peer. PYFA’s capacity to cover the interest expenses was also alarming as shown with the EBITDA-to-interest expense ratio of 0.5x and 0.6x as per December 31, 2021, and June 30, 2022.

PYFA’s shareholder composition as of June 30, 2022 were Rejuve Global Investment Pte. Ltd., (40.48%), PT Aldiracita Sekuritas Indonesia (13.73%), PT Mirae Asset Sekuritas Indonesia (8.27%), DBS Bank Ltd SG-PB Clients (7.48%), PT Global Investment Institusi (5.50%), and the public (4.54%).

PYFA Financial Results Highlights (Consolidated)

As of/For the year ended	June 2022 (Unaudited)	Dec 2021 (Audited)	Dec 2020 (Audited)	Dec 2019 (Audited)
Total Assets (IDR, Bn)	1,179.3	761.4	228.3	190.6
Total Adjusted Debt (IDR, Bn)	912.4	448.8	35.5	19.4
Total Adjusted Equity (IDR, Bn)	131.3	122.3	157.4	124.6
Total Sales (IDR, Bn)	307.1	630.5	277.4	247.1
EBIT (IDR, Bn)	22.1	24.6	29.6	10.9
Net Income After MI (IDR, Bn)	9.3	5.8	22.1	9.3
EBIT Margin (%)	7.2	3.9	10.7	4.4
Return on Permanent Capital (%)	5.5	6.4	17.6	7.6
Adj. Debt/Adj. Equity (x)	7.0	3.4	0.2	0.2
EBITDA/Adj. Debt (x)	0.1	0.1	0.8	0.6
EBITDA/IFCCI (x)	0.6	0.6	11.5	3.9
FFO/Total Adjusted Debt (%)	2.0	1.2	84.1	86.4
USD Exchange Rate (IDR/USD)	14,848	14,269	14,105	14,481

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