

PT Pan Pacific Investama (PPI)Corporate rating ***ir*A/Stable****Rated Issues**

Medium Term Note (MTN) Pan Pacific
Investama II Tahun 2022 ***ir*A**
MTN Pan Pacific Investama I Tahun 2022 ***ir*A**

"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."

Rating Period

November 16, 2023 – December 1, 2024

Rating History

October, 2022 ***ir*A/Stable**
May, 2022 ***ir*A/Stable**
December, 2021 ***ir*A/Stable**

Kredit Rating Indonesia has affirmed '*ir*A' rating to MTN Pan Pacific Investama I & II Tahun 2022 totaling IDR350 billion and IDR500 billion, respectively.

Kredit Rating Indonesia (KRI) has affirmed a Company Rating of '*ir*A' for PT Pan Pacific Investama (PPI or the Company) with "stable" outlook. At the same time, KRI has affirmed '*ir*A' to MTN Pan Pacific Investama I & II Tahun 2022 totaling IDR350 billion and IDR500 billion, respectively. The company's capacity to repay its debt is supported by satisfactory profitability from its subsidiaries. However, the Company's higher leverage is also considered in the ratings.

PPI is parent company of PT Pacific Strategic Financial Tbk (APIC/*ir*A), a listed holding company with subsidiaries mainly engaged in financial services. Through APIC's subsidiaries, the Company provides life insurance, capital market services and multifinance. The Company recorded IDR2.4 trillion of revenue and IDR6.9 trillion of assets as of FY2022. Major contributors of the revenue are life insurance premium (76%), securities brokerage services (11%), and investment income (9%) while the main contributors of asset are short term Investment (42%), securities portfolio (20%), and brokerage receivables (15%).

KRI evaluates PPI's rating based on the credit quality of APIC's major subsidiaries, which are PT Pacific Life Insurance (PLI) and PT Pacific Sekuritas Indonesia (PSI). The credit profile of Pacific Life Insurance is the main anchor of APIC's credit rating as PLI is the largest contributor of APIC in terms of asset and revenue.

Downward rating pressures can arise if the Company's leverage level increased substantially and declining revenue growth from its subsidiaries in upcoming years.

PPI Financial Results Highlights (Consolidated)

For the year ended	Jun 2023 (Unaudited)	Dec 2022 (Audited)	Dec 2021 (Audited)	Dec 2020 (Audited)	Dec 2019 (Audited)
Total Assets (IDR, Bn)	10,351.6	7,794.6	6,227.8	4,885.1	3,653.1
Total Debt (IDR, Bn)	3,402.1	3,404.9	1,199.9	1,005.1	529.5
Total Equity (IDR, Bn)	2,618.0	2,250.5	1,923.1	1,771.9	1,674.5
Total Revenue (IDR, Bn)	1,089.7	1,242.0	2,193.3	2,275.5	1,193.6
Net Income (IDR, Bn)	119.5	92.1	103.2	96.0	102.9
Net Profit Margin (%)	0.1	0.1	4.7	4.2	8.6
Debt to Equity Ratio (X)	1.3	1.5	0.6	0.6	0.3
Debt to total asset (%)	32.9	43.7	19.3	20.6	14.5
Return on Asset (%)	1.2	1.2	1.7	2.0	2.8
Return on Equity (%)	4.6	4.1	5.4	5.4	6.1

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