

3Q 2020 Results Update

October 2020

BTPN Syariah Overview



Our journey

- **Established** in 2010 as BTPN Sharia Unit; massive roll-out in 2011
- **Spin-off** as PT BTPN Syariah on 14 July 2014
- **Listed** as PT BTPN Syariah Tbk on 8 May 2018
- **Changed** name into PT Bank BTPN Syariah Tbk effective on 4 June 2020
- Officially became **Bank BUKU 3** Category according to the approval of The Financial Services Authority on 7 July 2020
- **Today:** Spread across 23 provinces, with 11,640 employees (~95% female and ~45% high school graduates)
- **Rating :** AA+ (idn) Fitch (stable outlook)

Serving Sumatera, Java, NTT, Kalimantan and Sulawesi



3Q 2020 Performance

Customers

Serving ~ 5 mn customers,
~ 3.8 mn active

Coverage ~218k communities,
in ~ 2,600 sub-districts

Assets

15.5 trillion

NPF

1.9%

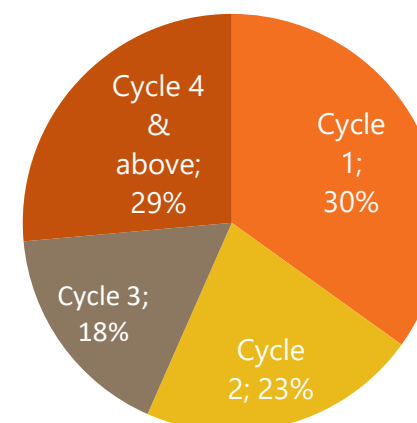
ROE

12.8%

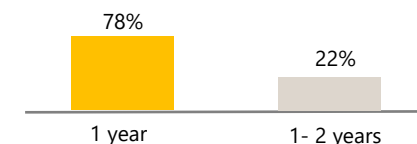
ROA

5.8%

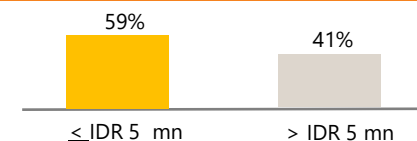
Customers by Cycle



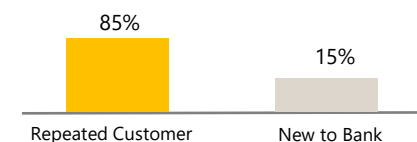
Maturity Composition*



Ticket Size*



Financing Composition*



*based on outstanding



Financial scorecard

Social impact scorecard

Business highlights



3Q 2020 Balance Sheet



Unit: IDR billion	Sep '19	Dec '19	Mar '20	Jun '20	Sep '20	ΔQoQ	ΔYoY
Cash	444	711	812	826	705	-15%	59%
Reserve Requirement	450	458	424	363	356	-2%	-21%
Net Liquid Investment	4,338	4,759	5,103	5,067	5,266	4%	21%
Financing (gross)	8,906	9,000	9,166	8,741	9,104	4%	2%
Allowance for losses	(273)	(292)	(302)	(548)	(847)	55%	210%
Total Asset	14,586	15,383	16,003	15,272	15,469	1%	6%
CASA	1,918	2,001	2,059	1,947	1,977	2%	3%
TD	7,107	7,446	7,620	7,516	7,267	-3%	2%
Total Third-Party Funds	9,025	9,446	9,679	9,462	9,445	0%	5%
Securities Issued	-	-	-	-	200	NA	NA
Total Liabilities	9,632	9,990	10,223	9,832	9,930	1%	3%
Equity	4,954	5,393	5,781	5,440	5,539	2%	12%

3Q 2020 Income Statement



Unit: IDR billion	9M '19	FY '19	1Q '20	2Q '20	3Q '20	9M '20	ΔQoQ	ΔYoY
Margin Income	3,227	4,457	1,182	753	1,000	2,935	33%	-9%
Margin Expense	385	524	135	129	119	382	-8%	-1%
Net Margin Income	2,843	3,934	1,047	624	881	2,553	41%	-10%
Operating Income	2,857	3,952	1,055	630	885	2,570	40%	-10%
Operating Expense and Bonus Wadiah	1,328	1,761	419	332	378	1,129	13%	-15%
Pre-Provision Profit	1,529	2,190	636	299	506	1,441	69%	-6%
Loan Loss Provision	219	309	99	292	378	768	29%	251%
Profit After Tax	976	1,400	402	4	100	507	2400%	-48%

3Q 2020 Key Ratios



Unit: %	<u>9M '19</u>	<u>FY '19</u>	<u>1Q '20</u>	<u>2Q '20</u>	<u>3Q '20</u>	<u>9M '20</u>
Cost to Income	46%	45%	40%	53%	43%	44%
BOPO	59.6%	58.1%	54.8%	99.1%	87.1%	77.2%
RoA	13.1%	13.6%	13.6%	0.2%	3.4%	5.8%
RoE	30.1%	31.2%	29.8%	0.3%	7.8%	12.8%
NPF Gross	1.30%	1.4%	1.4%	1.8%	1.9%	1.9%
Cost of Financing	3.6%	3.7%	4.4%	13.0%	17.0%	11.5%
Loan provision coverage	236%	238%	230%	351%	496%	496%
CAR	41.1%	44.6%	42.4%	42.3%	43.1%	43.1%

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Financial scorecard

Social impact scorecard

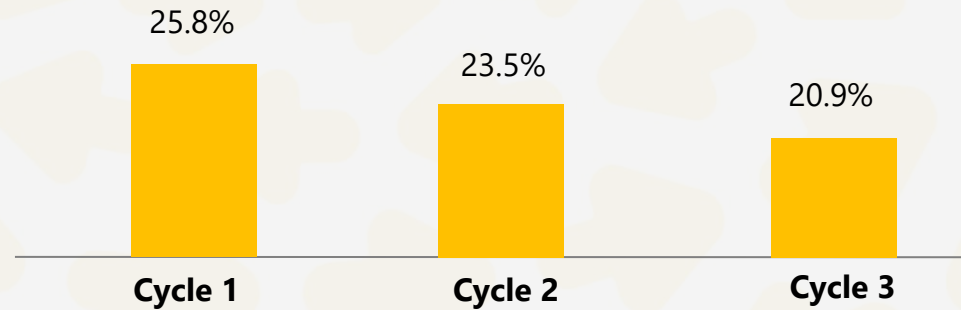
Business highlights



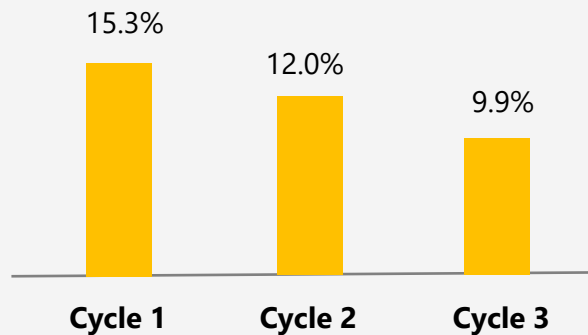
Social impact scorecard: Positive Changes, Better for Community



Lowering customer chance
back to below poverty line

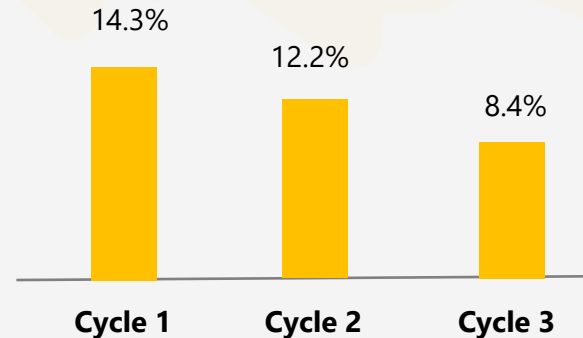


Improved children education



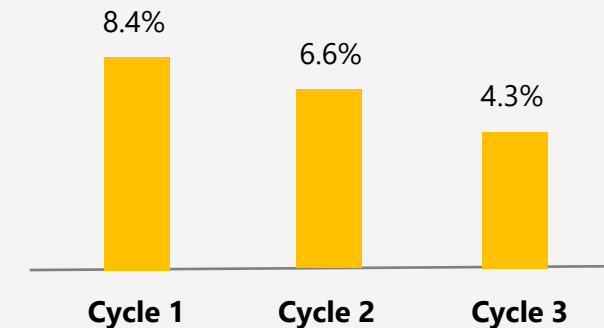
Number of children who do not go to
school were decreasing

Improved toilet condition



Number of household who do not have
toilet/latrine were decreasing

Improved household carbon emission



Usage of firewood as cooking fuel
were decreasing

PPI (Poverty Probability Index) was built by IPA(Innovations for Poverty Action) to measure the progress out of poverty .
www.progressoutofpoverty.org/

*BTPN Syariah is not the sole determining factor of the customers' welfare improvement



Financial scorecard

Social impact scorecard

Business highlights



We are committed to support our stakeholders during challenging times



Customers

- ❑ Health check during customer visit
- ❑ Socialization on health & safety protocol
- ❑ Customized restructuring
- ❑ Customized operation and open for other payment point
- ❑ Keep close relationship with customers through accompaniment program

Employee

- ❑ Provide health & safety protocol and equipment
- ❑ Implement periodic self assessment check for all of our employee.
- ❑ Implemented split operation and working from home (WFH) supported by integrated IT infrastructure
- ❑ Created Incident Management Team in head office that responsible to provide up-to-date information, direction and education
- ❑ No Covid-19 related layoffs

Communities

- ❑ BTPN Syariah supports government initiatives to ensure business and economic sustainability
- ❑ Launched Tepat Peduli Community Program that simultaneously built infrastructure in 1,000 points of operational locations of the Bank across Indonesia
- ❑ Distributed protective equipment to more than 30 hospitals

Investors

- ❑ Strong Commitment from Parent Company (BTPN) and Ultimate Shareholder (SMBC)
- ❑ Provide strong provisioning (one of the strongest in the country)
- ❑ Strong capital position at 43.1%
- ❑ Became Bank BUKU 3 Category
- ❑ Dividend payment in May 2020 (payout ratio ~25%)
- ❑ Open communication channel for investors

Managing through the crisis and restoring stability



Operating Model Shifts



1

Attended by Group Head and Sentra Head.



2

50% attendance rotation



3

"Trusted Person"

Implement Stricter Control and Health Protocol

Customer



Field Staff



Head Office, Branches & Wisma Sanitation



Government Economic Recovery Program Impact on BTPN Syariah



Financing Restructuring Relaxation (POJK 11/2020)

Accumulative ever restructure
Rp 6.9 tn

1

Interest Subsidy (PMK 138/PMK 05/2020)

Ongoing – confirmation on tax id
(Project & Tax)

2

Financing Guarantee for MSMEs (PMK 71/2020)

Ongoing – We have registered 200k new
accounts and acknowledged in early Oct'20

3

Direct
Impact

Indirect
Impact

1 Allowance Assistance for Poor Families
(BLT)

2 Allowance Assistance for
husband/family that have been layoffs

3 Electricity Discount for low electricity
usage

4 MSMEs Grant Program

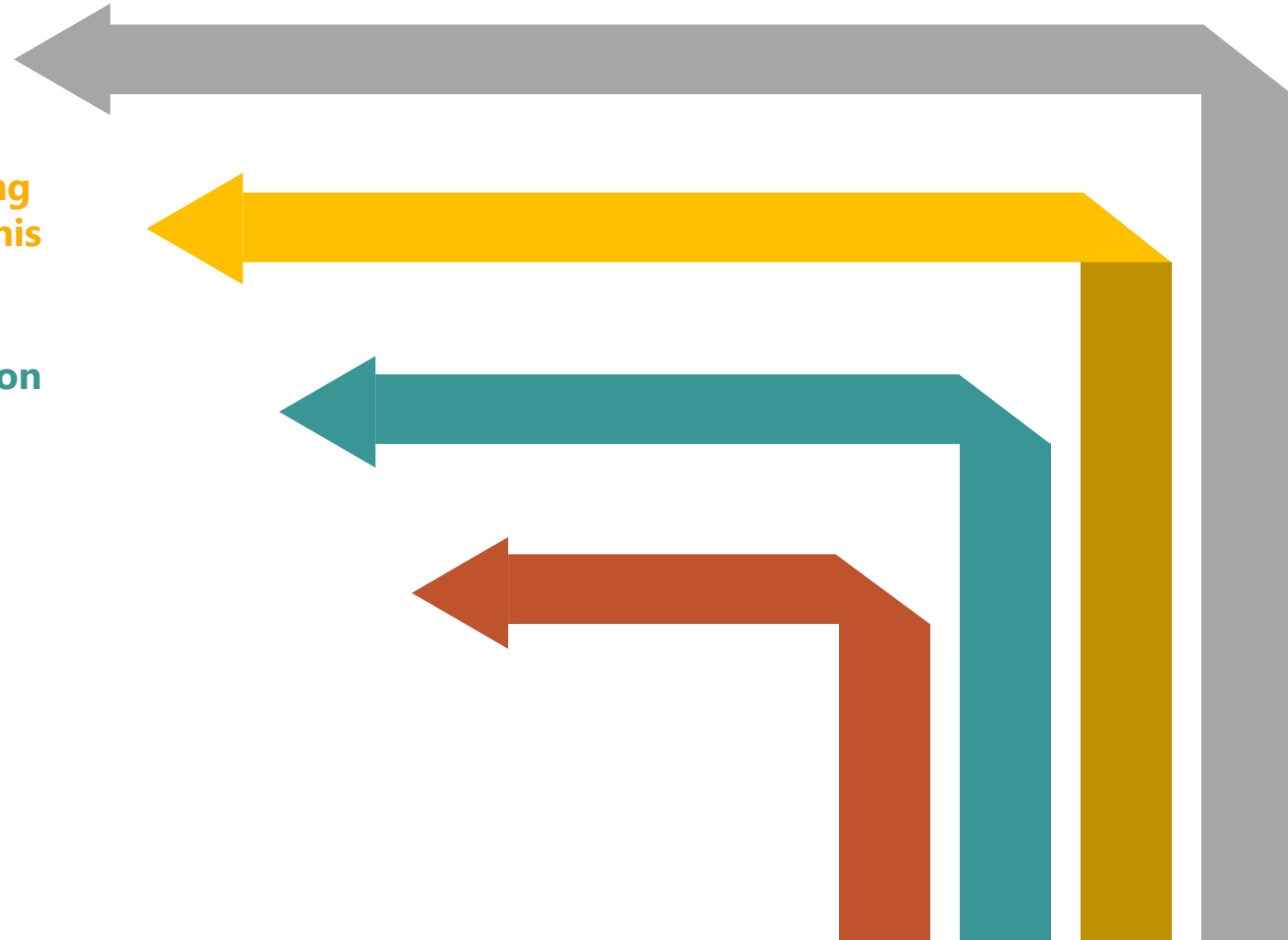
5 Super Micro KUR Program for layoffs
workers and productive housewives

6 Salary Subsidy Assistance for workers
(private employees)

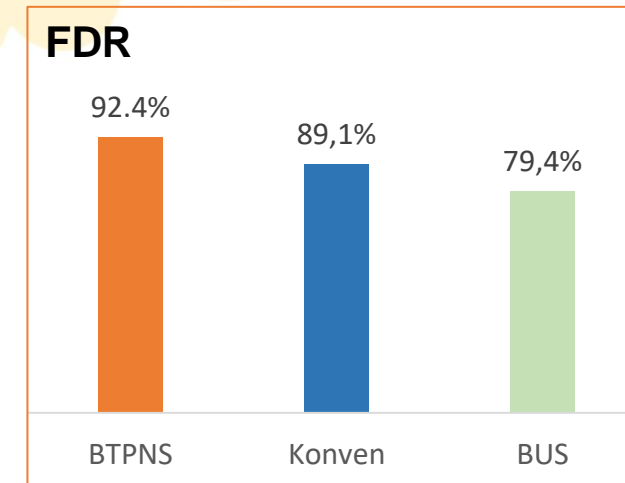
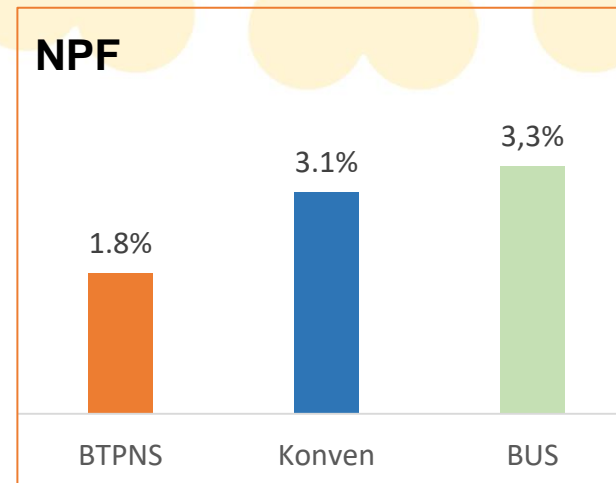
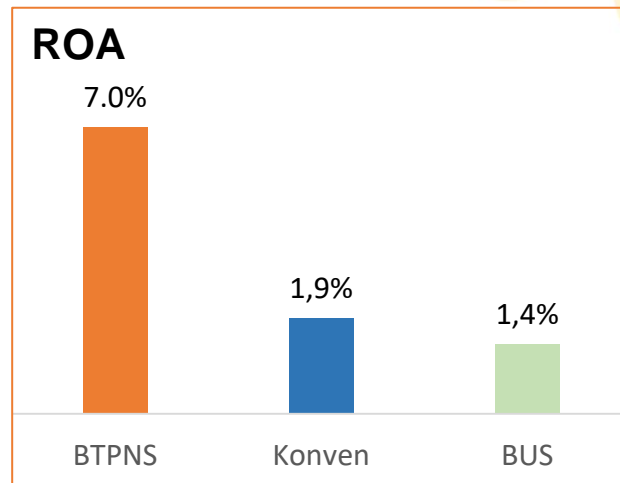
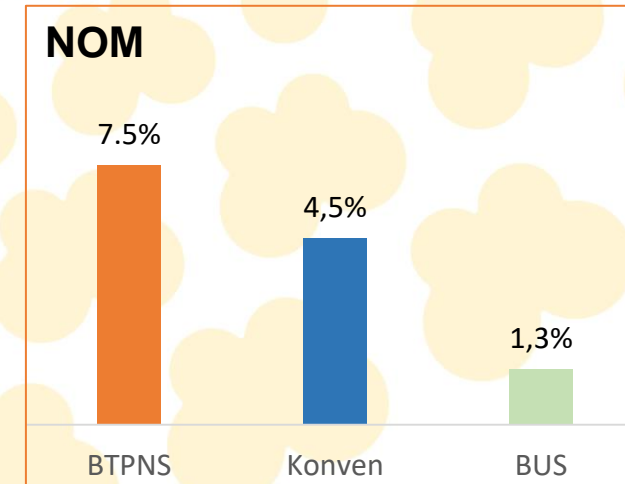
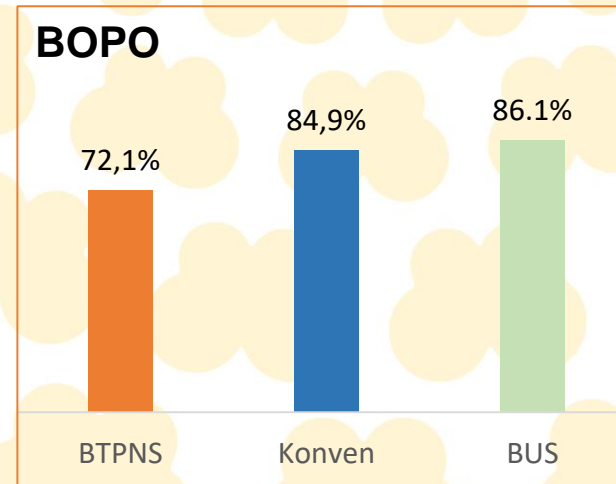
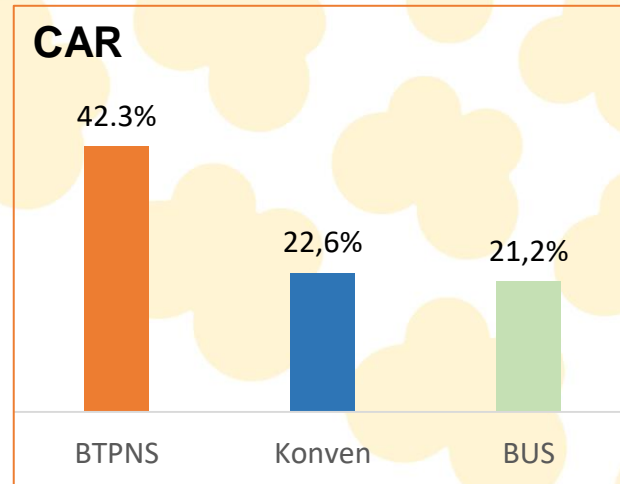
Key Takeaways



- 1 Resilient 3Q results as we have reached our desired provision and started to take our momentum to grow
- 2 **Productive underprivileged segment has a strong determination and solid fighting spirit during this challenging time**
- 3 **Our presence is needed to keep up the motivation and nurturing 4 effective customer behaviors (Courage to do Business, Discipline, Hardwork and Solidarity)**
- 4 **Government economic recovery program** also play important pivotal role for our segment.



Financial Ratios – Jun 2020



Source : Indonesia Banking Industry 2Q -2020 Report

Achievement awards



Best Islamic Bank for SME Banking 2020
By Global Islamic Finance Award Indonesia
14 September 2020



The Most Profitable Bank in Indonesia 2019
with predicate "Excellent"
Bank with Core Capital of Rp5 tn – Rp30 tn
By Infobank Award
29 September 2020

