

FY 2023 Results Presentation

PT Bank Tabungan Negara (Persero) Tbk

Jakarta, 12 February 2024

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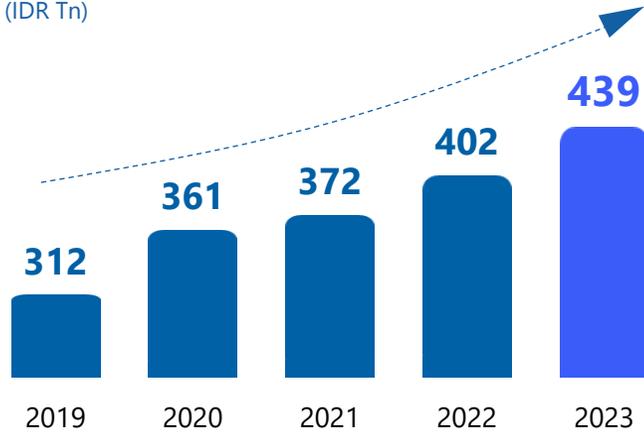
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Securing All Time High Numbers in 2023

Total Assets

(IDR Tn)

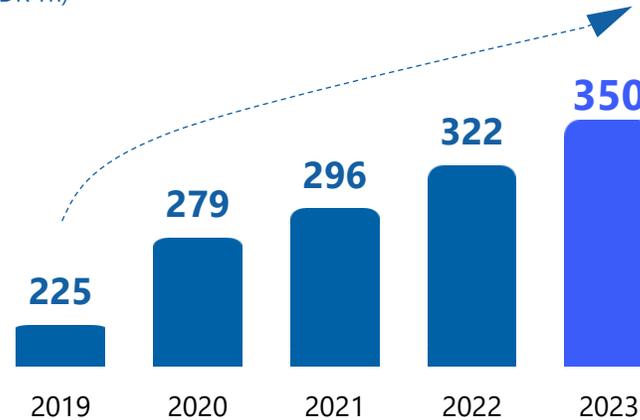
▲ +9.1% yoy



Total Deposits

(IDR Tn)

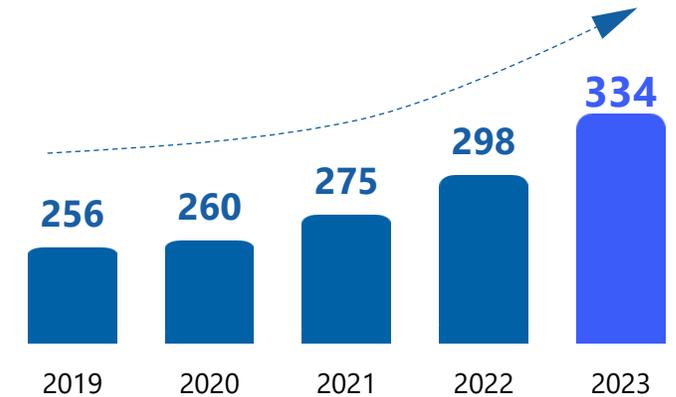
▲ +8.7% yoy



Total Loan & Financing

(IDR Tn)

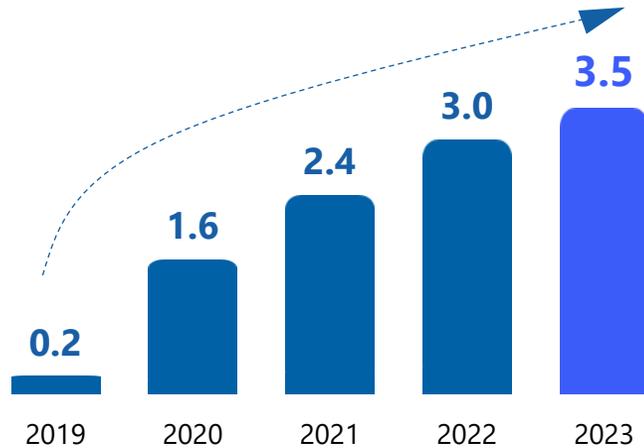
▲ +11.9% yoy



Net Profit

(IDR Tn)

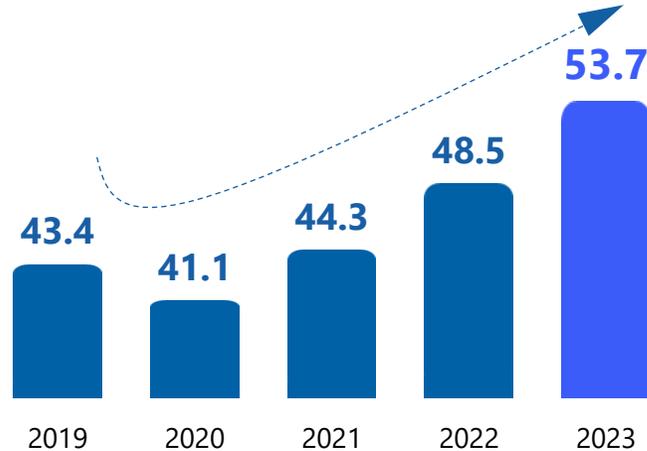
▲ +15.0% yoy



CASA Ratio

(%)

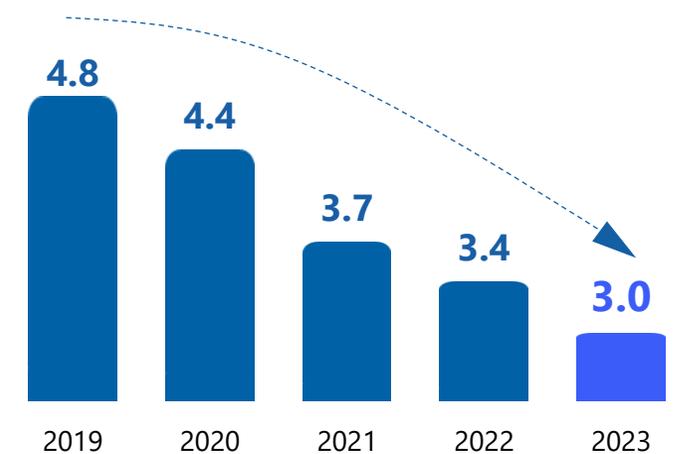
▲ +521 bps



NPL Gross

(%)

▼ -37 bps



Bank  **BTN**

Management Highlights

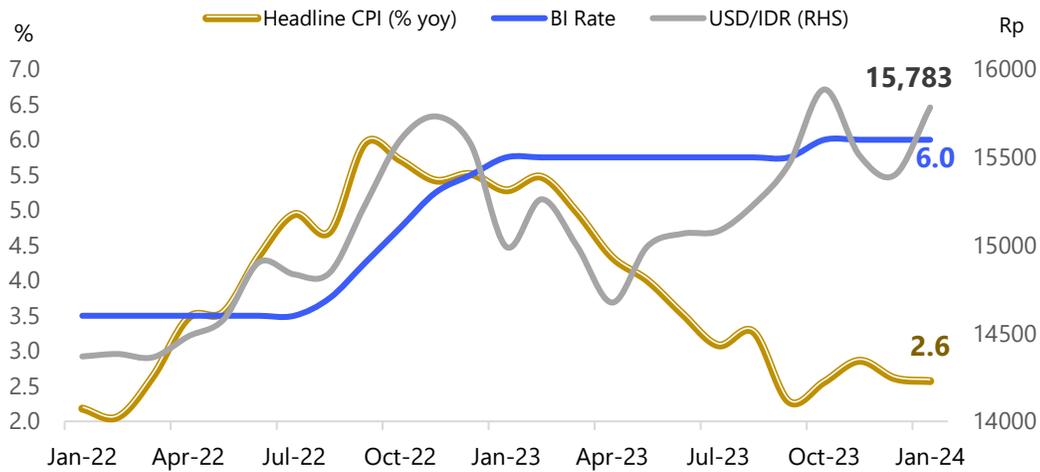


Macroeconomy Highlight

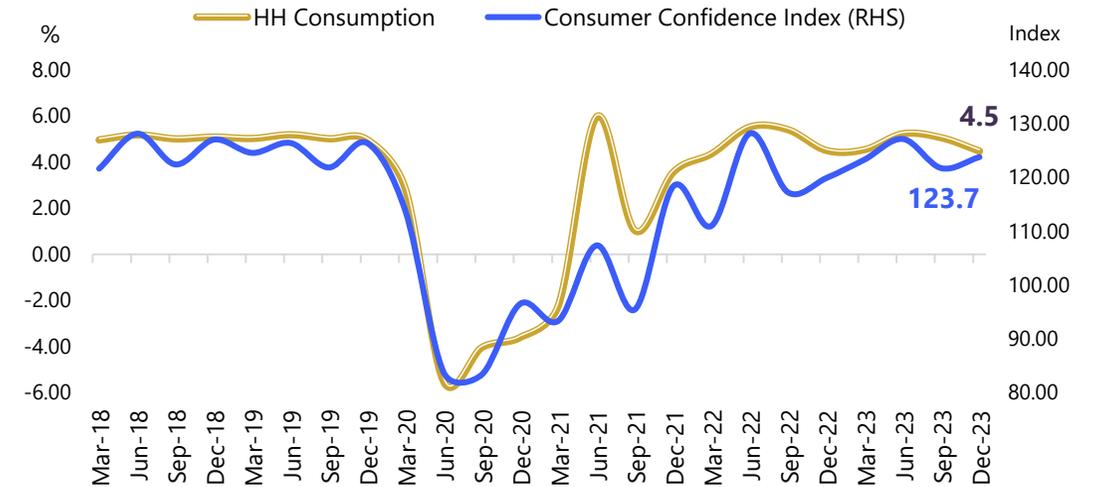
Declining Inflation Rate and steady BI Rate resulted on a stable Household Consumption and Economic Growth amidst global uncertainty



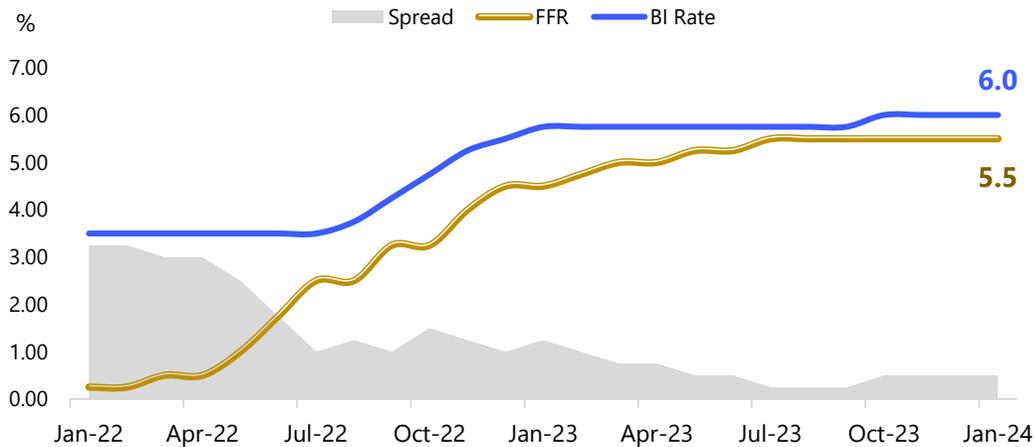
Stable BI Rate amidst declining inflation and volatile rupiah



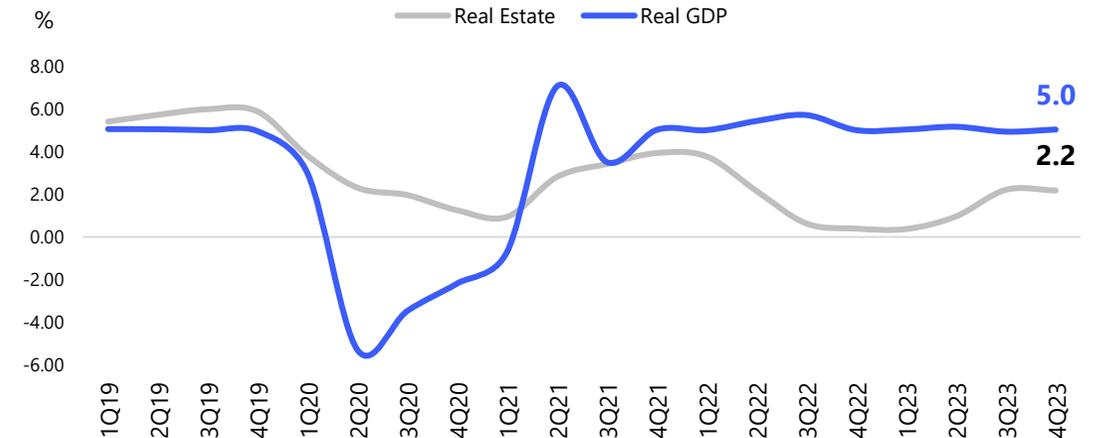
HH Consumption grew inline with increasing CCI



Steady BI Rate and Fed Funds Rate



Real GDP and Real Estate (% yoy)

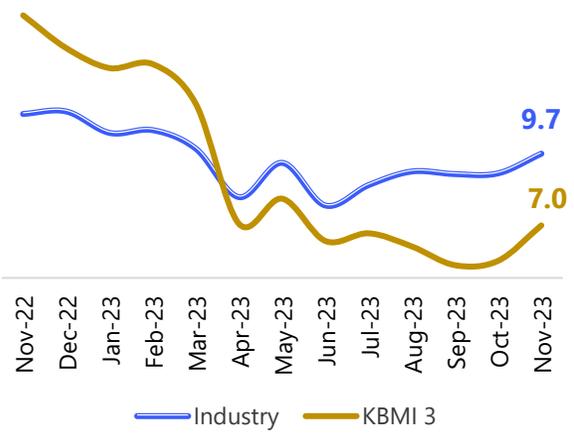


Source: CBS, Bloomberg, processed

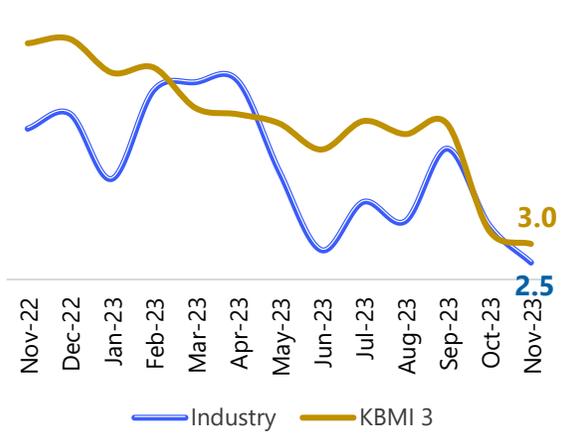
Banking Sector Highlight

Slower deposit growth and higher lending growth resulted on increasing deposit rates

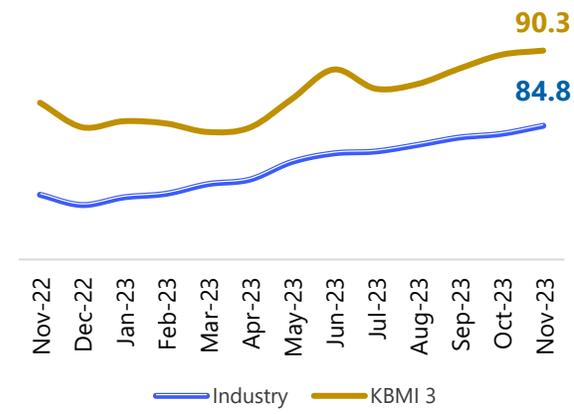
Loan Growth (% yoy)



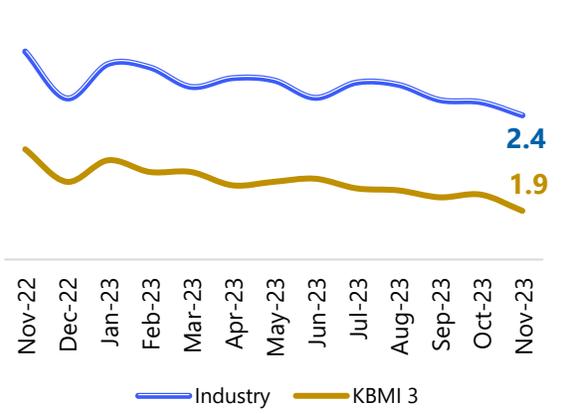
Deposits Growth (% yoy)



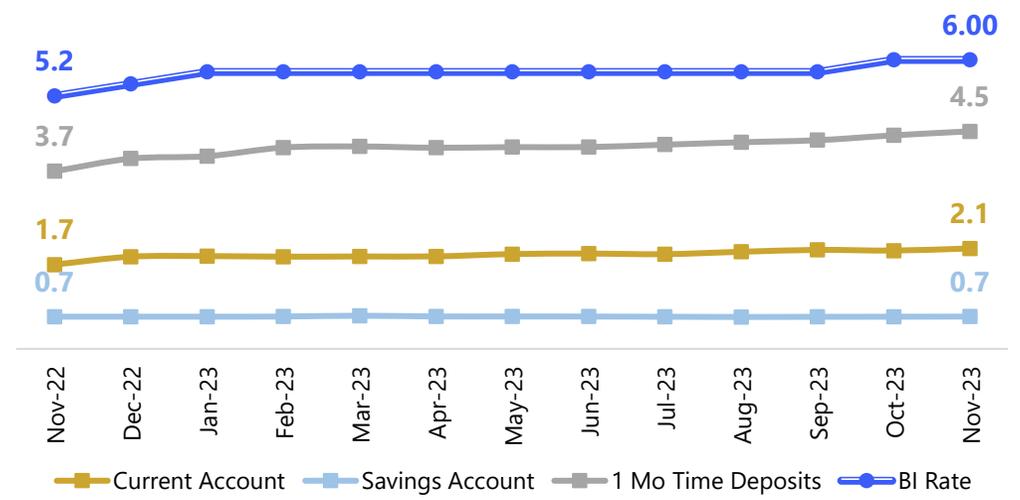
Loan to Deposit Ratio (%)



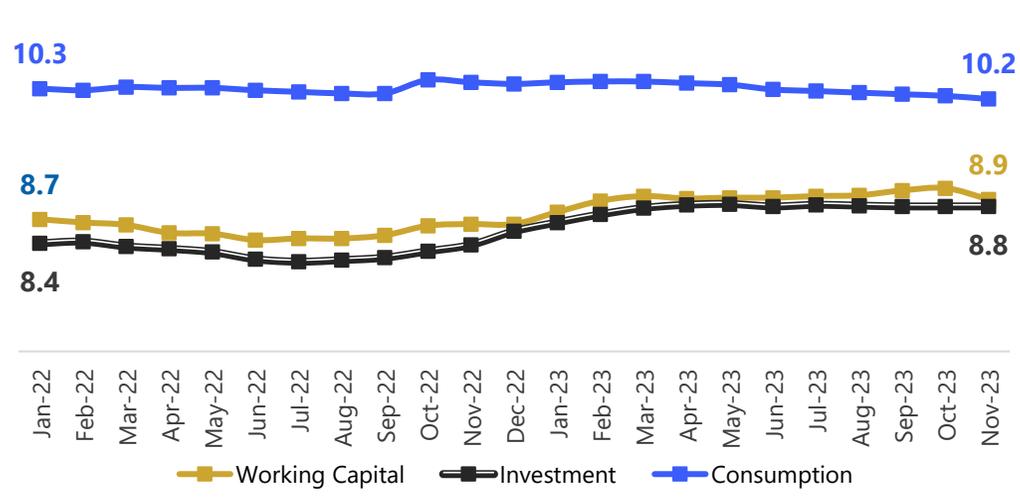
Non Performing Loan (%)



Deposit Rates (%)



Lending Rates (%)



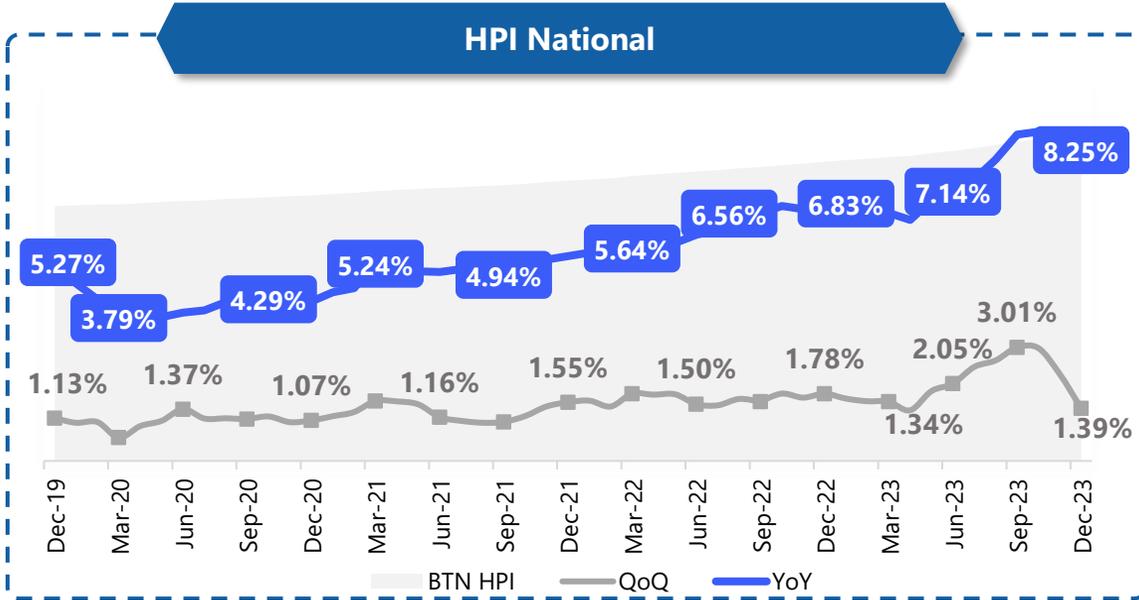
Source: OJK, processed

BTN House Price Index as of December 2023

House Price Index (HPI) continued to grow by 8.25% YoY in 4Q23, across all types



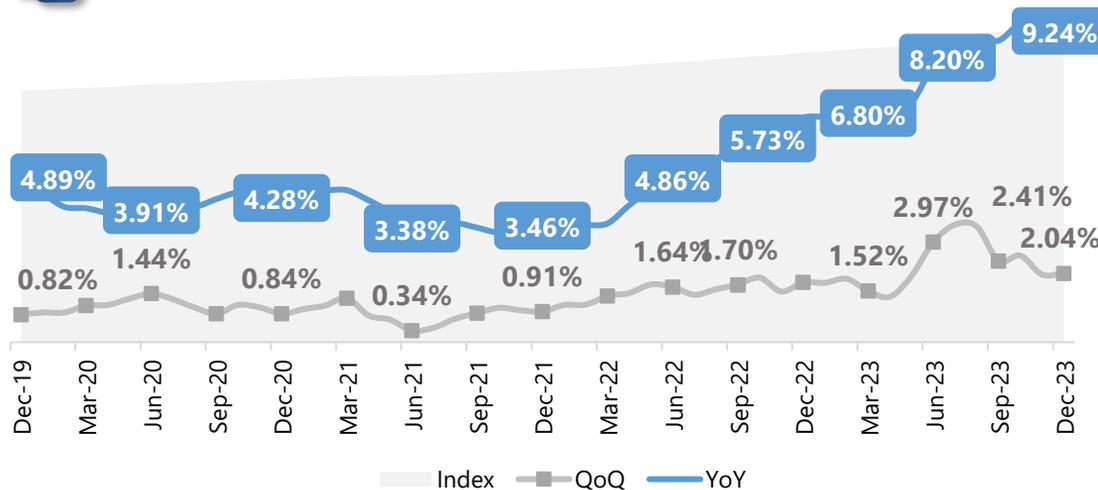
HPI National



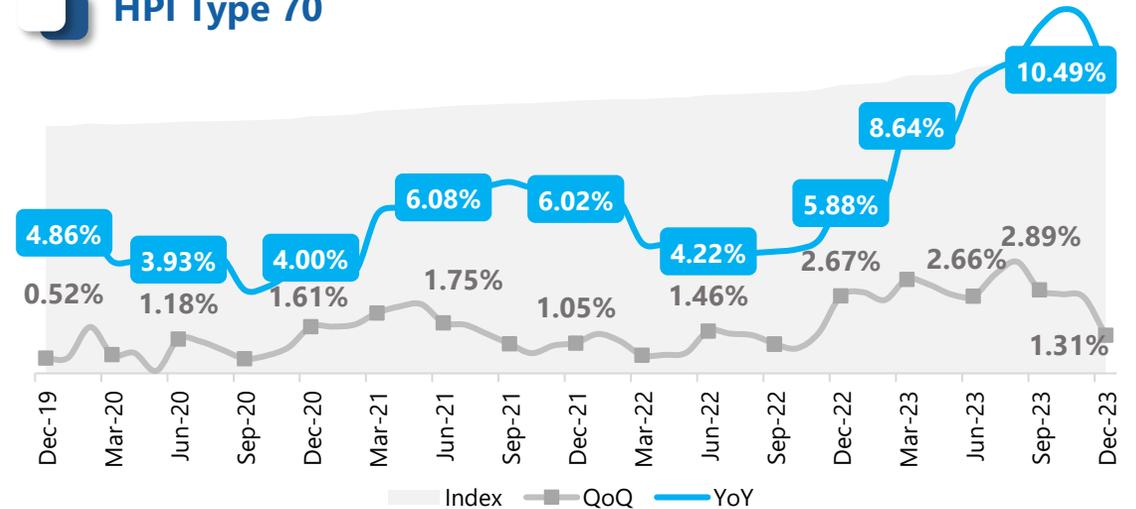
HPI Type 36



HPI Type 45



HPI Type 70



Source: BTN HPI 2023

New Housing Regulations

Adjustment on Subsidized House Price Caps

- The average 7% price increase in 2023 compared to 2021 price, while the average price increase in 2024 of around 3% from 2023

Regions	2021 Prices (IDR Mn)	New Prices			
		2023 Prices (IDR Mn)	% chg to 2021	2024 Prices (IDR Mn)	% chg to 2023
Java (excl. Jabodetabek) and Sumatera (except Riau, Bangka Belitung, Mentawai)	150.50	162.00	7.64%	166.00	2.47%
Kalimantan	164.50	177.00	7.60%	182.00	2.82%
Sulawesi, Bangka Belitung, Mentawai, Riau	156.50	168.00	7.35%	173.00	2.98%
Jabodetabek, Bali, Nusa Tenggara & Maluku	168.00	181.00	7.74%	185.00	2.21%
Papua & Papua Barat	219.00	234.00	6.85%	240.00	2.56%

Government-Borne VAT Policy for Property Sector

- The Ministry of Finance roll out incentives to the property sector especially for low-middle housing segment **with the budget totaling IDR 3.2 Tn to stimulate housing demands.**
- The government will **cover 100% of Value Added Tax (VAT)** for the purchase of **houses price up to IDR 5 Bn** with a tax base up to IDR 2 billion from the house price **until June 2024**, and **further 50% for the period of June – December 2024.**
- IDR 4 Mn administrative incentives for subsidized houses (landed and high-rise building) with max price of IDR 350 Mn**, will be provided for 14 months until December 2024.

New Liquidity Incentives

Reserve Requirement Ratio Incentives

- New Reserve Requirement Ratio (RRR) incentives of maximum 4%** effective from 1 October should loosen industry's tight liquidity (equivalent to approx. IDR 80 Tn for every 1% RRR incentive) to support industry's loan growth going forward.

Macro prudential Liquidity Buffer

- Through the latest Bank Indonesia (BI) monetary meeting in October 2023, BI will impose liquidity easing by **reducing the Macroprudential Liquidity Buffer ratio of 100 bps from 6% to 5%** for Commercial Banks, with repo flexibility of 5% effective from 1 December 2023.
- Further liquidity management flexibility for BTN is expected through this policy to support strong loan disbursement.

Sharia Business Unit Spin Off

New Policy of Sharia Business Unit Spin Off on POJK 12/2023

Through POJK 12/2023 on Sharia Business Unit Spin Off, OJK regulated that the Conventional Commercial Bank are obligated to divest its Sharia Business Unit with a minimum equity injection of IDR 1 Trillion if :

- Share of assets of more than 50% of parent , and/or;
- Total Sharia Business Unit assets of more than IDR 50 Trillion (based on quarterly published reports).
- Spin-off should be done within two years since either the first two conditions meet.

Penetrating further on mortgage & high yield loans

Loans grew 11.9% yoy as of Dec-23 to IDR333.7 Tn, higher than 2023's target, supported by +10.4% yoy mortgage growth and +28.2% yoy in high yield segments

Strategic initiatives to focus on **high yield loans (KUR, KAR dan KRING)** lead to higher **loan yield >8% on FY23 to 8.12%**



Growing BTN Mobile & e-deposito users

New BTN Mobile Apps has acquired of **1.1 Mn users** as of Dec-23

In FY23, total volume transaction **grew by 54% yoy to IDR 57.5 Tn** with total transaction of **415 Mn (+138.0% yoy)**.

E-deposito outstanding balance touched **IDR 2.8 Tn as of Dec-23**



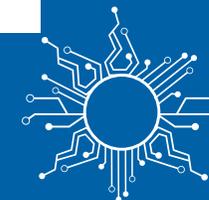
BI rate already elevated by 71.4% (3.5% ->6%) as of Dec-23, yet BBTN's interest expenses remain under control (+36.4% yoy growth).

BBTN's strategy to focus on low-cost funding (CASA+ retail deposits), translate to higher low-cost funding to total deposits to **61.7%** as of Dec-23 (vs 57.3% as of Dec-22).



Non-interest income reached **IDR 3.92 Tn or 12.2% of total income (+75.7% yoy)**.

Total operating income of **IDR32.2 Tn (+14.5% yoy)**.

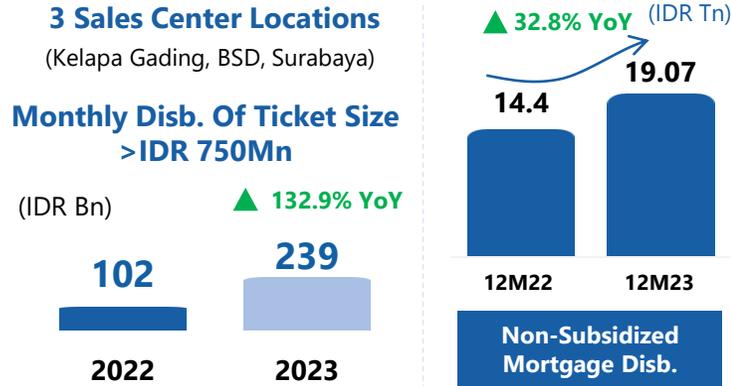


initiatives to boost Fee-Based income include expansion of **trade finance, bank guarantee also more features on retail-based treasury transaction**

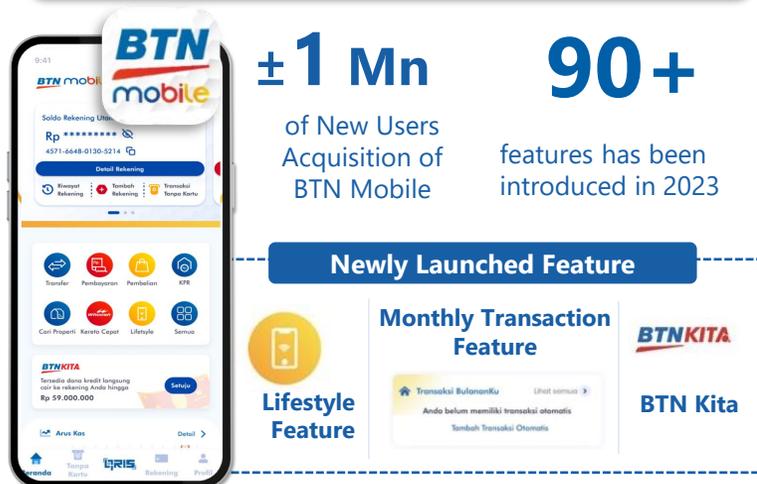
Focusing on CASA and retail Deposits

Boosting further on the non-interest income

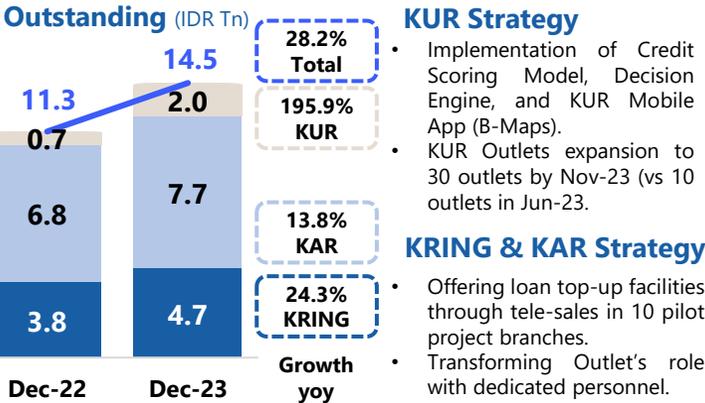
Optimizing Non-Subsidized Mortgage with business development within emerging affluent segment.



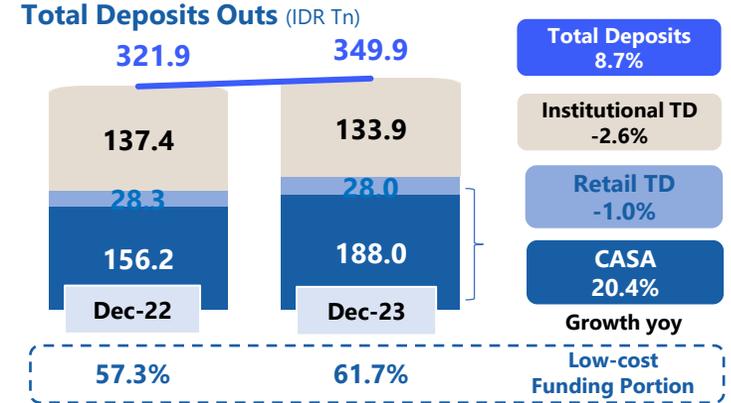
Expanding digital and transaction based business banking



Penetrating High Yield Loans from captive customers through KUR, KRING and KAR.



Focusing on low-cost deposits and higher CASA.



Developing new sources of non-interest income

Non-Interest Income (IDR Bn)	12M22	12M23	YoY
Non Recurring Income	857	2,422	182.8%
Treasury Transaction	154	669	333.7%
Recovery Asset	371	882	137.7%
Others	331	870	163.0%
Recurring Income	1,377	1,500	9.0%
Loan-related	363	458	26.4%
Funding, service and digital	935	949	1.5%
Sharia-related	79	93	18.1%
Total	2,233	3,922	75.6%

Settling bad loans and Business Process Improvement from various activities

- The divestment on **distressed assets** with **IDR 861 Bn amount** to lower NPLs
- The **first SOE Bank** to undertake a bulk asset sales with asset swap scheme
- The scheme involved **the sale of NPL assets to SPV**



Optimizing Non-Subsidized Mortgage with business development within emerging affluent segment.



Building new mortgage business model for emerging affluent segment through

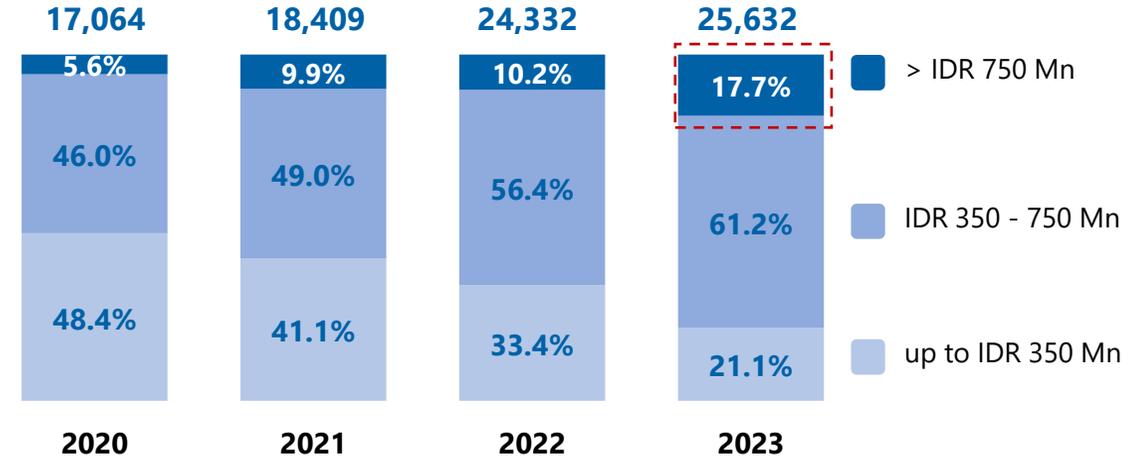
Sales Center KPR BTN

(Kelapa Gading, BSD, Surabaya)

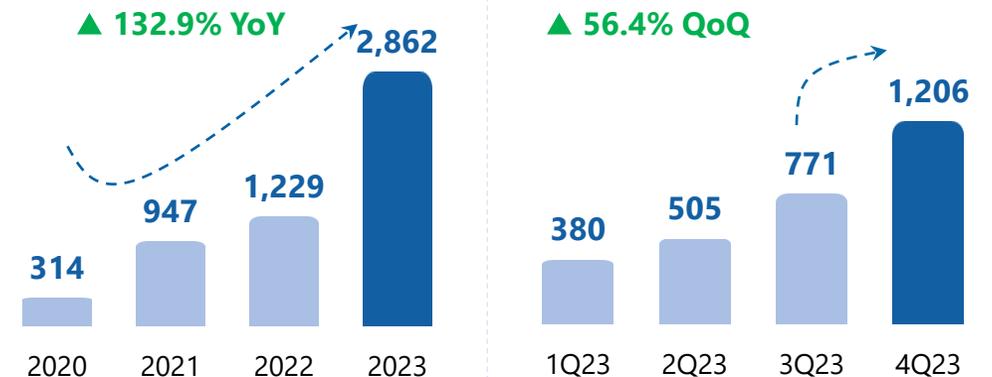
Non-Subsidized Mortgage Average Disbursement Ticket Size in 2023 (vs 2022)

up to IDR 350 Mn	IDR	259 Mn	(vs IDR 248 Mn)
IDR 350 - 750 Mn	IDR	486 Mn	(vs IDR 467 Mn)
> IDR 750 Mn	IDR	1,074 Mn	(vs IDR 1,003 Mn)

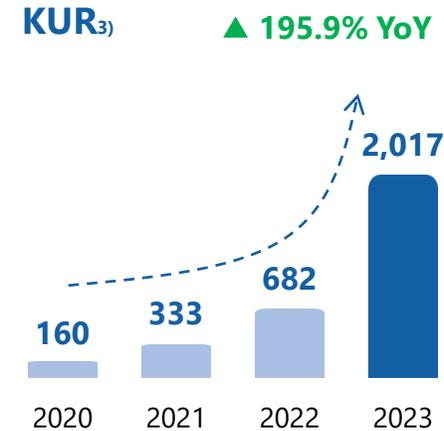
Non-Subsidized Mortgage Disbursement by Ticket Size (IDR Bn)



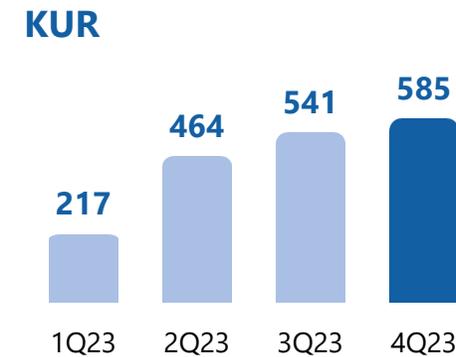
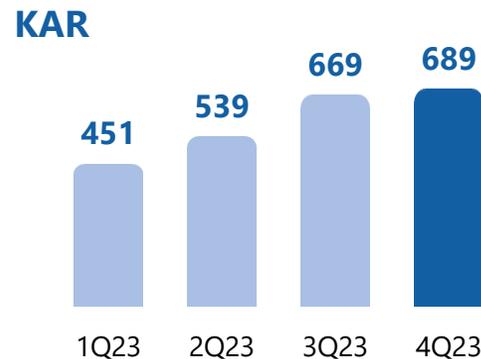
Non-Subsidized Mortgage Disbursement > IDR 750 Mn (IDR Bn)



Penetrating High Yield Loans from captive customers through KUR, KRING and KAR.



Disbursement (IDR Bn)



1) Kredit Ringan or Soft Loan

2) Kredit Agunan Rumah or Home Equity Loan

3) Kredit Usaha Rakyat

Outstanding (IDR Bn)

Acceleration of KAR & KRING Acquisitions

- Offering loan top-up facilities through tele-sales for selected customers with good credit history in 10 pilot project branches.
- Transforming sub-branch office's role with dedicated personnel.

Acceleration of KUR Business Process

Expand



Digitize

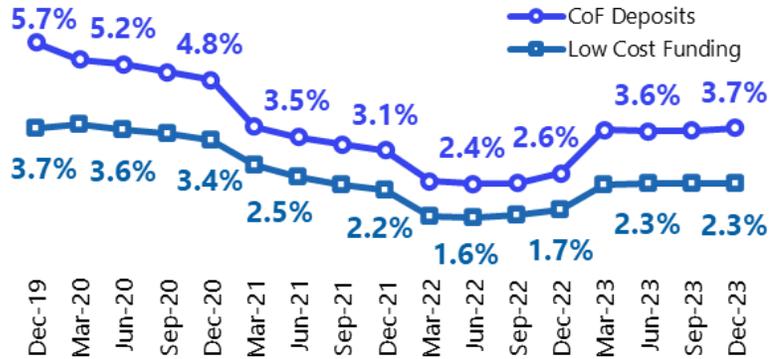
Implementation of **Credit Scoring Model, Decision Engine, and KUR Mobile App (B-Maps).**

Integrate

QRIS and EDC Bundling KUR offering program & KUR disbursement to E-Commerce and Point of Sale partners.



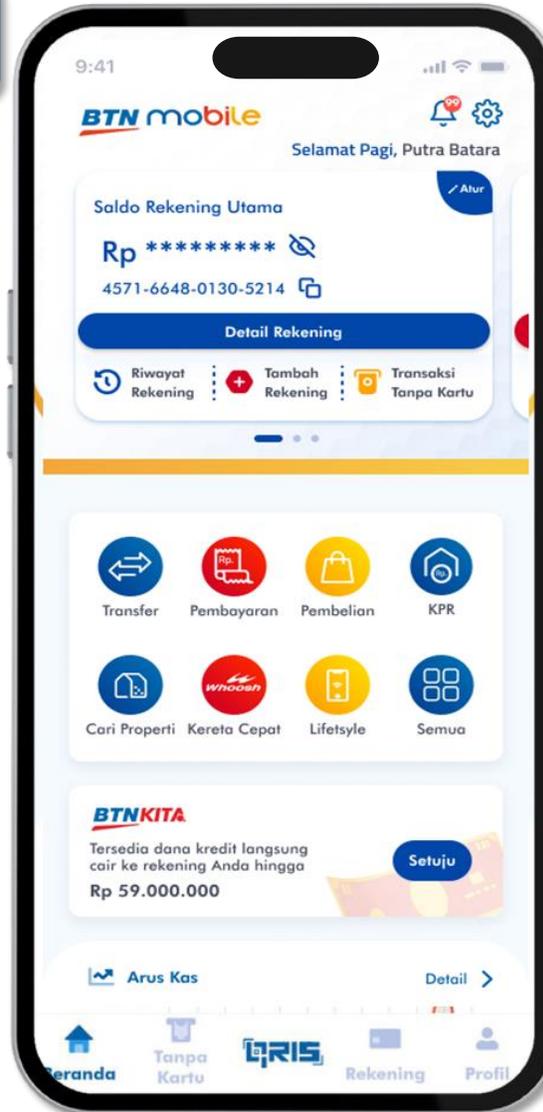
Focusing on low-cost deposits and higher CASA.



e-Deposito Balance Rate up to **5.00%** p.a.
Rupiah and Valas



*) as of Dec-23 for e-Deposito Rupiah



Expanding digital and transaction based business banking

Incremental Total Transaction just in 1 year



Fee-Based from E-Channel (IDR Bn)



▲ 50% YoY
9.2 K+ Property Developers

▲ 35% YoY
15.6 K+ Housing Projects

▲ 9% YoY
948 K+ Property Listing

btncpropterti **BTN Properti**

Developing new sources of non-interest income

Wholesale Transaction Banking Business

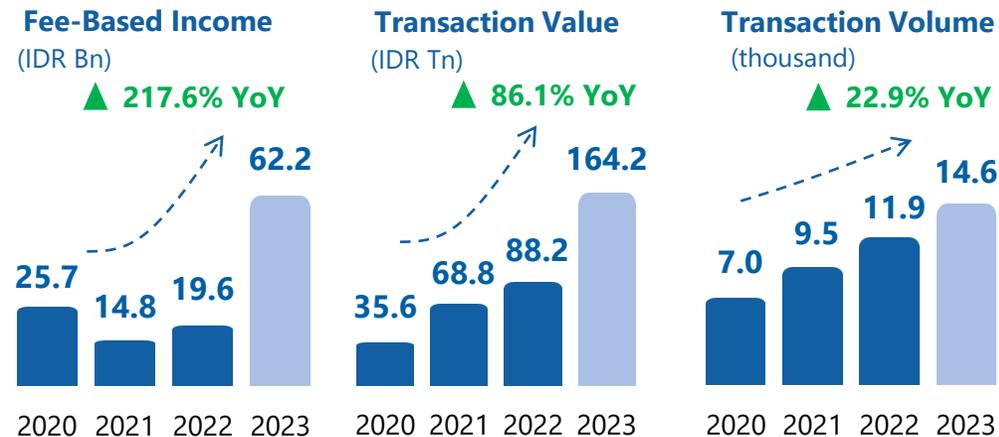
5 Focus Ecosystem

- Education
- Healthcare
- Property Related
- Trade
- Industrial Estate

<p>Partnership with 2 prominent SOE cement</p>	<p>Several public universities transactions using BTN CMS</p>	<p>Collaboration with prominent public hospital in Makassar</p>
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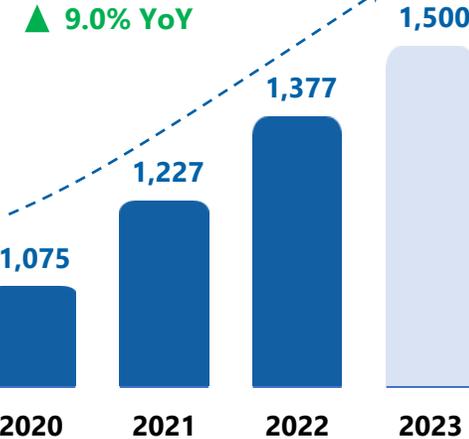
Wholesale Transaction Banking Performance

(From Trade Finance, Bank Guarantee & CMS)



Consistent Growth on Recurring Fee Income

(IDR Bn)



- Initiatives to boost Fee-Based income include expansion of trade finance, bank guarantee, and more features on retail-based treasury transaction (bond & forex retail).
- Improve penetration through Digital Banking transaction
- New business development from priority customers through bancassurance, mutual fund and bond acquisition.

Settling bad loans and Business Process Improvement from various activities



BTN closed the bulk asset sales divestment, with total amount of **Rp861bn** (7.9% of NPL as of Dec-23 pre-write offs). The transaction completed at the end of 2023.



This asset sales help BTN to lower the NPL by around **26 bps** from our Dec-23 NPL number at **3.0%**



BTN expects another round of bulk asset sales with potential amount of circa **IDR 1 Tn** in 1H24.

	2023 Guidance	2023 Actual	2024 Guidance
Loan Growth	10 - 11%	11.9%	10 - 11%
Deposits Growth	5 - 7%	8.7%	8 - 9%
Net Profit Growth	8 - 10%	15.0%	10 - 11%
Cost of Credit	1.2-1.4%	1.2%	1.1-1.2%
NPL Gross	<3.5%	3.0%	<3%

Bank  **BTN**

Initiatives in 2024



Strategy Initiatives 2024

Bank BTN has formulated 7 strategic initiatives for 2024 with the theme "Become a Game Changer in the Disruptive Technology Era".



Strategy Initiatives : Improving CASA and Transforming BTN into a transactional bank

Enhancing Wholesale Transaction Banking



1. Developing Housing ecosystem with a focus on **Property Related, Healthcare, Retail and Education segments.**
2. **Revamping BTN Solusi** to acquire Current Account
3. Optimizing Cash Management System (CMS)

Improving Digital Capabilities



1. Acquiring and boosting digital transaction through BTN Mobile
2. Optimizing Low-cost funding through CASA
3. Tapping more SME customers to utilize BTN Merchant.

Increasing Products Holding from Existing Customers



1. **Increasing user activation rate** from existing mortgage customers.
2. **Promoting** new products to **priority customers.**
3. **Penetrating** individual customers from **existing developer partners.**

Acquiring CASA Customers from New Segment



1. **Establishing Sales Acquisition Team** Unit (Direct Sales, Digital Sales and Transaction Sales)
2. **Developing New Priority Segment;** BTN Preferred (IDR 100 – 500 Mn) and Private (>IDR 10 Bn)
3. **Setting up new unit** for Medium Institutional Funding (<IDR 500 Bn)

Strategy Initiatives : Expanding Towards High Yield Loan

3 New Sales Centers in 2024



- 3 of 10 cities with **the largest population** in Indonesia
- 3 of 10 Provinces with the highest **sales potential in house prices >IDR750 million**
- there are **23 thousand unit of ready houses** in those 3 cities, based on Indonesia Property Watch



Total Potential Annual Sales IDR **5.05** Tn

High Yield Initiatives in 2024

KUR

± IDR **4** Tn
New Disbursement

- KUR Outlets expansion to **300 outlets** in 2024
- Focus on **Small KUR within Housing Ecosystem**
- **Partnership expansion** with digital, e-commerce & P2P platforms
- **KUR Mobile App** (B-Maps) enhancement.

KAR

± IDR **3** Tn
New Disbursement

+ **14 – 15%**
yoy growth

- **Tele-sales intensification** to promote top-up loan
- Implementing **'BTN Ready' digital lending platform** with KAR Top Up feature
- **upselling and cross selling activities** for existing customers

KRING

- **Focusing on offers and promotions** through tele-sales, payroll customers, and joint financing to help boost KRING disbursement.
- **Introducing 'BTN Paylater'** to target new and existing customers
- **Joint financing/ asset buying** through synergy with other institutions.
- **Optimizing Payroll** with new institutions

± IDR **11** Tn
New disbursement

High yield loan contribution to total loans will be **around 6-7%** by the end of 2025

Intensifying of asset sales through auctions and KPR Maju

- ❑ Increasing the portion of fee-based income through asset sales
- ❑ Optimizing sales through KPR Maju to individual investors and big buyers (multifinance companies or developers)

Improving Business process for collection & recovery

- ❑ Intensifying collection of early bucket debtors through desk call activities and field collection activities
- ❑ Intensifying second way out strategies for bad loans on Late Bucket

Redefining collection mindset from "collecting" to "saving" for loan payment

- ❑ Providing incentives in form of installment discount when customers can maintain minimum balance on their deposits
- ❑ Providing lower interest rates for customers with high deposit balances
- ❑ Penetrating further through BTN Mobile

KPR Maju (Ex-NPL & Write-Off Mortgage Recycle Product)



1 – 2% higher than subsidized mortgage rate

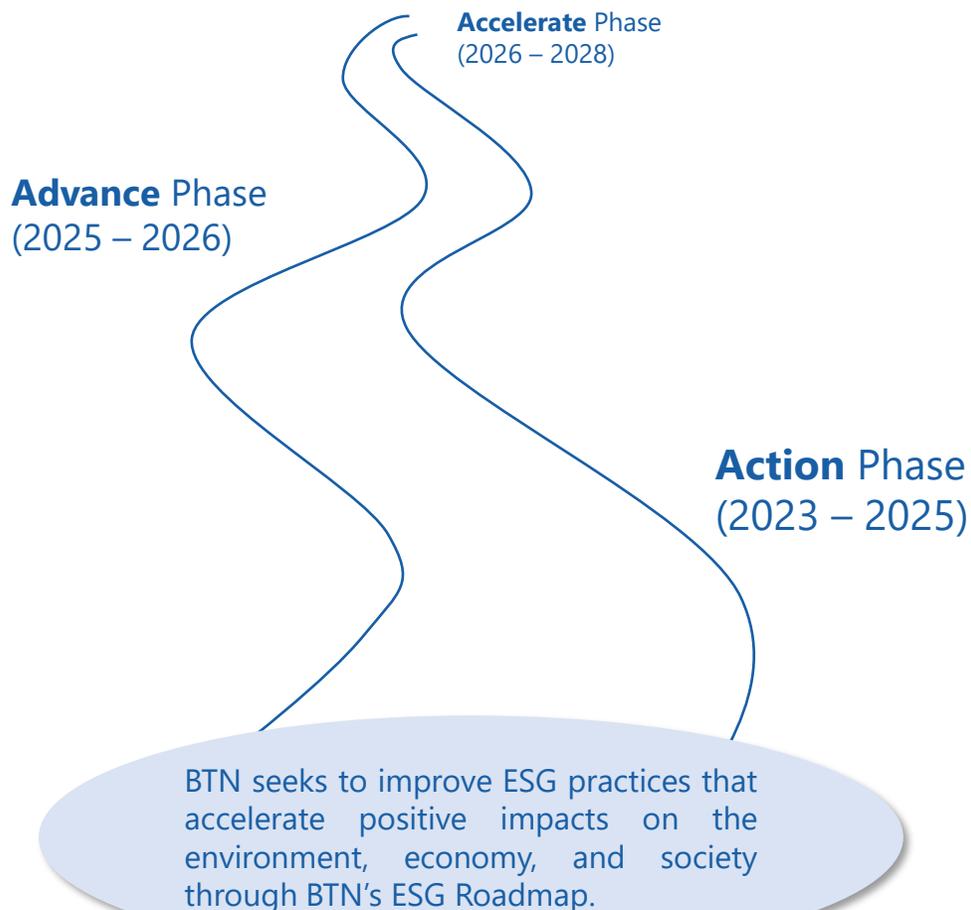
Mortgage facility for the purchase of landed houses or flats, especially ex-Subsidized Mortgage unit, where the buying and selling process will use the Power of Attorney to Sell (SKM) with Minutes of Hand Over as the basis.

Bulk Asset Sales – Phase 2

Details

- ❑ Total asset sales circa **IDR 1 Tn of NPLs** from high-rise commercial loans.
- ❑ The NPLs already **100% provisioned** with an outright sale scheme.
- ❑ Bulk Asset Sales Phase 2 initiatives expected to be done **by the end of 1H24**.
- ❑ **NPL Gross** targeted to be below 3% in the end of 2024.

BTN's ESG Roadmap



Six Components of BTN's Framework

- Sustainable Finance
- Climate Change & Ecosystems
- People & Community
- ESG in the Value Chain
- Stakeholder Inclusiveness
- Integrated GRC

9 Strategic Theme of BTN's ESG

- Conducting **Sustainable Business Operations**
- Developing **sustainable and inclusive bank products and portfolio management**
- Integrating **ESG component in enterprise risk management framework** and program
- Developing **ESG culture and responsible leaders program**
- **Building a control environment** that is integrated with ESG components
- Establishing **ESG monitoring, communication, and reporting program**
- Establishing **ESG data management**
- **Navigating trends in ESG rules and regulations**
- **Building partnerships and cooperation**

Bank  **BTN**

5-Years Financial Performances



Financial Highlight	2019	2020	2021	2022	2023	Growth (%)
Asset/ Liabilities						
Total Assets (IDR Bn)	311,777	361,208	371,868	402,148	438,750	9.1 yoy
Total Loan & Financing (IDR Bn)	255,825	260,114	274,835	298,282	333,698	11.9 yoy
Total Deposits (IDR Bn)	225,401	279,135	295,976	321,937	349,933	8.7 yoy
Profitability						
Net Profit (IDR Bn)	209	1,602	2,376	3,045	3,501	15.0 yoy
N I M	3.32%	3.1%	4.0%	4.4%	3.8%	(65) bps
C I R	58.1%	53.9%	48.2%	46.7%	45.3%	(140) bps
ROE (Tier-1)	1.0%	10.0%	13.6%	16.4%	13.9%	(256) bps
ROA	0.1%	0.7%	0.8%	1.0%	1.1%	5 bps
Asset Quality						
NPL (Gross)	4.8%	4.4%	3.7%	3.4%	3.0%	(37) bps
Loan at Risk (LAR)	3.0%	34.1%	26.8%	23.2%	21.1%	(214) bps
NPL Coverage	50.0%	115.0%	141.8%	155.7%	155.2%	(49) bps
Cost of Credit (CoC)	1.4%	0.9%	1.4%	1.4%	1.2%	(21) bps
Liquidity						
LDR	113.5%	93.2%	92.9%	92.7%	95.4%	271 bps
CASA	43.4%	41.1%	44.3%	48.5%	53.7%	521 bps
Capital						
Equity (IDR Bn)	23,836	19,988	21,407	25,909	30,479	17.6 yoy
CAR (Tier 1)	15.6%	13.6%	13.8%	16.1%	17.5%	136 bps
Total CAR	17.3%	19.3%	19.1%	20.2%	20.1%	(10) bps

Balance Sheet

Balance Sheet Summary (IDR Bn)	Dec-19	Dec-20	Dec-21
Total Earning Assets	284,338	335,630	331,979
Term Deposit with BI	6,134	11,583	5,550
Total Loan & Financing	255,825	260,114	274,835
Securities	18,628	59,494	48,313
Other Earning Assets	3,751	4,439	3,281
Provision on Earning Asset	(6,145)	(13,066)	(14,440)
Total Non Earning Assets	33,584	38,645	54,329
Total Assets	311,777	361,208	371,868
CASA	97,754	114,764	131,120
Current Account	52,117	72,045	79,199
Saving Account	45,638	42,719	51,922
Time Deposits	127,647	164,371	164,856
Third Party Deposits	225,401	279,135	295,976
Securities issued	19,784	15,810	12,372
Deposits from Other Banks	4,522	35	74
Repurchase Agreements	947	0	0
Borrowings	28,465	34,002	30,822
Non Interest Bearing Liabilities	8,823	12,238	11,218
Total Liabilities	287,941	341,221	350,462
Total Equity	23,836	19,988	21,407
Total Liabilities & Equity	311,777	361,208	371,868

Dec-22	Sep-23	Dec-23	QoQ	YoY	% Assets as of Dec-23
360,379	379,426	389,827	2.7%	8.2%	88.8%
4,578	11,451	12,149	6.1%	165.4%	2.8%
298,282	318,300	333,698	4.8%	11.9%	76.1%
53,688	46,076	41,200	-10.6%	-23.3%	9.4%
3,831	3,599	2,780	-22.7%	-27.4%	0.6%
(15,679)	(15,977)	(15,641)	-2.1%	-0.3%	-3.6%
57,449	46,227	64,563	39.7%	12.4%	14.7%
402,148	409,675	438,750	7.1%	9.1%	100.0%
156,202	160,260	188,007	17.3%	20.4%	42.8%
114,007	118,061	143,535	21.6%	25.9%	32.7%
42,195	42,199	44,472	5.5%	5.4%	10.1%
165,736	163,648	161,927	-1.1%	-2.3%	36.9%
321,937	323,908	349,933	8.0%	8.7%	79.8%
8,652	6,436	6,835	6.2%	-21.0%	1.6%
179	1,504	1,300	-13.6%	625.7%	0.3%
0	2,382	0	-100.0%	0.0%	0.0%
33,979	35,627	42,875	20.4%	26.2%	9.8%
11,491	10,763	7,327	-31.9%	-36.2%	1.7%
376,239	380,621	408,271	7.3%	8.5%	93.05%
25,909	29,054	30,479	4.9%	17.6%	6.95%
402,148	409,675	438,750	7.1%	9.1%	100.00%

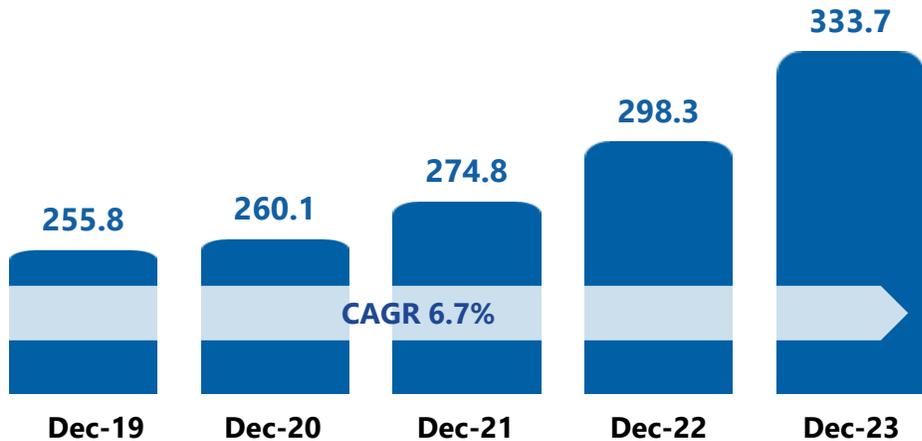
Loan Mix

Loan Type (IDR Bn)	Dec-19		Dec-20		Dec-21	
	Outs	%	Outs	%	Outs	%
Housing Loan	229,522	89.7%	234,785	90.3%	244,823	89.1%
Subsidized Mortgage	111,130	43.4%	120,720	46.4%	130,683	47.6%
Non Subsidized Mortgage	80,649	31.5%	79,938	30.7%	83,251	30.3%
Other Housing Loan	8,032	3.1%	7,256	2.8%	6,976	2.5%
Construction Loan	29,711	11.6%	26,871	10.3%	23,914	8.7%
Non Housing Loan	26,303	10.3%	25,329	9.7%	30,012	10.9%
Consumer Loan	4,896	1.9%	5,119	2.0%	6,559	2.4%
Commercial Loan	9,032	3.5%	8,270	3.2%	9,512	3.5%
Corporate Loan	12,375	4.8%	11,940	4.6%	13,942	5.1%
Total Loan & Financing	255,825	100.0%	260,114	100.0%	274,835	100.0%
Mortgage	191,779	75.0%	200,658	77.1%	213,934	77.8%

Loan Type (IDR Bn)	Dec-22		Sep-23		Dec-23		QoQ	YoY
	Outs	%	Outs	%	Outs	%		
Housing Loan	261,705	87.7%	277,422	87.2%	284,617	85.3%	2.6%	8.7%
Subsidized Mortgage	145,860	48.9%	157,716	49.6%	161,746	48.5%	2.6%	10.9%
Non Subsidized Mortgage	87,824	29.4%	92,896	29.2%	96,175	28.8%	3.5%	9.5%
Other Housing Loan	6,970	2.3%	7,559	2.4%	7,871	2.4%	4.1%	12.9%
Construction Loan	21,051	7.1%	19,251	6.0%	18,826	5.6%	-2.2%	-10.6%
Non Housing Loan	36,576	12.3%	40,891	12.8%	49,081	14.7%	20.0%	34.2%
Consumer Loan	7,010	2.4%	6,762	2.1%	7,264	2.2%	7.4%	3.6%
Commercial Loan	11,563	3.9%	11,141	3.5%	12,901	3.9%	15.8%	11.6%
Corporate Loan	18,004	6.0%	22,975	7.2%	28,916	8.7%	25.9%	60.6%
Total Loan & Financing	298,282	100.0%	318,300	100.0%	333,698	100.0%	4.8%	11.9%
Mortgage	233,684	78.3%	250,612	78.7%	257,921	77.3%	2.9%	10.4%

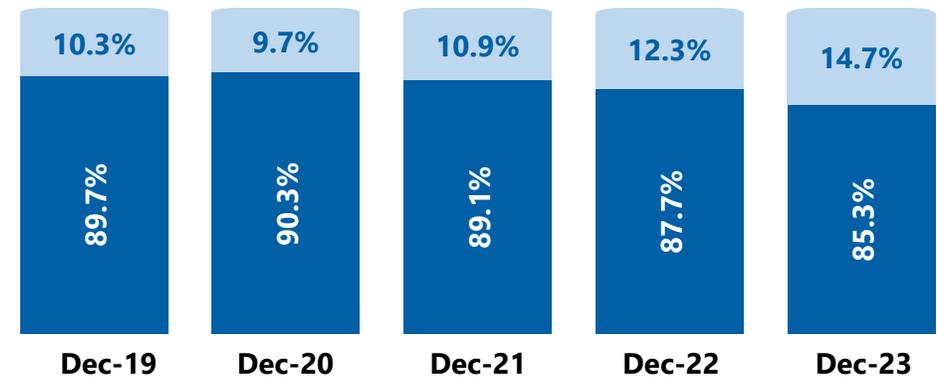
Gross Loan (IDR Tn)

▲ +11.9% yoy



Composition by Business Segment

■ Non Housing Loans
■ Housing Loans



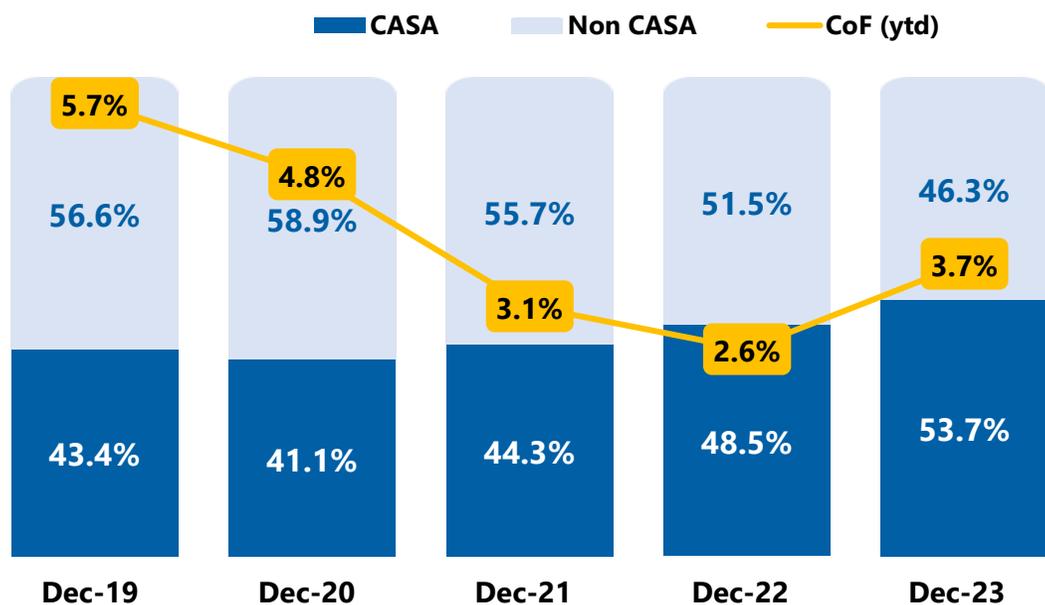
Loan Disbursement

Loan by Segment (IDR Bn)	12M19	12M20	12M21	4Q22	3Q23	4Q23	QoQ	YoY	12M22	12M23	YoY
Housing Loan	44,117	29,712	35,399	14,525	16,383	15,585	-4.9%	7.3%	47,559	56,893	19.6%
Subsidized Mortgage	19,272	17,064	18,409	7,406	7,673	6,775	-11.7%	-8.5%	24,332	25,632	5.3%
Non Subsidized Mortgage	12,498	6,935	10,969	4,053	5,171	5,866	13.4%	44.7%	14,363	19,073	32.8%
Other Housing Loan	1,365	683	1,069	465	679	699	2.9%	50.3%	1,349	2,378	76.4%
Construction Loan	10,982	5,03	4,952	2,601	2,860	2,245	-21.5%	-13.7%	7,516	9,810	30.5%
Non Housing Loan	20,587	15,177	24,206	12,202	9,397	12,153	29.3%	-0.4%	40,036	36,794	-8.1%
Consumer Loan	4,184	4,251	7,182	3,464	1,092	1,283	17.5%	-63.0%	8,530	3,853	-54.8%
Commercial Loan	10,762	3,884	9,036	6,280	4,597	3,322	-27.7%	-47.1%	20,807	14,573	-30.0%
Corporate Loan	5,641	7,041	7,988	2,458	3,708	7,549	103.6%	207.1%	10,698	18,368	71.7%
Total Loan & Financing	64,704	44,888	59,605	26,727	25,780	27,739	7.6%	3.8%	87,595	93,687	7.0%
Mortgage	31,770	23,999	29,378	11,459	12,844	12,641	-1.6%	10.3%	38,695	44,705	15.5%

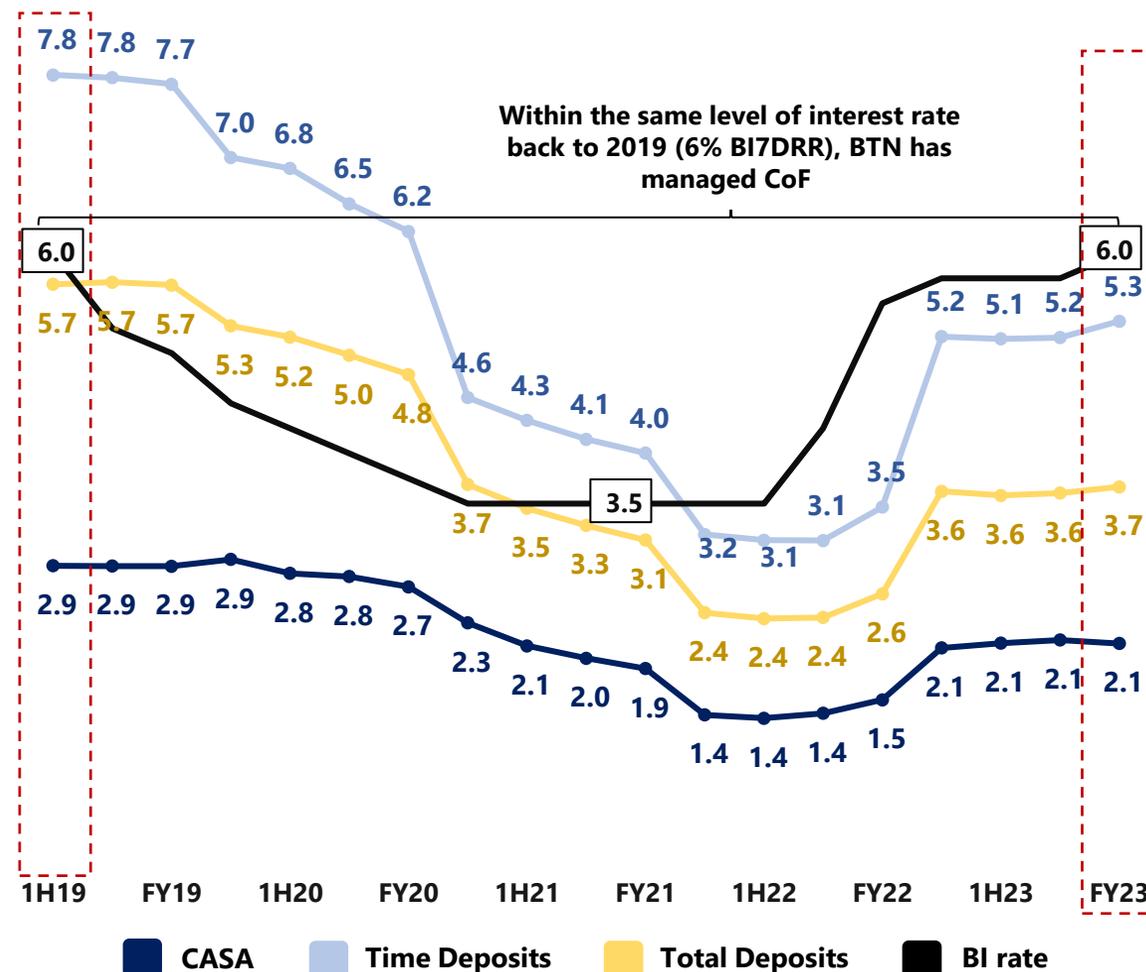
Customer Deposits (IDR Tn)

By Segments	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	YoY
CASA	97.7	114.8	131.1	156.2	188.0	20.4%
Current Account	52.1	72.0	79.2	114.0	143.5	25.9%
Savings Account	45.6	42.7	51.9	42.2	44.5	5.4%
Time Deposits	127.6	164.4	164.9	165.7	161.9	-2.3%
Total Deposits	225.4	279.1	296.0	321.9	349.9	8.7%

CASA and Cost of Fund (%)



Cost of Deposits (% YTD)



Capital (IDR Bn)	Full-Year of					% Growth
	2019	2020	2021	2022	2023	
Tier – 1 Capital	21,037	17,626	18,532	22,533	27,154	20.5 yoy
Tier – 2 Capital	2,313	7,369	7,175	5,635	4,076	-27.7 yoy
Total Capital	23,350	24,995	25,707	28,168	31,230	10.9 yoy
Total RWA	134,844	129,250	134,341	139,631	155,590	11.4 yoy
RWA – Credit Risk	113,079	105,435	110,020	114,318	136,692	19.6 yoy
RWA – Market Risk	802	1,612	2,407	1,373	942	-31.4 yoy
RWA – Operational Risk	20,963	22,203	21,914	23,939	17,956	-25.0 yoy
CAR Tier 1 (Tier 1/Total RWA)	15.6%	13.6%	13.8%	16.2%	17.5%	136 bps
CAR Tier 2	1.7%	5.7%	5.3%	4.0%	2.6%	(142) bps
CAR BI ((Tier 1+2)/Total RWA)	17.3%	19.3%	19.1%	20.2%	20.1%	(10) bps
Capital Conservation Buffer	2.5%	0.0%	0.0%	2.5%	2.5%	- bps
Countercyclical Buffer	0.0%	0.0%	0.0%	0.0%	0.0%	- bps
Capital Surcharge (D-SIB)	1.0%	1.0%	1.0%	1.0%	1.0%	- bps

Profit and Loss

PL Summary (IDR Bn)	4Q22	3Q23	4Q23	QoQ	YoY	12M22	12M23	YoY
Interest Income	6,911	7,311	7,438	1.7%	7.6%	25,888	28,271	9.2%
Interest Expense	(3,309)	(3,647)	(3,957)	8.5%	19.6%	(10,740)	(14,648)	36.4%
Net Interest Income	3,602	3,665	3,481	-5.0%	-3.34%	15,148	13,624	-10.1%
Other Operating Income	822	646	1,561	141.7%	90.0%	2,233	3,922	75.6%
Other Operating Expense (Exclude Provision)	(1,988)	(2,244)	(2,710)	25.4%	36.0%	(9,406)	(9,311)	-1.0%
Pre-Provision Operating Profit (PPOP)	2,436	2,067	2,332	12.1%	-0.7%	7,975	8,234	3.5%
Provision	(1,425)	(998)	(828)	-17.0%	-41.9%	(4,041)	(3,765)	-6.8%
Profit From Operations	1,011	1,069	1,504	39.2%	63.3%	3,934	4,470	13.6%
Non-Operating Income (Expense)	(24)	(25)	(39)	57.8%	65.6%	(59)	(90)	52.4%
Profit Before Tax	987	1,050	1,464	39.4%	49.9%	3,876	4,380	13.0%
Net Profit	770	838	1,188	41.8%	52.3%	3,045	3,501	15.0%

Interest Income

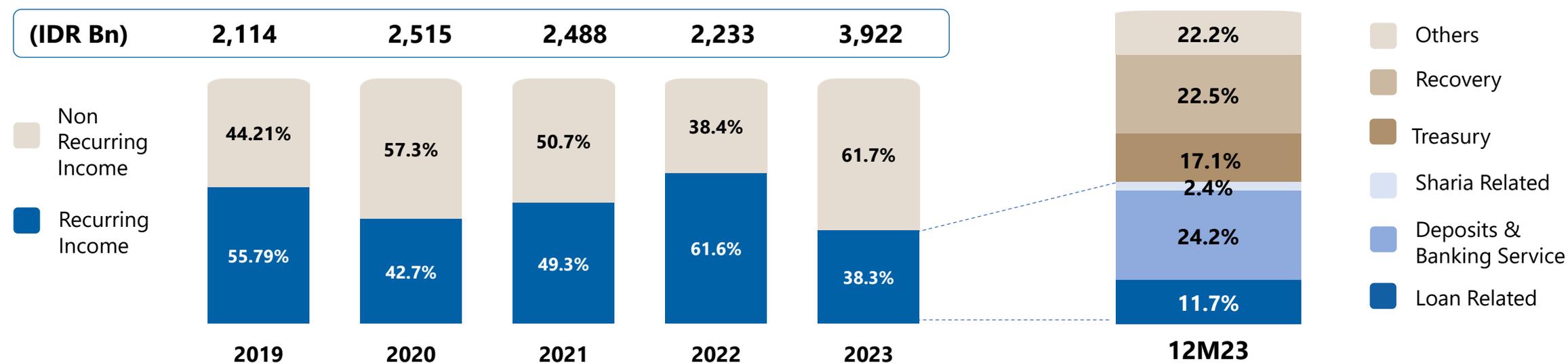
Interest Income (IDR Bn)	4Q22	3Q23	4Q23	QoQ	YoY	12M22	12M23	YoY	% portion of 12M23
Placement with Bank Indonesia	142	194	194	0.1%	37.3%	321	609	89.5%	2.1%
Placement with other bank	(25)	2	4	186.3%	-118.1%	10	16	49.0%	0.1%
Securities	548	481	657	36.5%	19.9%	2,253	2,244	-0.4%	7.9%
Loan	5,536	5,866	5,795	-1.2%	4.7%	20,956	22,378	6.8%	79.2%
Others	57	22	22	-1.0%	1,127.1%	61	90	47.5%	0.3%
Income from Syariah	654	746	766	2.6%	17.1%	2,286	2,934	28.3%	10.4%
Total	6,911	7,311	7,438	1.7%	7.6%	25,888	28,271	9.2%	100.0%

Interest Expense

Interest Expense (IDR Bn)	4Q22	3Q23	4Q23	QoQ	YoY	12M22	12M23	YoY	% portion of 12M23
Bank Indonesia	-	-	-	-	-	-	-	0.0%	0.0%
Deposits from Other Banks	84	80	73	-9.1%	-14.0%	135	241	79.2%	1.6%
Deposits from Non Banks	2,604	2,931	3,212	9.6%	23.6%	7,918	11,832	49.4%	80.8%
Securities Issued	171	125	119	-5.0%	-30.2%	880	547	-37.9%	3.7%
Fund Borrowings	449	475	532	12.1%	18.5%	1,801	1,953	8.4%	13.4%
Others	2	36	21	-40.9%	1,174.9%	7	76	1002.5%	0.5%
Total	3,309	3,647	3,957	8.5%	19.6%	10,740	14,648	36.4%	100.0%

Other Operating Income

Other Operating Income (IDR Bn)	4Q22	3Q23	4Q23	QoQ	YoY	12M22	12M23	YoY
Non-Recurring Income	409	267	1,131	323.0%	176.4%	857	2,422	182.8%
Gain from Treasury Transaction	139	55	77	38.2%	-44.6%	154	669	333.7%
Recovery	187	185	513	177.5%	174.6%	371	882	137.7%
Others	84	27	541	1,905.1%	546.5%	331	870	163.0%
Recurring Income	413	378	430	13.6%	4.2%	1,377	1,500	9.0%
Loan Related Transaction	112	130	125	-3.4%	11.6%	363	458	26.4%
Deposits & Banking Service Related	275	224	277	23.9%	0.7%	935	949	1.5%
Sharia Related Transaction	25	25	28	10.2%	9.5%	79	93	18.1%
Total	822	646	1,561	141.7%	90.0%	2,233	3,922	75.6%

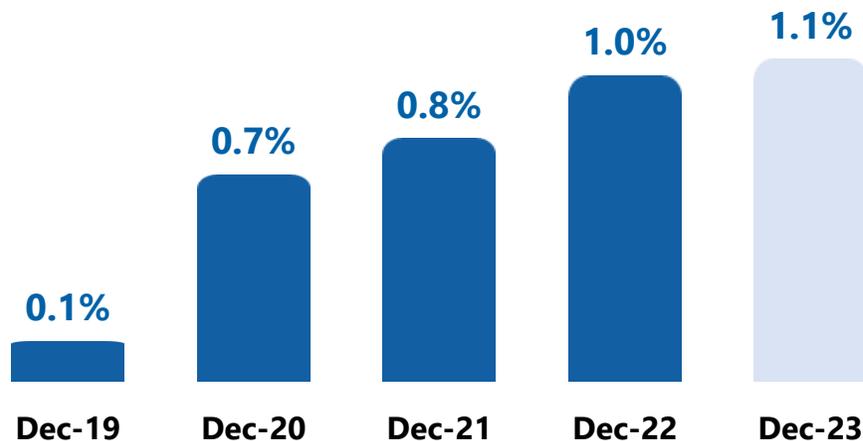


Other Operating Expense (exclude Provisions)

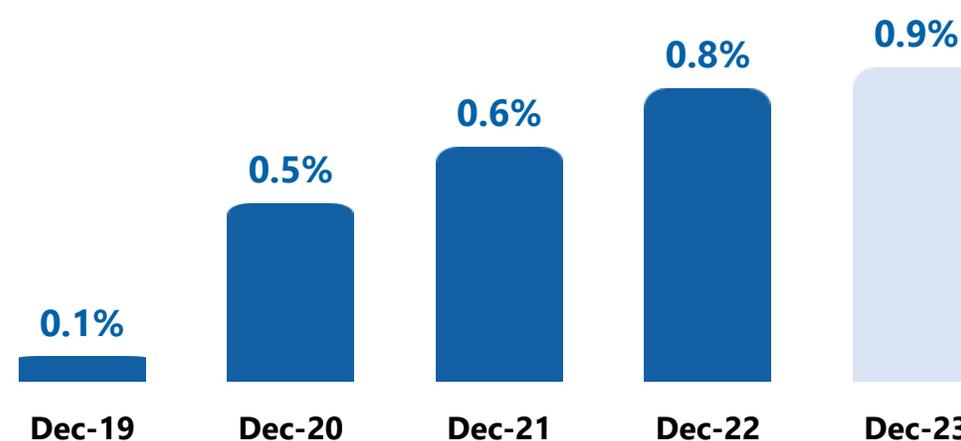
Other Operating Expense (IDR Bn) Excluding Provision	4Q22	3Q23	4Q23	QoQ	YoY	12M22	12M23	YoY	% portion of 12M23
Salaries & Employee Benefit	769	771	749	-2.8%	-2.6%	3,311	3,220	-2.8%	34.6%
General Administration	(262)	258	359	39.1%	-236.8%	839	1,186	41.5%	12.7%
Others	236	210	458	118.1%	94.1%	939	834	-11.2%	9.0%
Rent, Service & Maintenance	220	245	238	-2.9%	8.3%	913	833	-8.8%	8.9%
Depreciation	205	188	195	3.6%	-4.9%	629	717	13.9%	7.7%
Promotion	194	127	179	40.8%	-7.6%	470	537	14.4%	5.8%
Collector Fees & Consultant	263	265	305	15.1%	16.0%	1,069	1,083	1.3%	11.6%
Insurance Premium	147	166	165	-0.5%	12.6%	621	680	9.4%	7.3%
Training	32	30	35	14.8%	10.4%	88	96	9.3%	1.0%
Research & Development	2	1	3	95.9%	57.1%	6	8	41.6%	0.1%
Other Taxes	2	7	1	-82.3%	-14.3%	12	12	4.3%	0.1%
Loss (transaction spot, derivative, and forex)	344	(26)	16	-163.1%	-95.2%	500	100	-80.1%	1.1%
Marked to Market	(153)	-	6	N/A	-103.8%	10	6	-41.5%	0.1%
Total	1,988	2,244	2,710	20.8%	35.7%	9,406	9,311	-1.0%	100.0%

Key Financial Ratios

ROA¹ – Before Tax



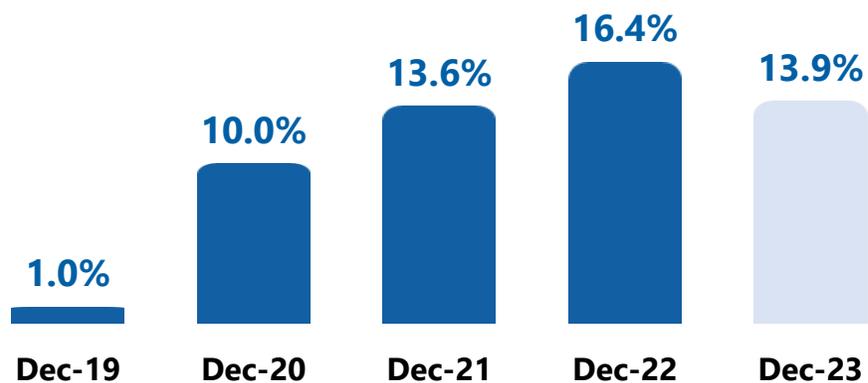
ROA² – After Tax



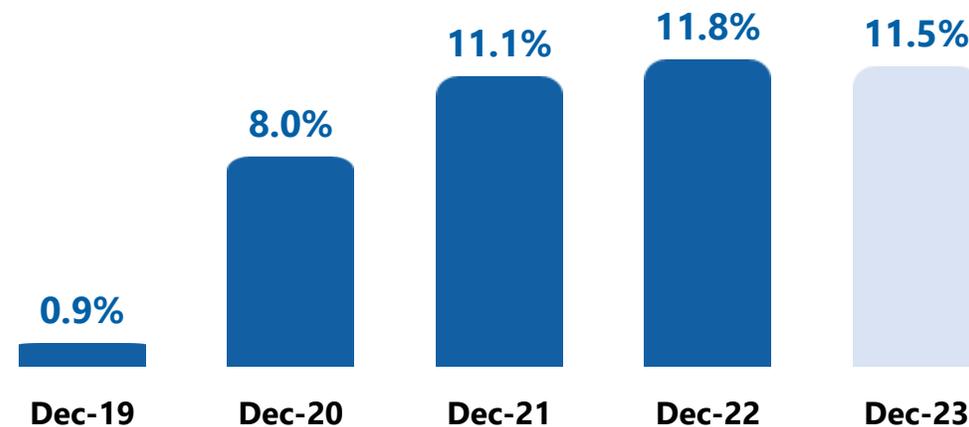
¹Calculated based on income before income tax (include tax benefit and extraordinary item)/ average total asset based on Bank Indonesia regulation

²Calculated based on net profit/average total asset

ROE³ – Tier 1 Capital



ROE⁴ – Balance Sheet



³Calculated based on net profit/average Tier 1 Capital based on Bank Indonesia regulation

⁴Calculated based on net profit/total stakeholder's equity

Bank  **BTN**

Asset Quality

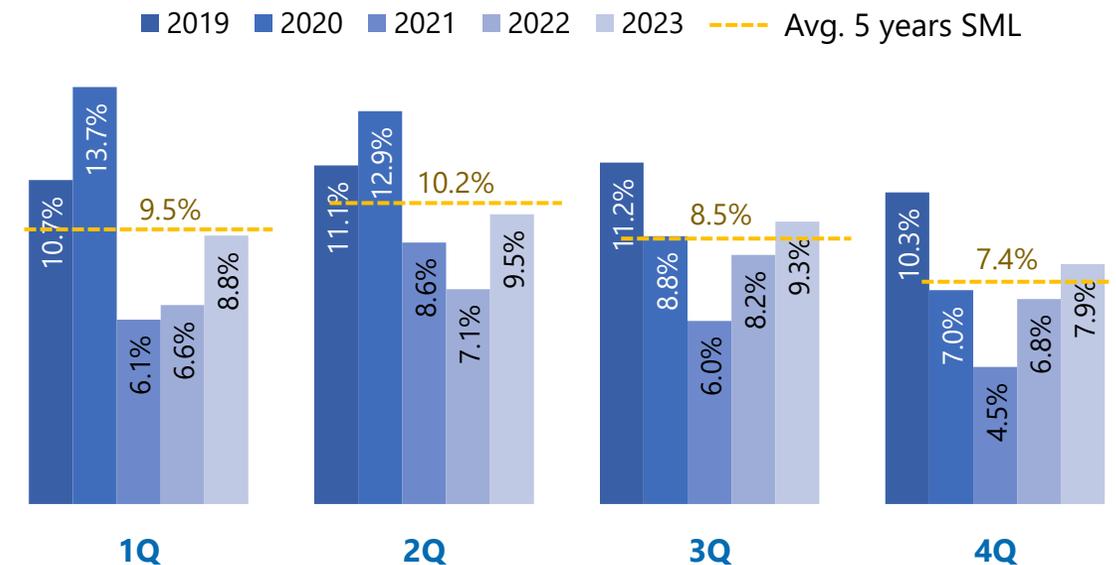
Collectibility	Dec-19		Dec-20		Dec-21	
	IDR Bn	%	IDR Bn	%	IDR Bn	%
Current	217,344	85.0%	230,456	88.6%	252,244	91.8%
Special Mention	26,251	10.3%	18,303	7.0%	12,412	4.5%
Performing Loan (PL)	243,595	95.3%	248,759	95.6%	264,656	96.3%
Substandard	3,088	1.2%	738	0.3%	222	0.1%
Doubtful	1,396	0.5%	582	0.2%	484	0.2%
Loss	7,747	3.0%	10,036	3.9%	9,473	3.4%
Non Performing Loan (NPL)	12,230	4.8%	11,355	4.4%	10,185	3.7%
Total Loan & Financing	255,825	100.0%	260,114	100.0%	274,841	100.0%
NPL Gross	4.8%		4.4%		3.7%	
NPL Nett	3.0%		2.1%		1.2%	

Dec-22		Sep-23		Dec-23	
IDR Bn	%	IDR Bn	%	IDR Bn	%
268,077	89.9%	277,155	87.1%	297,251	89.1%
20,134	6.8%	29,906	9.3%	26,399	7.9%
288,211	96.6%	307,074	96.5%	323,649	97.0%
580	0.2%	663	0.2%	571	0.2%
888	0.3%	1,230	0.4%	678	0.2%
8,602	2.9%	9,346	2.9%	8,800	2.6%
10,070	3.4%	11,238	3.5%	10,049	3.0%
298,282	100.00%	318,300	100.0%	333,049	100.0%
3.4%		3.5%		3.0%	
1.3%		1.6%		1.3%	

NPL Breakdown by Segment

By Segment (%)	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23	Dec-23
Housing Loan	4.4%	4.1%	3.5%	3.4%	3.7%	3.2%
Subsidized Mortgage	1.0%	1.0%	0.8%	0.9%	1.6%	1.5%
Non-Subsidized Mortgage	3.9%	3.6%	2.6%	1.9%	2.3%	2.0%
Other Housing Loan	4.7%	4.4%	3.4%	2.9%	3.6%	3.7%
Construction Loan	18.7%	19.6%	21.3%	26.2%	26.9%	23.8%
Non-Housing Loan	7.8%	6.7%	5.2%	3.4%	2.6%	1.9%
Consumer Loan	2.8%	2.1%	1.2%	1.1%	1.6%	1.6%
Commercial Loan	21.2%	19.2%	15.3%	9.4%	7.3%	6.2%
Corporate Loan	0.0%	0.0%	0.2%	0.6%	0.6%	0.1%
Total Loan & Financing	4.8%	4.4%	3.7%	3.4%	3.5%	3.0%
Mortgage	2.2%	2.0%	1.5%	1.3%	1.9%	1.7%

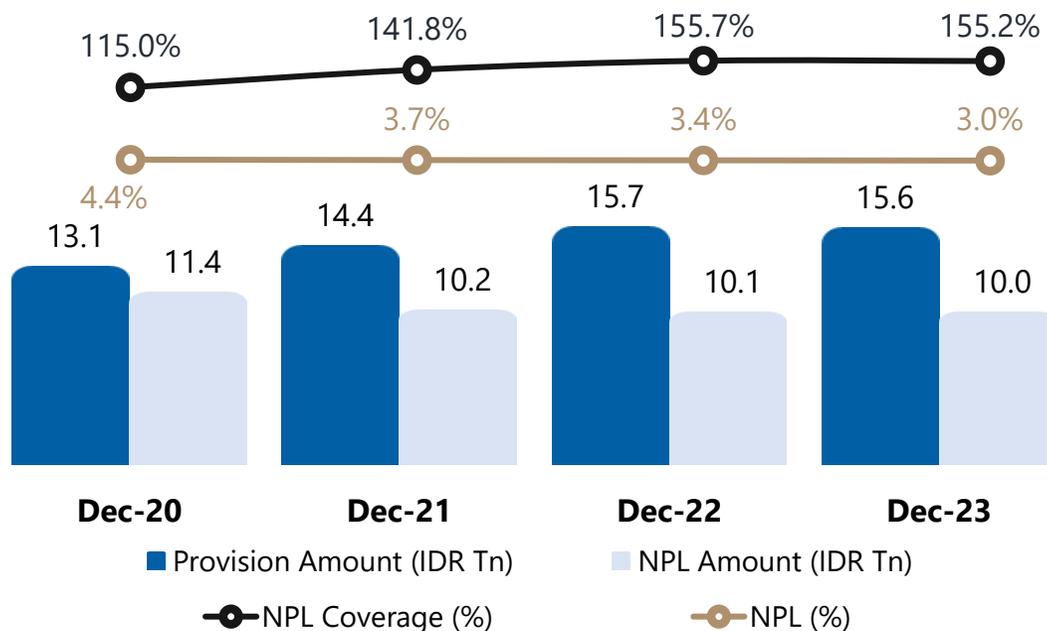
SML Breakdown by Segment



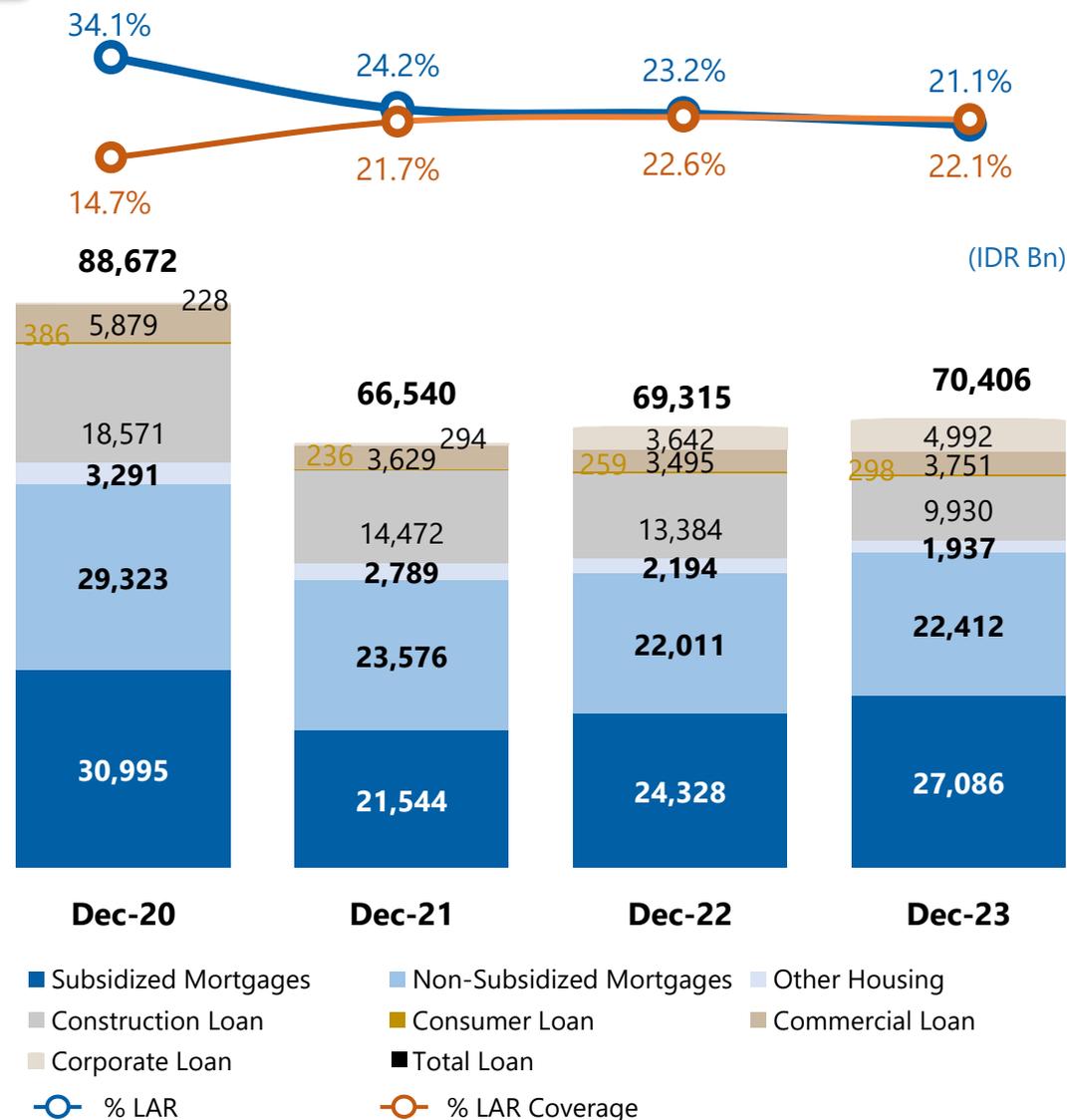
Note: Figures on graph and table include Sharia Financing

Loan Quality ,Coverage and Cost of Credit

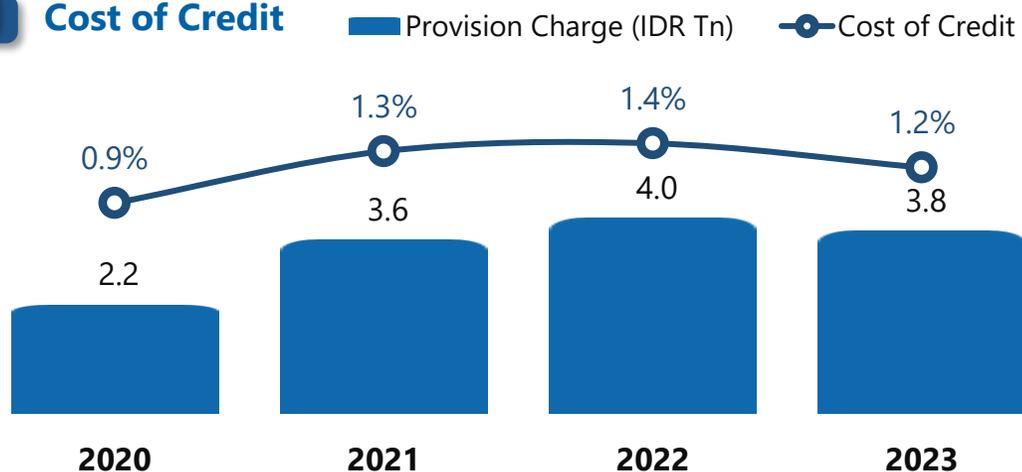
NPL & NPL Coverage



LAR & LAR Coverage

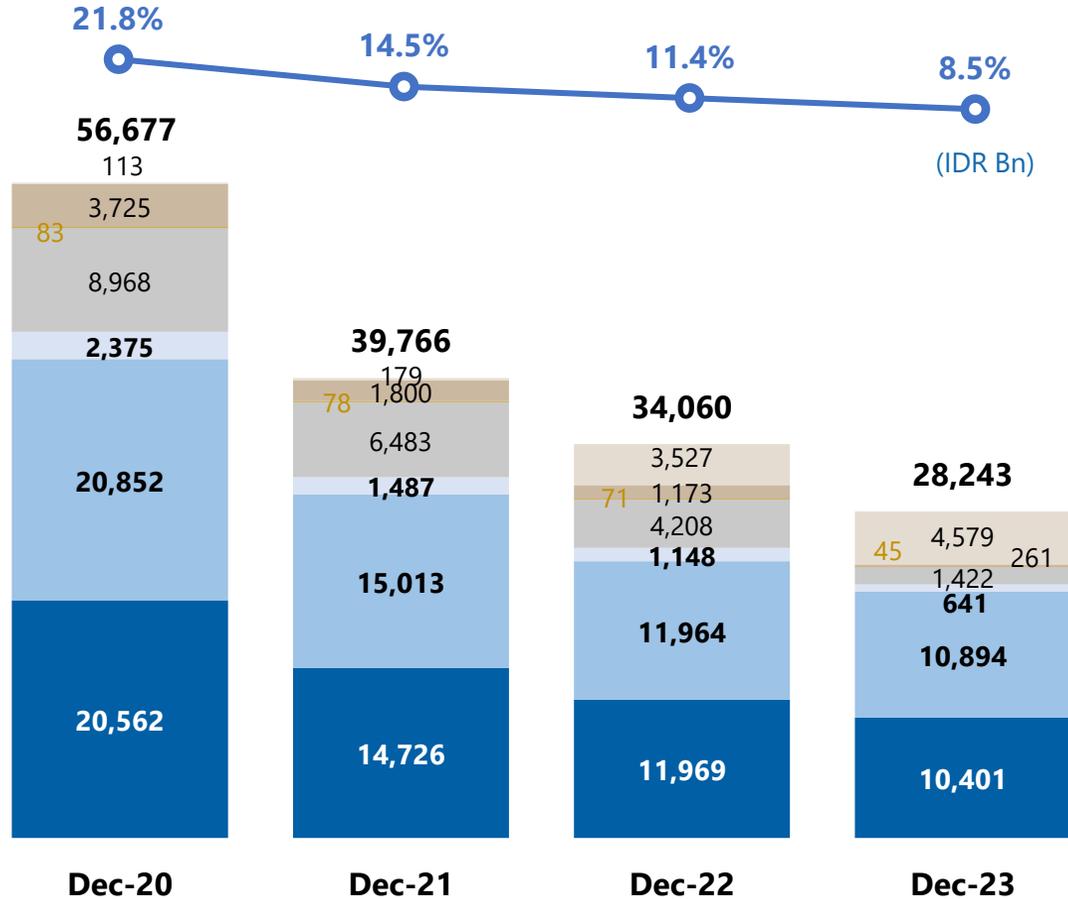


Cost of Credit



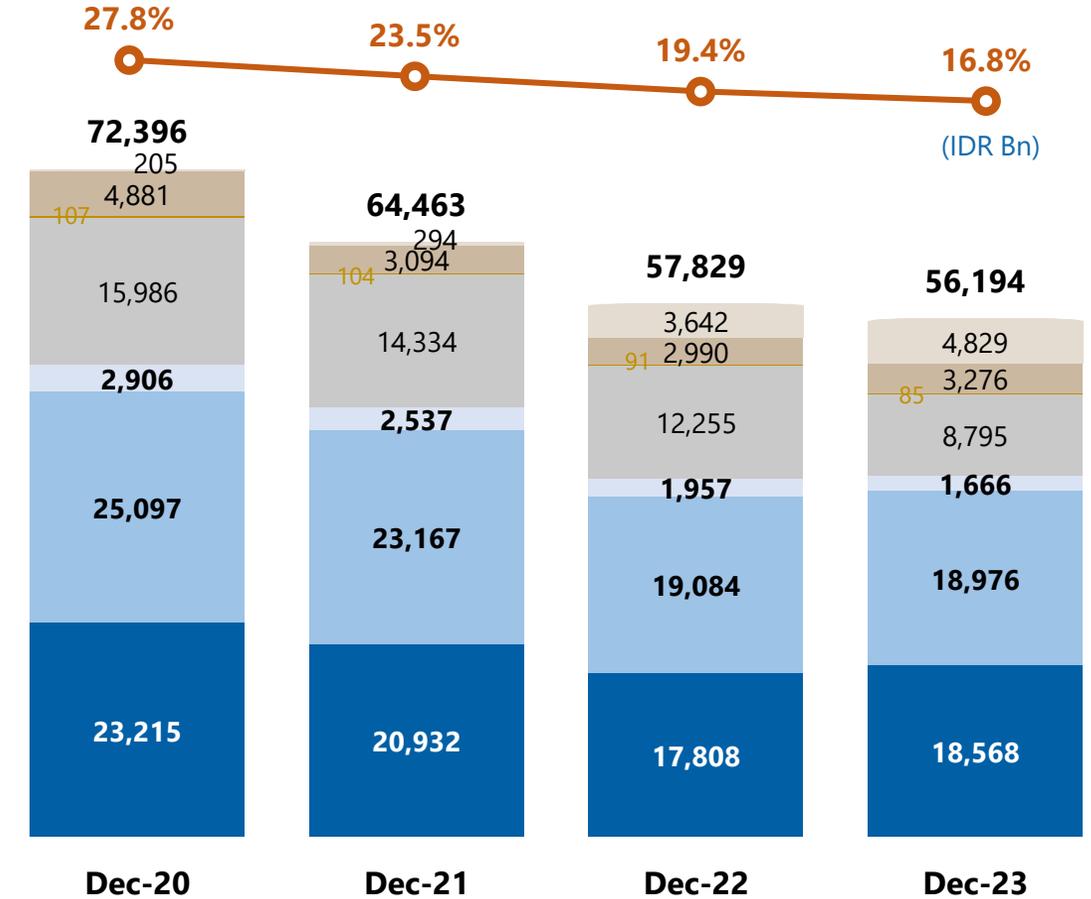
Restructured Loans Breakdown by Segment

Covid-19 Restructured Loan by Segment



- Subsidized Mortgages
- Non-Subsidized Mortgages
- Other Housing
- Construction Loan
- Consumer Loan
- Commercial Loan
- Corporate Loan
- Total Loan
- % Covid restru to total Loan

Total Restructured Loan by Segment

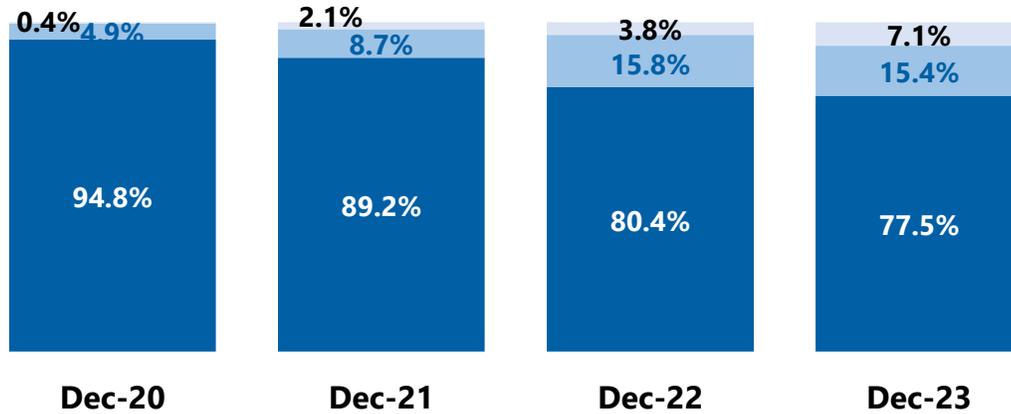


- Subsidized Mortgages
- Non-Subsidized Mortgages
- Other Housing
- Construction Loan
- Consumer Loan
- Commercial Loan
- Corporate Loan
- Total Loan
- % total restru to total Loan

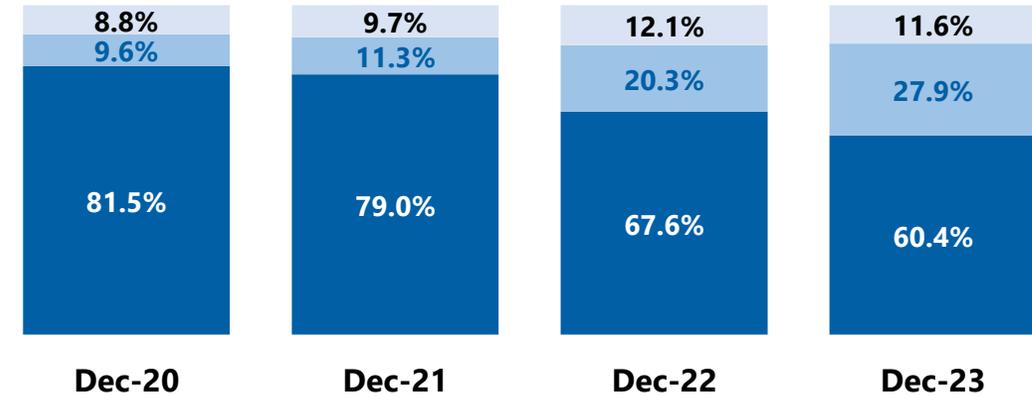
Restructured Loans Breakdown by Collectability



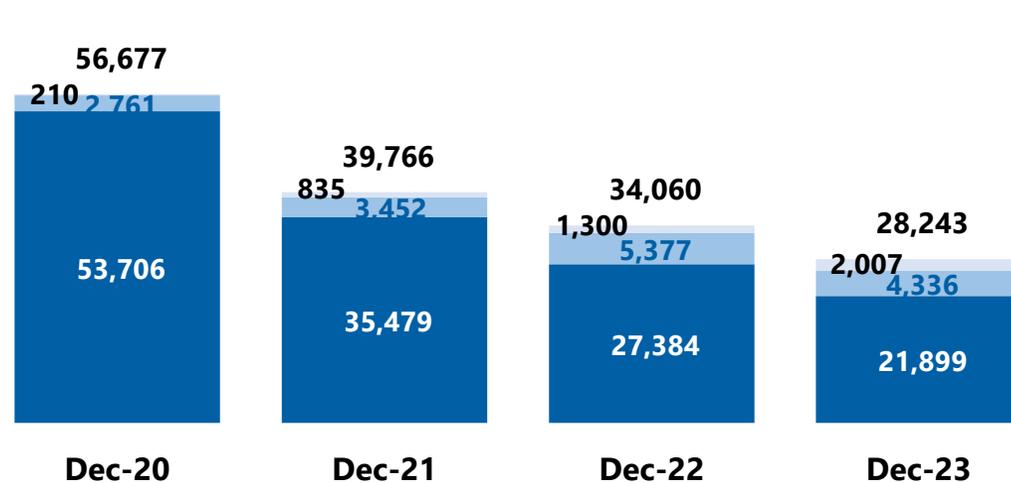
Covid-19 Restructured Loan by Collectability (%)



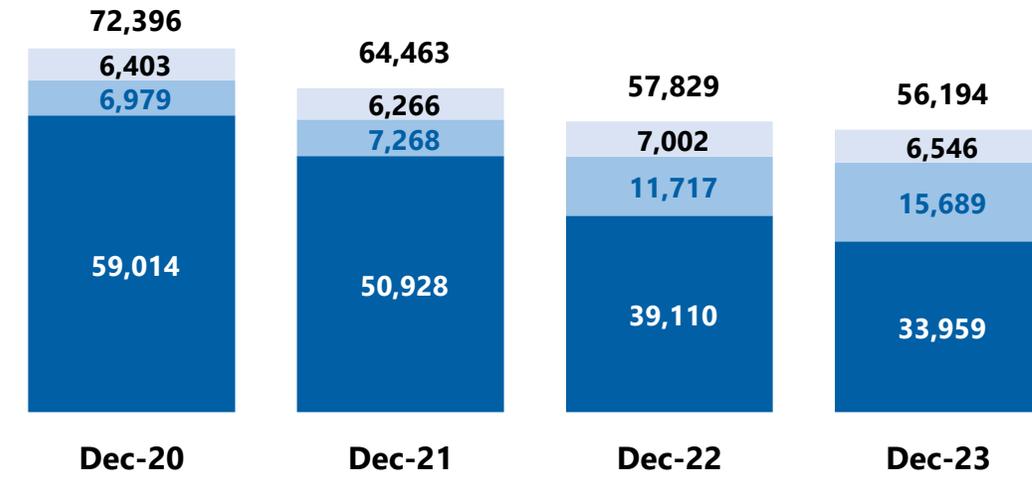
Total Restructured Loan by Collectability (%)



Covid-19 Restructured Loan by Collectability (IDR Bn)

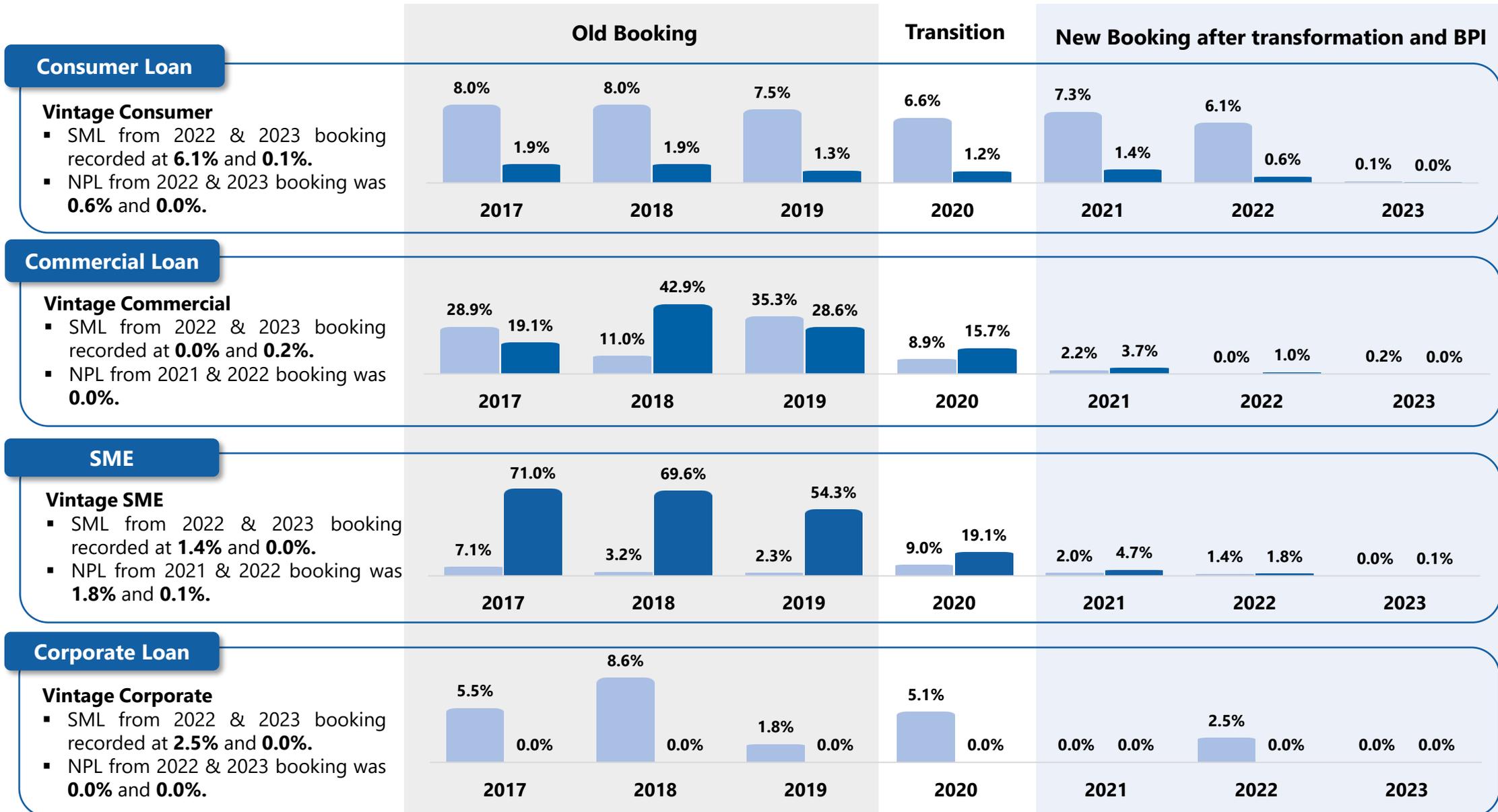


Total Restructured Loan by Collectability (IDR Bn)



■ Coll 1
 ■ Coll 2
 ■ NPL

Business Process Improvement is proven successful as SML and NPL from recent disbursements are almost 0%



■ SML
■ NPL

Bank  **BTN**

Sustainable Finance

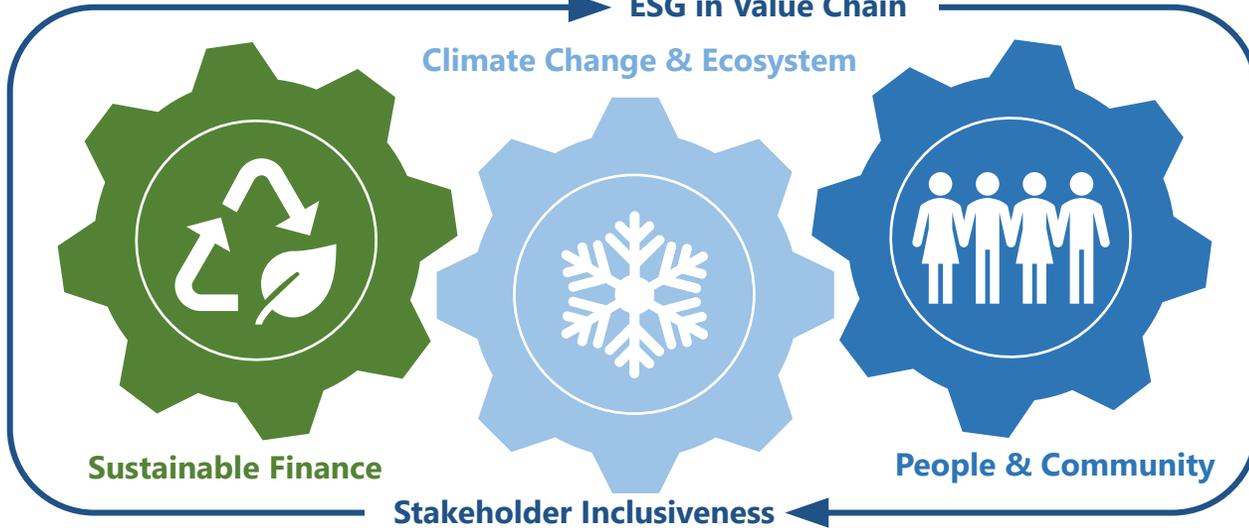
Bank BTN ESG Framework : The Future of Finance

BTN aims to establish a sustainable business processes that is in line with BTN business strategies by integrating environmental, good governance, and social values in a comprehensive ESG framework.

The Future of Finance

ESG in Value Chain

Climate Change & Ecosystem



Integrated GRC

Governance

Risk

Compliance

Integrated GRC

Six Components of BTN's Framework

- 
Sustainable Finance
 Managing products and services that support the transition to a low-carbon economy and maintain social balance by providing equal access to capital.
- 
Climate Change & Ecosystems
 Managing climate change risks and the impact on ecosystem capacity.
- 
People & Community
 Managing impacts on people, communities and society at large.
- 
ESG in the Value Chain
 Establishing the sustainable business with the concept of ESG along the business value chain
- 
Stakeholder Inclusiveness
 Communicating the sustainable business plans with all stakeholders
- 
Integrated GRC
 Managing integrated manner to achieve goals with GRC.

BTN's ESG in a Nutshell

Environmental Sustainability

Environmental Initiatives Undertaken by BTN

Solar panels have been installed at **3** BTN's own office

Procured **29** Electric Vehicles (EV) as operational vehicles

Listing 12 categories of sustainable business activities in the **Portfolio Guidelines**

Establishing **ESG Committee and ESG Department**

ESG Focus in 2024

Be the ESG **champion** in the banking industry



Issue **ESG Bond**



Social Welfare

Social Goals of BTN's ESG Initiatives

50 employees involved in Employee Volunteering Day activities.

Lending to MSMEs is targeted to reach **20%** Out of total **productive loans portfolio**

Target Portion of **20%** **Women in the Board**

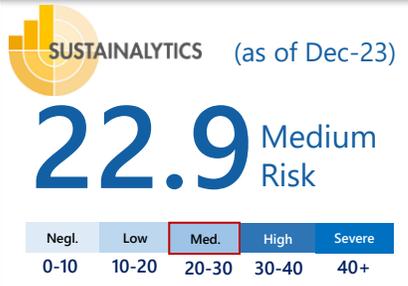
Develop New **BTN's ESG Website**

More ESG in 2023

100% collaborated with Green Building Council Indonesia (GBCI) provide education and certification in green building)



Governance Sustainability



Banks Industry
313 of 1,014

Global Universe
6,244 of 15,765



Gold Rank
In Accordance Category Asia Sustainability Reporting Rating in 2023



1st Winner
Annual Report Award (ARA) 2022 SOE Financial Company Category



ESG Disclosure Transparency Awards 2023
Leadership **AA** predicate

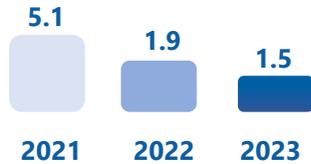
Environmental Sustainability

BTN always supports and committed to environmental preservation. As a concrete action to support environmental protection, BTN has implemented several actions to support net-zero emission.

Greenhouse Gas (GHG) Intensity

Energy use per Employee (ton CO2 eq/employee)

▼ -20.9% yoy



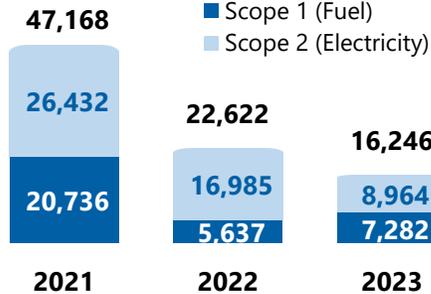
Energy use per Employee (ton CO2 eq/employee)

▼ -16.2% yoy

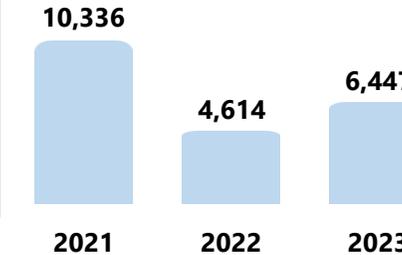


Greenhouse Gas (GHG) Emission Reduction Efforts

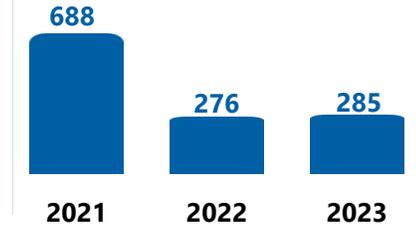
Operational Emission (ton CO2 eq)



Purchase Goods (ton CO2 eq)



Business Travel (ton CO2 eq)



Lesser Carbon Footprint through Digital Application



Applied Digital Banking to reduce paper usage :

- Letter distribution and disposition through iFlow
- Implementation of Smart Branch to maximize digitization by reducing the use of paper forms
- Mortgage applications through BTN Properti using E-Form
- Management fees, parking fees, and other housing maintenance fees management through BTN Smart Residence



Waste Management

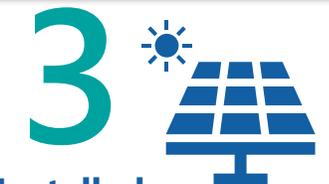
- Providing Temporary Shelters (TPS) with capacity of 5m³
- Implementing the use of four infiltration wells with capacity of 48m³ each.
- Conducting a plastic waste-free campaign.
- Implementing 20 bio pore infiltration holes at Menara BTN.

Green Transportation



Electric Vehicles (EV)
as operational vehicles
(Car + Motorcycle)

Green Premises



Installed Solar panels
at Bank BTN office

ESG-based Financing and Investment Products

As a bank with core business in the housing sector, Bank BTN has strategically integrated ESG considerations into investment decisions and transactions.

Sustainable Wholesale Funding and Lending



Bank BTN and the Japan International Cooperation Agency (JICA) signed a 7 Billion yen loan agreement.



Bank BTN as lead arranger in the Sustainable Syndicated Term Loan Facility.

Bank BTN disbursed circa IDR 3.36 Tn in ESG-based corporate loans throughout 2023



Transit Oriented Development (TOD) Financings



Loan Financing to PAM Jaya to support clean water supply



Loan Financing to National Electricity Company to support infrastructure development



Loan Financing to Perhutani to support working capital

ESG-Based Investment Products

- ❑ Bank BTN has portfolio on ESG based Green Bonds throughout 2023, such as :
 - Sukuk Green Bonds (INDOIS) 06/23/50
 - Sukuk Green Bonds (INDOIS) 08/20/24
- ❑ Bank BTN as a mutual fund agency and partnering with several Investment Manager with ESG Theme.



Electric Vehicle (EV) Financings

- ❑ Throughout 2023, Bank BTN has loan facility to 18 unit EV with total disbursement of IDR 334.1 million.



Contributing more into people's welfare through subsidized mortgage

Contribute in reducing housing backlogs in Indonesia through housing financing program targeted to low-middle income segments

10 REDUCED INEQUALITIES



Provide houses with affordable electric prices with adjusted rates for middle-low income segments.

7 AFFORDABLE AND CLEAN ENERGY



Subsidized Mortgage

11 SUSTAINABLE CITIES AND COMMUNITIES

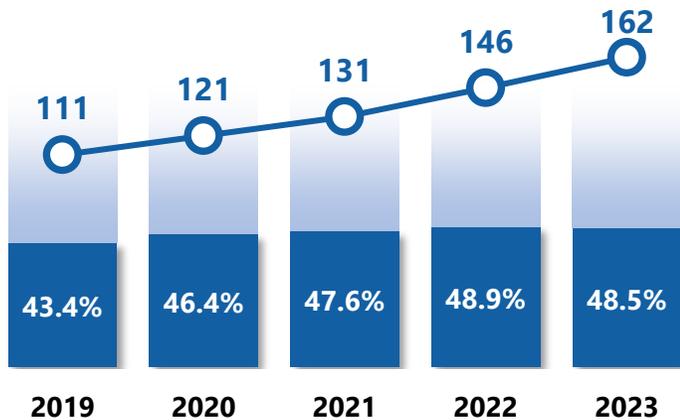


Make inclusive, safe, resilient and sustainable community in each subsidized housing complex.

6 CLEAN WATER AND SANITATION



Ensure availability and sustainable management of clean water and sanitation in subsidized housing.



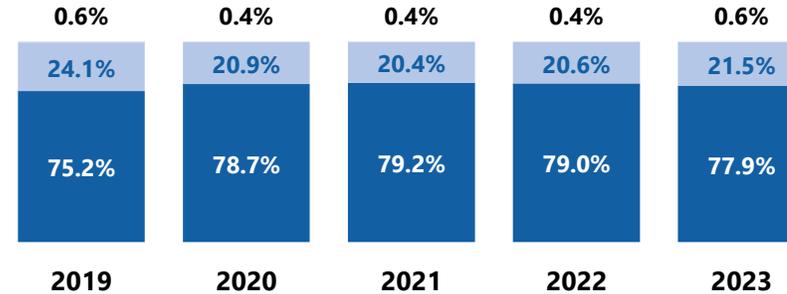
○ Subsidized Mortgage Loan Outstanding (IDR Tn)

■ % of Subsidized Mortgage of total BTN Loan Portfolio



Segmented by Ages

■ 21 - 35 years ■ 36 - 50 years ■ >51 years

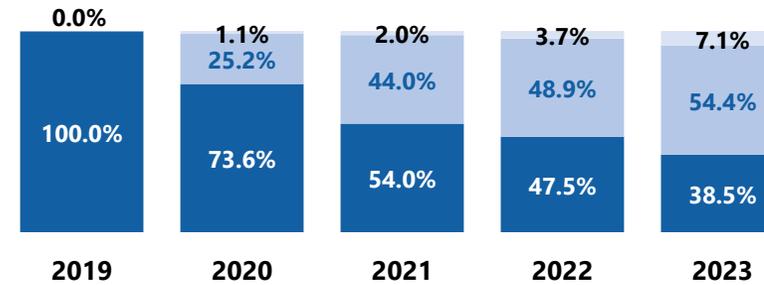


■ ~75% of BTN Subsidized mortgage customers are Millennials



Segmented by Wages

■ up to IDR 4mn ■ IDR 4 - 6 Mn ■ IDR 6 - 8 Mn



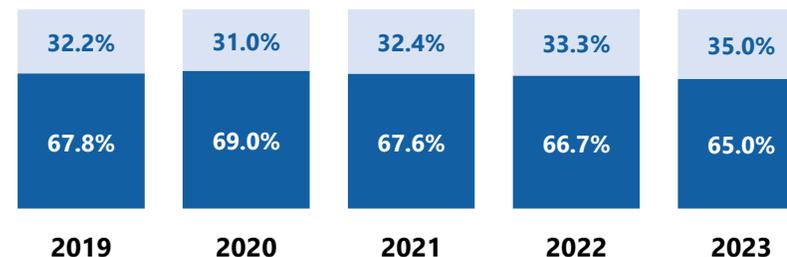
■ The maximum salary for eligible subsidized mortgage customers were **IDR 6 Mn for single income** and **IDR 8 Mn for joint income**.

■ Prior to 2019 maximum salary were **IDR 4 Mn**



Segmented by Gender

■ Male ■ Female



■ **All genders have the same opportunity** to own a subsidized house

Supporting the Development of Housing Business Ecosystem through KUR



Keeping within BTN's expertise, KUR Programs Will Remain Focused on Maximizing the Housing Ecosystem and Business Related to Housing



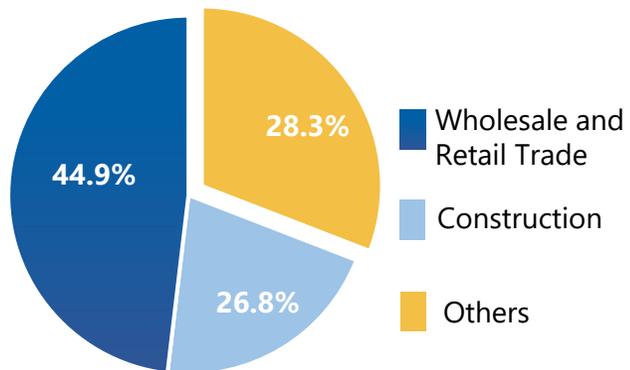
KUR Disbursement (IDR Bn)

+201.4% yoy



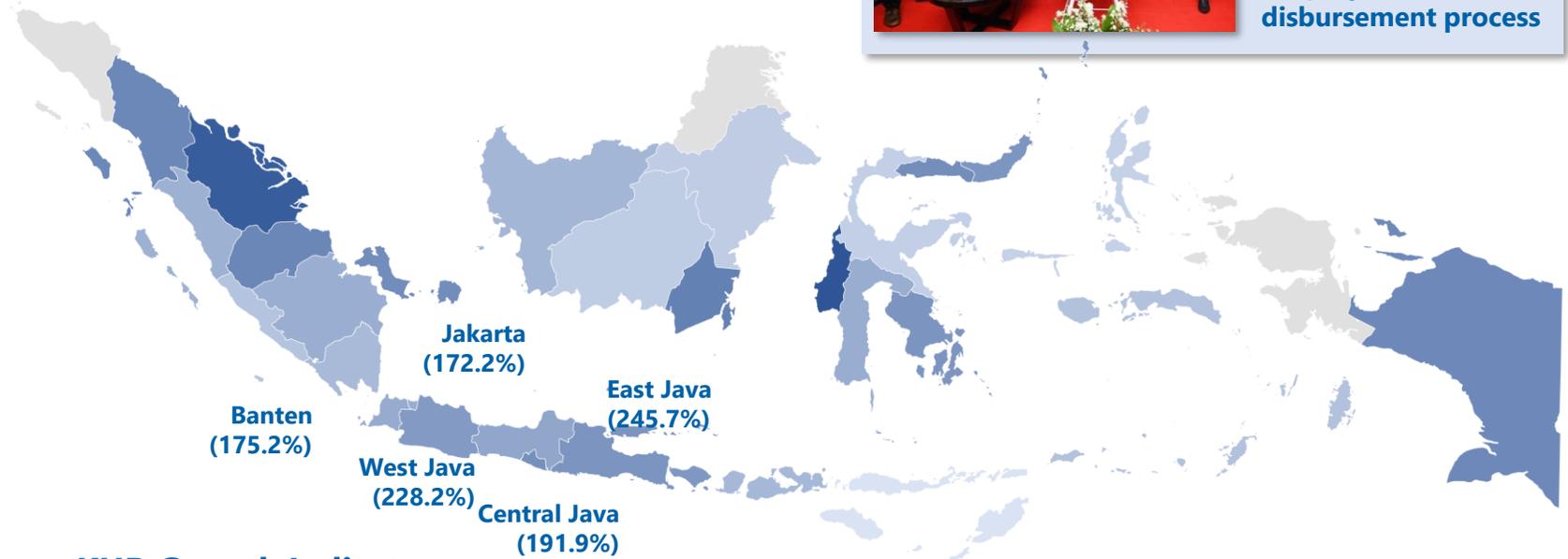
KUR Portfolio by Segment

Focusing on secured loans with manageable NPLs



KUR Disbursement Growth per Province in 2023

Top 5 Contributor KUR : West Java, East Java, Jakarta, Central Java and Banten



Inauguration of the MSME Process Center in Surabaya, East Java in order to accelerate and simplify the KUR disbursement process

KUR Growth Indicator



Within 2023, UMKM Center has been carried out at 10 Branch Offices in East Java, DKI Jakarta and West Java

Housing Finance Center (HFC) to support housing industry in Indonesia

Through BTN Housing Finance Centre (HFC), BTN assists prospective new developers through a learning & advisory program and providing basic education to prospective developers



Housing Finance Center (HFC)

To become a leading center for research, education and consultancy on housing finance

Learning

Implementing the HFC's flagship work program in seminars, workshops, and short courses both online and offline in collaboration with well-known universities in Indonesia, Islamic boarding schools and other stakeholders.

Advisory

Conducting collaboration, coaching, mentoring and carrying out advisory functions with academics, practitioners, government and community to training participants of HFC Program in property sector

Research

Research implementation within the property sphere through various studies on the housing market and developing the House Price Index (HPI).

BTN Santri Developer in Collaboration with NU Circle

1,396

Students have participated in the Santri Developers program.



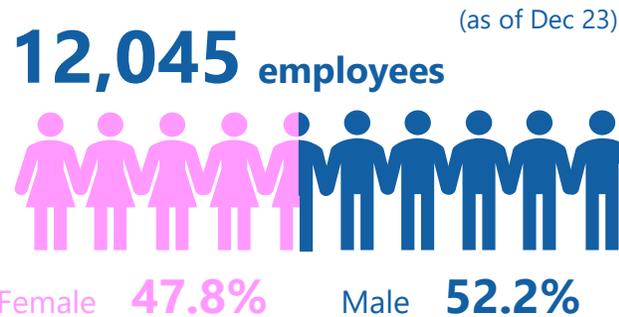
- ❑ To support the growth of housing industry in Indonesia, BTN is committed to providing education to prospective developers from **Islamic boarding schools in collaboration with NU Circle.**
- ❑ By the end of 2023, **Bank BTN had organized 3 batches of Santri Developers in Jombang, Cirebon, and Salatiga** and 1 online event.

Literacy Property Program in Collaboration with Universities



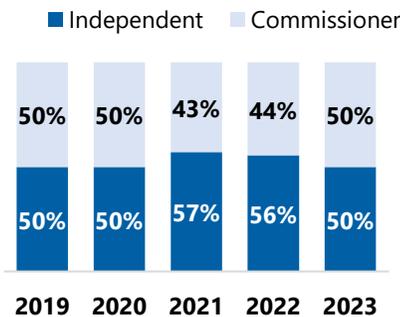
- ❑ Implementation of **Mini MBA in Property** with a total of 798 graduates in 19 batches
- ❑ **Collaboration with ILUNI UI** (Alumni Association of University of Indonesia) **on Ruang Temu Property Program**
- ❑ **Collaboration with KATSGAMA UGM** (Civil Engineering Association of Gajah Mada University) **on School of Property Program**

Gender Diversity



Management Composition

Commissioner Composition



10%
of the BOD composition are women



The Gratification Control Unit is a unit in the Compliance and Governance Division that is **tasked with receiving gratification reports from reporters and then reporting to the Komisi Pemberantasan Korupsi (KPK).**

Employee Composition



*) Consists of AVP, VP, SVP and EVP **Top Management*) 1.3%**

15% of the Top Management composition are **women**



Respectful Workplace Policy

- Recognize and respect differences in a diverse work environment with a wide range of ethnic backgrounds, races, nationalities, skin colors, ages, religions, genders, disabilities, viewpoints, or other characteristics and perspectives, mainly to promote a productive environment.
- Ensure that everyone is treated equally and have the same opportunity accessing the facilities and infrastructure.
- Create a work environment of mutual respect, non-discrimination, and harassment in any form.

Whistle Blowing System (WBS)



<https://btinsiips.tioffs.info>
Email : btinsiips@tipoffs.info



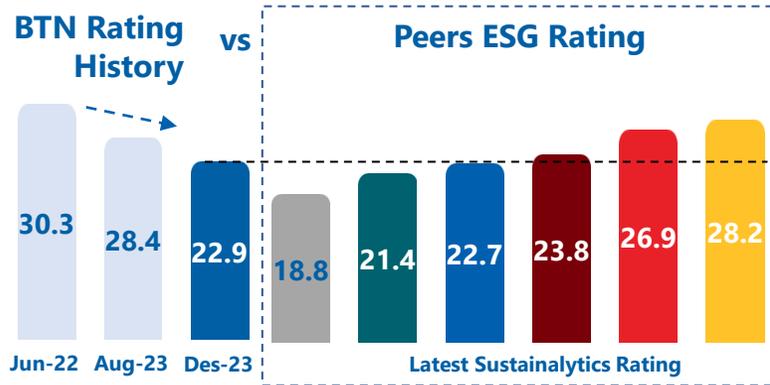
Msg./WA + 62 813 8870 1117
Telp. + 62 21-5092882/3

The objective of the Company's WBS is to strengthen internal control mechanisms in support of business growth, through :

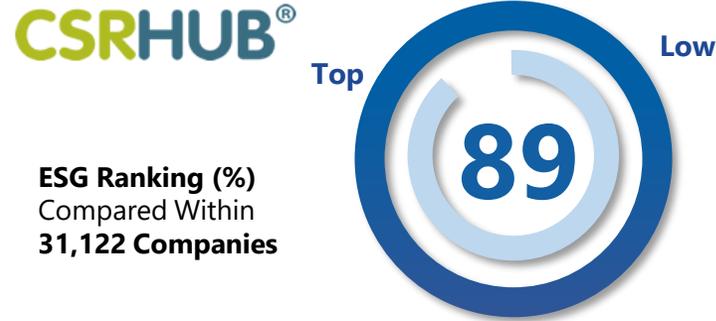
- Conduct early detection and prevention of irregularities or violations;
- Gradually creating an open, sincere, honest, and responsible work climate.

Social Welfare

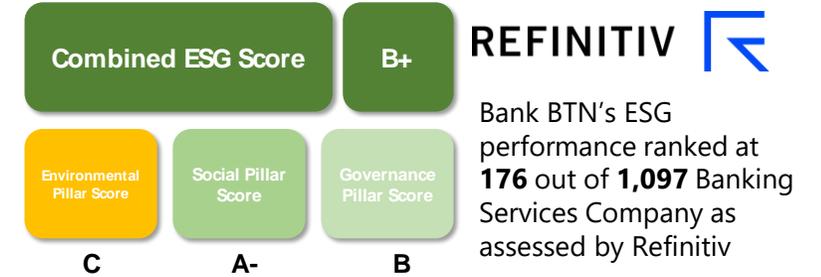
Better Sustainability ESG Rating than peers



CSR HUB



Refinitiv



Winner of Annual Report Awards



Annual Report Award (ARA) 2022
SOE Financial Company Category

Included in some ESG Indices



IDX LQ45
Low Carbon Leaders



SRI Kehati Index

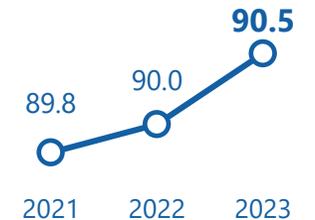
- ESG Sector Leaders
- ESG Quality 45

Other Ratings



"Most Trusted Company"

Corporate Governance Perception Index (CGPI)

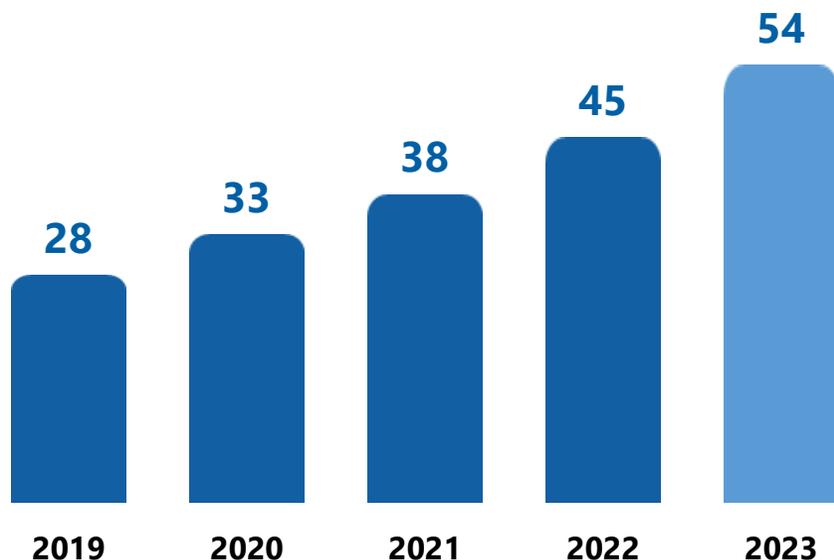


Bank  **BTN**

Sharia Business

Total Sharia Asset

(IDR Tn)



- ❑ Total assets of BTN's sharia unit as of Nov-23 **already reached IDR 50.8 Tn**, hence require to be divested starting from Dec-23's published financial report.
- ❑ **BTN already include the sharia unit's spin off on its Corporate Strategic Plan** for the year of 2021-2025.

Sharia Business Unit Spin Off Regulation

❑ New Policy of Sharia Business Unit Spin Off on POJK 12/2023

OJK regulated that the Conventional Commercial Bank are obligated to divest its Sharia Business Unit with a minimum equity injection of IDR 1 Trillion if :

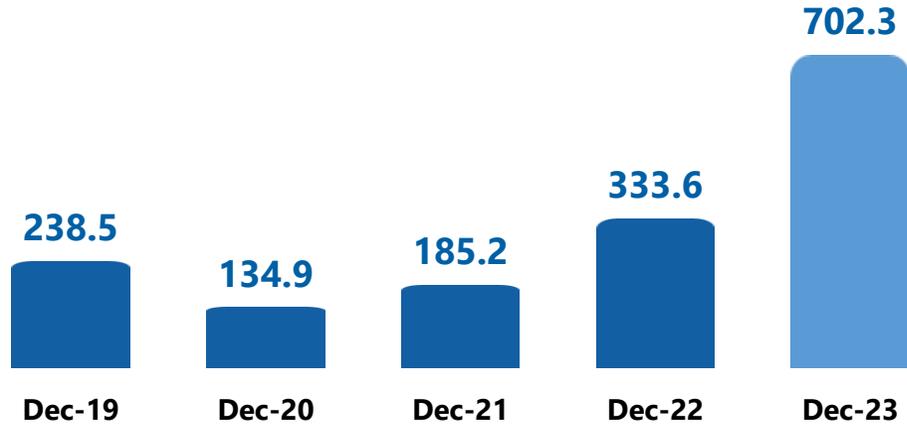
- ❑ Share of **assets of more than 50% of parent** , and/or;
- ❑ Total Sharia Business Unit **assets of more than IDR 50 Trillion** (based on quarterly published reports).
- ❑ The spin-off on Sharia Business Unit **must be done within 2 (two) years** after either total assets reach IDR 50 Tn and/or 50% of parent's total assets.

Financial Highlight	2019	2020	2021	2022	2023	Growth %
Asset/ Liabilities						
Total Assets (IDR Bn)	28,386	33,032	38,363	45,336	54,289	19.7 yoy
Total Financings (IDR Bn)	23,613	25,062	27,550	31,624	37,114	17.4 yoy
Total Deposits (IDR Bn)	21,860	23,831	29,263	34,641	41,803	20.7 yoy
Profitability						
Net Profit (IDR Bn)	238	135	185	334	702	110.5 yoy
N I M equivalent	4.3%	3.1%	4.7%	5.0%	5.0%	(4) bps
ROA	0.8%	0.4%	0.5%	0.7%	1.3%	56 bps
Asset Quality						
NPF (Gross)	7.6%	6.5%	4.3%	3.3%	2.4%	(92) bps
Financing at Risk (FAR)	18.6%	29.5%	25.3%	17.1%	14.4%	(263) bps
NPF Coverage	38.7%	55.5%	106.7%	150.1%	158.1%	799 bps
Liquidity						
FDR	108.0%	105.2%	94.1%	91.3%	88.8%	(251) bps
CASA	37.3%	31.3%	37.4%	43.6%	50.0%	639 bps

Sharia Business : Main Indicator Businesses

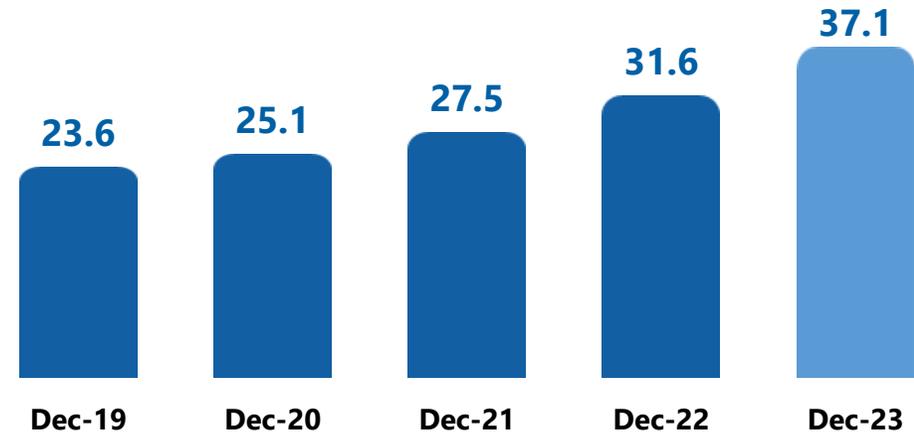
Sharia Net Profit (IDR Bn)

+110.5% yoy ▲



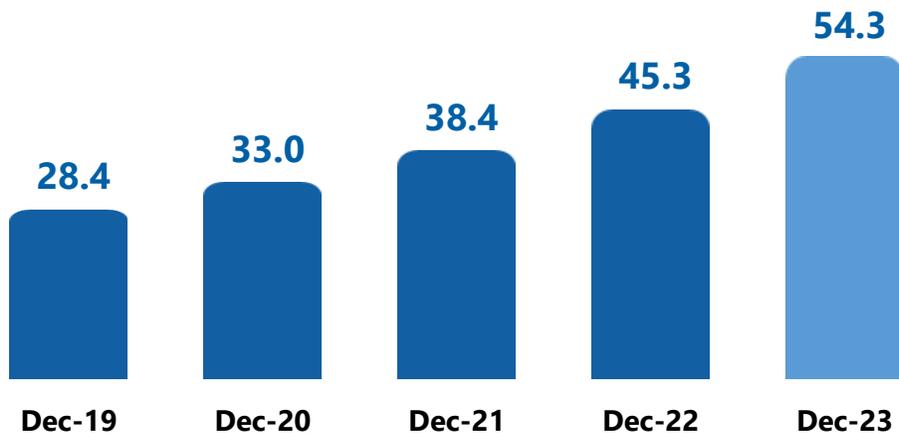
Sharia Financings (IDR Tn)

+17.4% yoy ▲



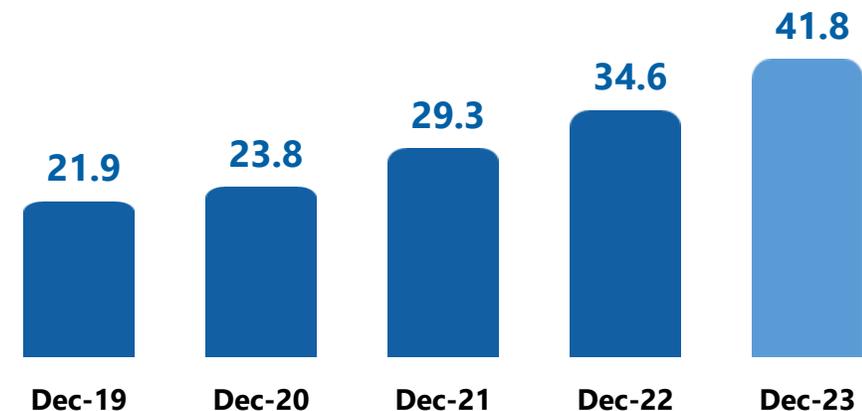
Sharia Asset (IDR Tn)

+19.7% yoy ▲



Sharia Total Deposits (IDR Tn)

+20.7% yoy ▲



Financing Business Composition

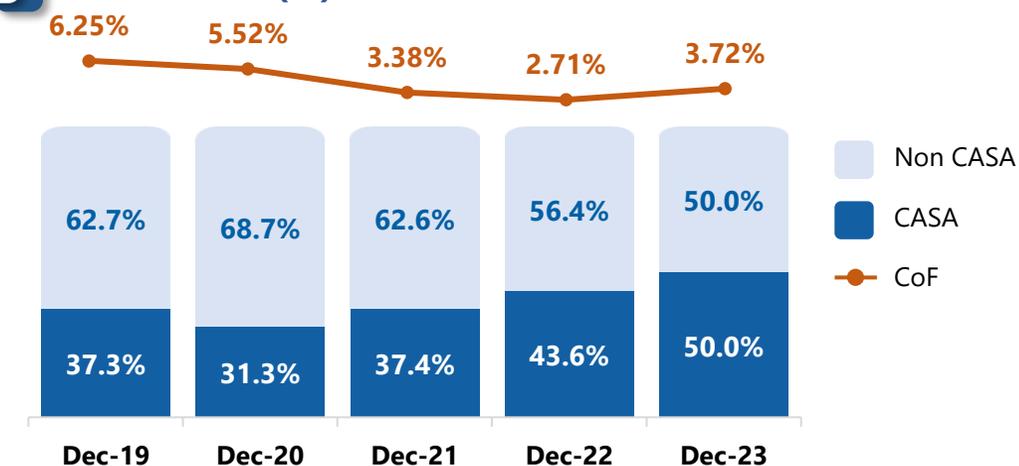
Financings Type (IDR Bn)	Dec-19		Dec-20		Dec-21	
	Outs	%	Outs	%	Outs	%
Housing Financing	22,507	95.3%	24,305	97.0%	26,486	96.1%
Subsidized Mortgage	11,631	49.3%	13,590	54.2%	15,829	57.5%
Non Subsidized Mortgage	7,777	32.9%	8,363	33.4%	8,807	32.0%
Other Housing Financing	84	0.4%	72	0.3%	59	0.2%
Construction Financing	3,014	12.8%	2,280	9.1%	1,791	6.5%
Non Housing Financing	1,106	4.7%	757	3.0%	1,064	3.9%
Consumer Financing	186	0.8%	134	0.5%	118	0.4%
Commercial Financing	920	3.9%	623	2.5%	946	3.4%
Total Financing	23,612	100.0%	25,062	100.0%	27,550	100.0%
Mortgage Financing	19,408	82.2%	21,953	87.6%	24,636	89.4%

Financings Type (IDR Bn)	Dec-22		Sep-23		Dec-23		QoQ	YoY
	Outs	%	Outs	%	Outs	%		
Housing Financing	30,812	97.4%	35,087	98.0%	36,587	98.6%	4.3%	18.7%
Subsidized Mortgage	19,039	60.2%	22,004	61.5%	22,966	61.9%	4.4%	20.6%
Non Subsidized Mortgage	9,948	31.5%	11,114	31.1%	11,604	31.3%	4.4%	16.6%
Other Housing Financing	48	0.2%	39	0.1%	33	0.1%	-1.2%	-20.3%
Construction Financing	1,776	5.6%	1,930	5.4%	1,982	5.3%	2.7%	11.6%
Non Housing Financing	812	2.6%	705	2.0%	528	1.4%	-25.1%	-35.0%
Consumer Financing	145	0.5%	154	0.4%	169	0.5%	9.6%	16.4%
Commercial Financing	667	2.1%	551	1.5%	359	1.0%	-34.9%	-46.2%
Total Financing	31,624	100.0%	35,792	100.0%	37,114	100.0%	3.7%	17.4%
Mortgage Financing	28,988	91.7%	33,118	92.5%	34,571	93.2%	4.4%	19.2%

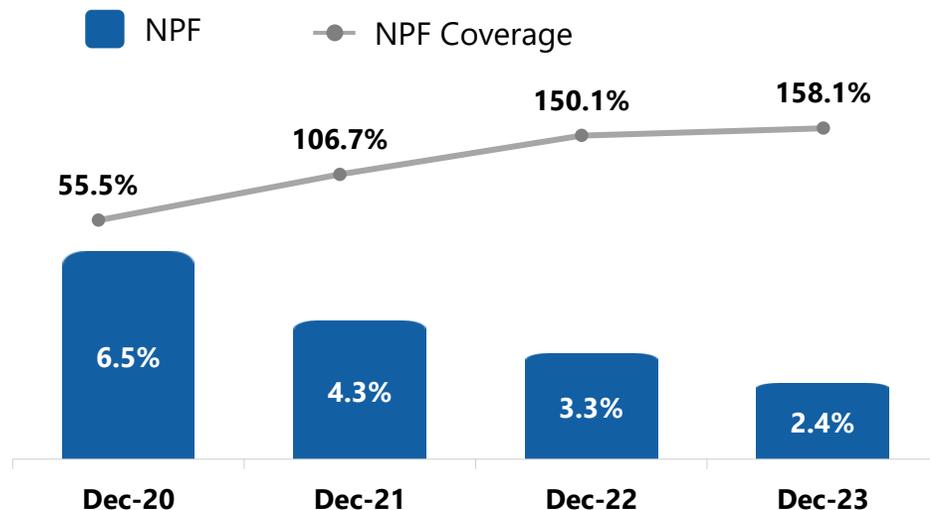
Deposits Composition

Deposits (IDR Bn)	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	YoY
CASA	8,161	7,463	10,952	15,117	20,915	38.4%
Current Account	4,008	3,444	5,830	9,104	14,166	55.6%
Savings Account	4,153	4,019	5,122	6,013	6,750	12.3%
Time Deposits	13,700	16,368	18,311	19,524	20,888	7.0%
Total	21,860	23,831	29,263	34,641	41,803	20.7%

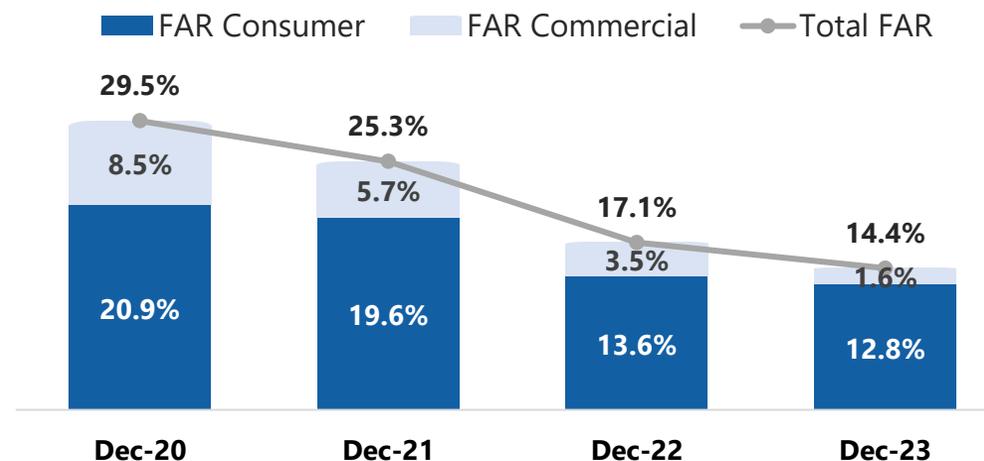
CASA Ratio (%)



Sharia NPF & NPF Coverage



Sharia Financing at Risk



Sharia Special Mentioned Financing (SMF)

Financings Type	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Housing Financing	8.1%	7.1%	6.3%	6.7%	7.1%
Subsidized Mortgage	7.7%	7.2%	6.4%	7.1%	7.1%
Non-Subsidized Mortgage	8.1%	6.4%	6.3%	7.0%	7.3%
Other Housing Financing	12.5%	8.2%	9.8%	8.9%	11.0%
Construction Financing	9.5%	9.3%	5.6%	1.6%	5.7%
Non-Housing Financing	5.7%	4.6%	2.1%	0.0%	1.6%
Consumer Financing	3.7%	5.5%	6.1%	3.8%	3.8%
Commercial Financing	6.1%	4.2%	1.1%	0.0%	0.5%
Total Financing	8.0%	7.0%	6.2%	6.6%	7.0%
Mortgage Financing	7.8%	6.9%	6.4%	7.0%	7.1%

Sharia Non-Performing Financing (NPF)

Financings Type	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Housing Financing	5.4%	4.9%	3.9%	3.2%	2.3%
Subsidized Mortgage	0.7%	0.6%	0.5%	0.9%	1.1%
Non-Subsidized Mortgage	1.6%	1.5%	1.4%	1.3%	2.0%
Other Housing Financing	1.9%	2.4%	2.1%	5.5%	1.8%
Construction Financing	33.3%	42.7%	45.1%	38.0%	18.1%
Non-Housing Financing	51.8%	48.5%	14.8%	9.0%	10.0%
Consumer Financing	11.9%	8.3%	3.1%	4.7%	3.6%
Commercial Financing	59.9%	68.2%	17.8%	9.9%	13.0%
Total Financing	7.6%	6.5%	4.3%	3.3%	2.4%
Mortgage Financing	1.1%	1.0%	0.8%	1.0%	1.4%

Bank  **BTN**

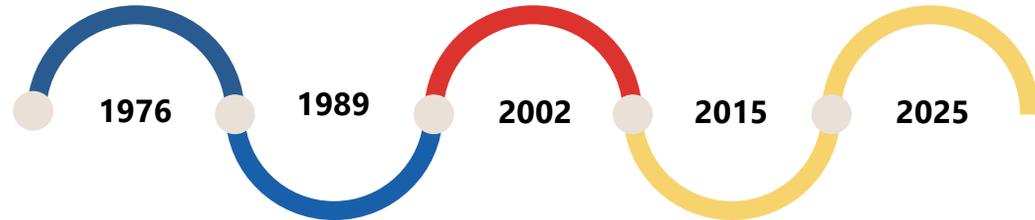
Investment Proposition

BTN Provides End-to-End Mortgage Business to Fulfill National Housing Needs

BTN at glance

Started operating as a commercial bank and issued the first corporate bond

Become an anchor bank to support one million houses program



Appointed by the Government as the sole institution to provide housing finance to middle/low-income groups

Assigned as a commercial bank with focus on commercial housing finance

Vision to be the best mortgage bank in Southeast Asia

Beyond Mortgage Business Initiatives

- Expanding to high-yield segments in housing-related sectors
- Wholesale transaction system enhancement to capture institutional customers

Innovative and unique mortgage products

KPR BTN Rent to Own

A combined scheme between monthly rent payment and savings allocation for future house purchases

KPR BTN Gaess

A mortgage product for the millennial generation with customized payment structure



Extensive digital mortgage ecosystem

- BTN Properti
- Rumah Murah BTN
- BTN Properti for Developer
- BTN Smart Residence
- BTN Mobile

BTN's Competitive Advantage in the Mortgage Sector

47 years of contribution to the housing sector

~ 5.2 million units of mortgages have been extended by BTN since 1976

~ 85% of BTN's portfolio is in housing loans

Market leader and contributor to the economy

~82% market share of the national Subsidized Mortgages

Driving 185 economic sub sectors through housing business.

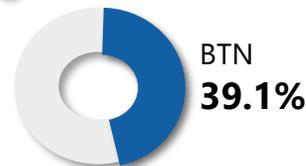
Wide range of stakeholder coverage

>7000 developer partners most are subsidized residential developers

>3000 notary offices have collaborated with BTN in mortgages disbursement

Market leader in the mortgage sector

Total Mortgage



Subsidized Mortgage



Supportive government program towards housing sector

Continuous increase in the allocated subsidized housing budget provided by the government towards BTN.

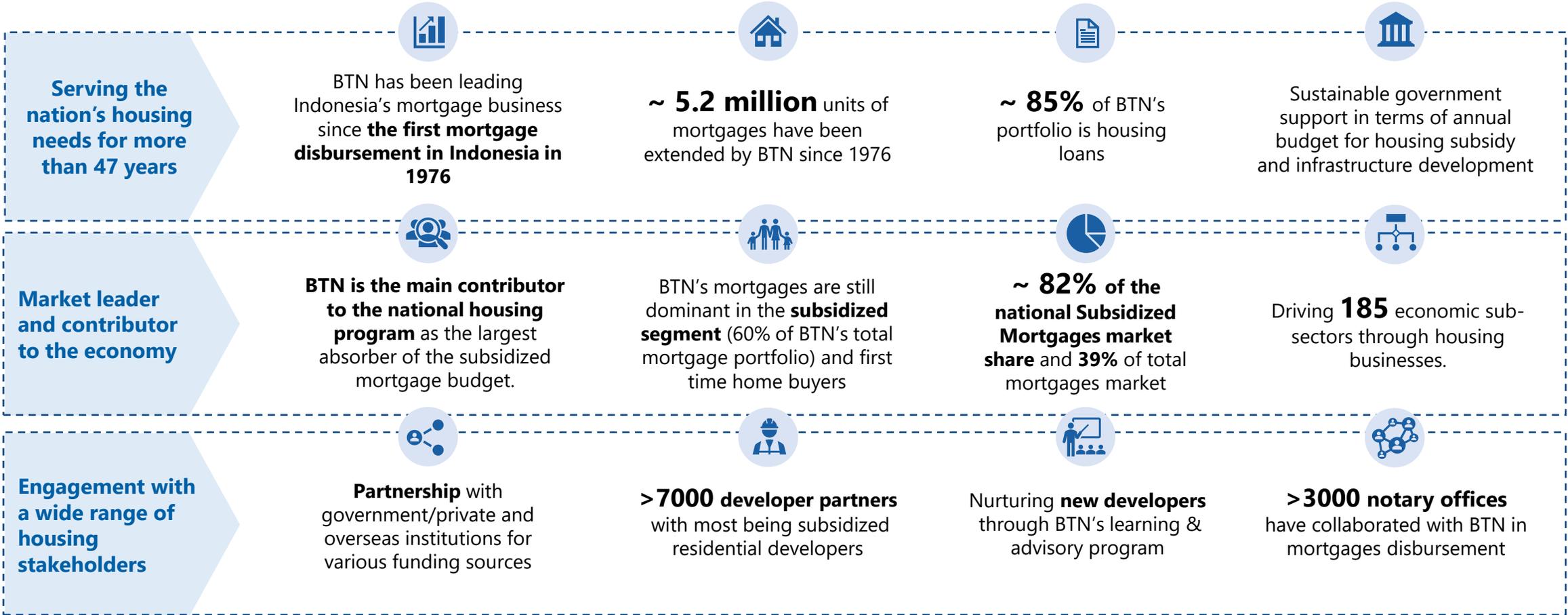
BTN's Competitive Advantages as a Commercial Bank

3.0%
mortgage to GDP ratio,
well below neighboring
ASEAN countries

12.7 Mio
current housing needs in
Indonesia

1.8 Mio
New marriages per year, with additional
projected 77 million of Indonesia's population
will add to the middle income segment by 2025

Indonesian Government
aims to **increase the
quality of living
conditions** of Indonesians



2025 Aspirations



Best Mortgage Bank in South East Asia

Achieving the highest profitability and housing-linked asset growth among peers



A Double low-cost funding

Transforming channel capabilities to become the transactional bank and growing FBI



B Democratize housing

Delivering banking products to improve lives, financing in subsidized homes for mass segment, and building a new direct-to-consumer channel for mass affluent segment



C Build one stop shop financial solution for consumer and housing-related businesses

Providing lending and investment solutions to triple non-mortgage portfolio and double product holdings of emerging affluent customers



D Become a digital innovator and home of Indonesia's best talents

Digitizing processes to build the most efficient operations and developing top-notch talents



E Build a high-quality portfolio and sustain low levels of NPL

Leveraging technology to develop integrated and rigorous risk management processes to lower NPL in line with market sustainably

Ongoing progress to become “The Best Mortgage Bank in Southeast Asia in 2025”



Main Goals	 Objective in 2025	 Progress and Achievement in 12M23
 Double low-cost funding	<ul style="list-style-type: none"> Transforming e-channel capabilities to become the transactional bank for 3Mn lending customers Increasing fee-based income portion to 12% Expanding non-traditional new funding sources 	<ul style="list-style-type: none"> Introducing New BTN Mobile with over than 2.7 million users which have 4.1 times higher savings balance than non-users. Implementing branch optimization to focus on low-cost deposits sales. Fee-based income portion reached 12.2% in 12M23.
 Democratize Housing	<ul style="list-style-type: none"> Financing 1Mn subsidized homes for mass segment Building new channels for emerging affluent segment 	<ul style="list-style-type: none"> Inauguration of 3 Consumer Sales Center (BSD, Kelapa Gading and Surabaya) to tap emerging affluent segment Average disbursement of emerging affluent mortgage reached IDR239 Bn a month.
 Build one-stop financial solution for housing-related businesses	<ul style="list-style-type: none"> Provide lending and investment solutions to triple non-mortgage portfolio to IDR 150Tn Double product holdings of emerging affluent segment to 2.2 products 	<ul style="list-style-type: none"> Deepening transaction banking ecosystem and provide supply chain financing with business savings solutions Elevating consumer products (BTN Investa, BTN Solusi, Wealth Management) to support cross-selling and upselling strategy
 Become a digital innovator and home of best talents	<ul style="list-style-type: none"> Digitizing Process to build efficient operations (CIR <50%) Develop top-notch talents 	<ul style="list-style-type: none"> Developing digital channels and improve procurement strategy, as a result, CIR recorded below 50% at 45.3% in 12M23 The proportion of employee in business units to operation units reached 65: 35 to increase productivity
 Build high-quality portfolio and sustain low NPL	<ul style="list-style-type: none"> Leveraging technology to develop integrated and rigorous risk management processes NPL in line with market sustainably below 3% 	<ul style="list-style-type: none"> Revisiting collection strategy by implementing dedicated Unit to handle early bucket of consumer loan (Day Past Due up to 30 days) and asset sales units Gradual improvement in loan booking in line with better early payment default rate

Bank  **BTN**

Appendix

Current BTN Ratings From Various Rating Agencies

FitchRatings

As of November 2023

Outlook : Stable
 National Short-Term Rating : F1+ (idn)
 National Long-Term Rating : AA+ (idn)
 Senior Unsecured : AA+

PEFINDO

CREDIT RATING AGENCY

As of June 2023

Outlook : Stable
 Corporate Rating : F1+ (idn)
 National Long-Term Rating : AAA (idn)
 Senior Unsecured : AAA

Precedent of BTN Corporate Action



Total Proceeds of **IDR 1.65 Tn**
 through public portion of rights issue

Newly Issued Public Shares :

1,377,777,765



Oversubscribed by **1,6x**



BTN's Rights Issue was positively welcomed by investors

BBTN are included in some indices including ESG indices up to Dec 2023

PEFINDO i-Grade LQ45
 IDX BUMN20
 IDX30
 IDX80
 IDX Small-Mid Cap (IDX SMC) Composite
 IDX Small-Mid Cap (IDX SMC) Liquid
 Kompas100
 Infobank15
 IDX ESG Leaders
 MSCI Indonesia Small Cap
 ESG Sector Leaders IDX Kehati
 ESG Quality 45 IDX Kehati
 IDX Value30
 Investor33
 IDXFİNANCE
 SRI-KEHATI
 Tempo – IDX Financials52

Java	
Regional Office	4
Branch Offices	48
Sub-Branch Offices	1,981
Sharia Branch Offices	18
Sharia Sub-Branch Offices	51
ATM & CRM	1,503

Kalimantan	
Regional Office	-
Branch Offices	7
Sub-Branch Offices	327
Sharia Branch Offices	3
Sharia Sub-Branch Offices	3
ATM & CRM	94

Sulawesi	
Regional Office	1
Branch Offices	8
Sub-Branch Offices	156
Sharia Branch Offices	3
Sharia Sub-Branch Offices	2
ATM & CRM	103

Sumatera	
Regional Office	1
Branch Offices	12
Sub-Branch Offices	774
Sharia Branch Offices	9
Sharia Sub-Branch Offices	18
ATM & CRM	241

Bali dan Nusa Tenggara	
Regional Office	-
Branch Offices	3
Sub-Branch Offices	154
Sharia Branch Offices	1
Sharia Sub-Branch Offices	1
ATM & CRM	50

Maluku dan Papua	
Regional Office	-
Branch Offices	3
Sub-Branch Offices	71
Sharia Branch Offices	-
Sharia Sub-Branch Offices	-
ATM & CRM	24

National	2023	2022	2021
Regional Office	6	6	6
Branch Offices	81	80	79
Sub-Branch Offices	541	539	545
Sharia Branch Offices	34	30	29
Sharia Sub-Branch Offices	75	74	68
Outlets	737	729	727
ATM and CRM	3,789	2,117	2,115



Chandra M. Hamzah
President Commissioner/Independent

Currently a Partner at Assegaf Hamzah & Partners Law Firm. Previously President Commissioner of PT Perusahaan Listrik Negara (Persero) and Commissioner at Komisi Pemberantasan Korupsi.



Iqbal Latanro
Vice President Commissioner/Independent

Previously served as Commissioner at PT Bank Mandiri Taspen and Commissioner at PT Pemeringkat Efek Indonesia



Armand B. Arief
Independent Commissioner

Served as Commissioner and Senior Consultant of Dunamis Organization Services, Independent Commissioner at PT Bank Royal Indonesia.



Sentot A. Sentaosa
Independent Commissioner

Previously served as President Commissioner of Mandiri Inhealth, and Director Distribution of PT Bank Mandiri (Persero) Tbk



Andin Hadiyanto
Commissioner

Currently serving as Directorate General of Treasury, Ministry of Finance and Commissioner at PT Sarana Multi Infrastruktur.



Herry Trisaputra Zuna
Commissioner

Currently serving as Directorate General of Treasury, Ministry of Finance and Commissioner at PT Sarana Multi Infrastruktur.



Himawan Arief Sugoto
Commissioner

Previously served as President Director of Perumnas



Mohamad Yusuf Permana
Commissioner

Previously served as Commissioner at PT Pelindo Multi Terminal and Commissioner at PT Pelabuhan Indonesia I (Persero)



Ahdi Jumhari Luddin*
Independent Commissioner

Served as President Commissioner of PT BRI Agroniaga Tbk, Independent Commissioner of PT Bank DKI and Managing Director at PT Bank Negara Indonesia (Persero) Tbk.

*) Passed away

Board of Directors

Experienced and Professional Management Team with Visionary Strategy



Nixon L. P. Napitupulu
President Director

Served as Vice President Director and Director of Finance Planning and Treasury at PT Bank Tabungan Negara (Persero) Tbk



Oni Febriarto Rahardjo
Vice President Director

Served as Vice President Director at Perum Perumnas



Hirwandi Gafar
Director of Consumer

Served as Subsidized Mortgage Lending Division Head and Business Development of Subsidized Mortgage Dept Head at Bank BTN



Nofry Rony Poetra
Director of Finance

Served as Treasury Division Head and Head of Regional Office I at Bank BTN



Jasmin
Director of Distribution & Funding

Served as SEVP of Consumer & Transaction and Regional CEO IV/JKT 2 at Bank Mandiri



Eko Waluyo
Director of Human Capital, Compliance & Legal

Served as Human Capital Management Division Head and CSD Head at Bank BTN



Andi Nirwoto
Director of IT & Digital

Served as General Manager of Operational Information Technology, and General Manager Solution and IT Security Division at PT Bank Negara Indonesia (Persero) Tbk



Elisabeth Novie R.
Director of Assets Management

Served as Asset Management Division Head and Small and Medium Lending Division Head at PT Bank Tabungan Negara (Persero) Tbk



Setiyo Wibowo
Director of Risk Management

Served as Consumer Credit Risk & Analytics Group Head and Credit Portfolio Risk Group Head at PT Bank Mandiri (Persero) Tbk



Hakim Putratama
Director of Institutional Banking

Served as Head of International and Transaction Banking at BPD Jabar & Banten

BBTN Price Movement



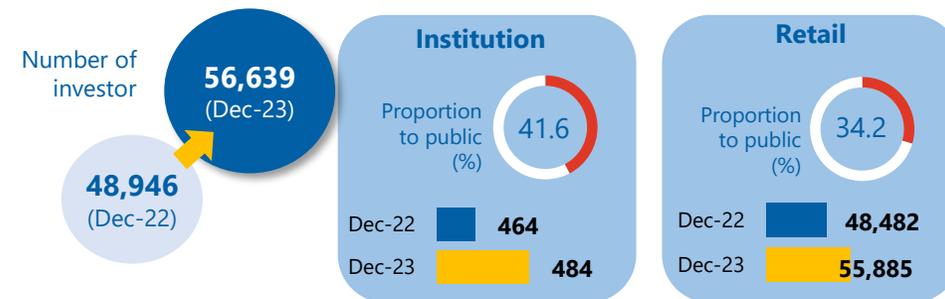
BBTN Stock Performance Indicator



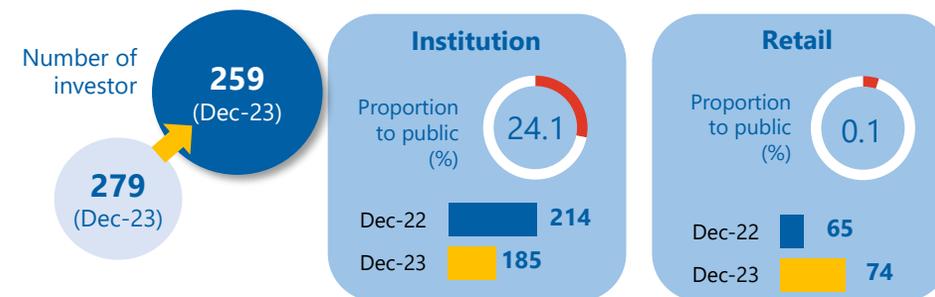
Bank BTN Investor Profile

BBTN stock investors increased by **40.1% yoy**, driven by an increase in Retail Investors, indicating new interest on BBTN shares.

Local Investor



Foreign Investor



BTN Achievement

With sustainable performance improvements, BTN received various awards and appreciations



Best of All by Audience, Activity & Engagement, KIP Awards 2023



1st place in the category of Financial State-Owned Company on Annual Report Award (ARA) 2022



Top GRC Award 2023 Star 5, The Most Committed GRC Leader 2023 dan The High Performing Board of Commissioner on GRC 2023



Gold Winner of Mob-Ex Awards 2023 for Best Campaign Banking & Finance in Asia dan Oceania in the Mob-Ex Awards 2023



Gold Award in the Best Mid-Cap Company category, 23rd Best Companies in Asia Award by Finance Asia



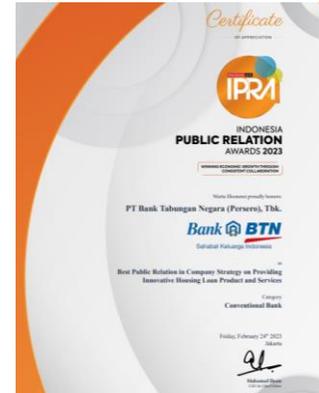
Gold Winner Video Profile - Public Relations Indonesia Award 2023



idAAA/Stable from PT Pemingkat Efek Indonesia (Pefindo)



The Best Islamic Project Finance House 2023, Euromoney Awards of Excellence 2023



Best Public Relation in Company Strategy on Providing Innovative Housing Loan Product and Services, Indonesia Public Relation Award 2023



The Best Quality Team, The Best Contact Center Indonesia 2023



106 influential companies and agencies in the field of communication, Sewindu PR Indonesia

Thank You

Investor Relations

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