

PUBLIC EXPOSE LIVE 2021

PT. BANK RAKYAT INDONESIA (PERSERO) Tbk.





Strengthening Resilience, Securing Strong and Sustainable Future Growth

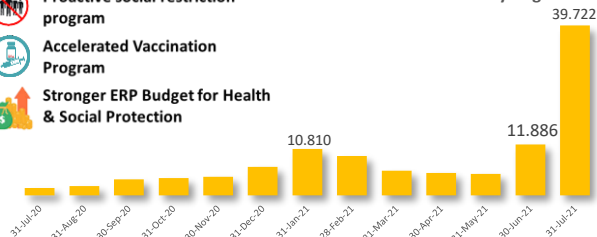


REMAIN CAUTIOUS DURING COVID-19 PANDEMIC

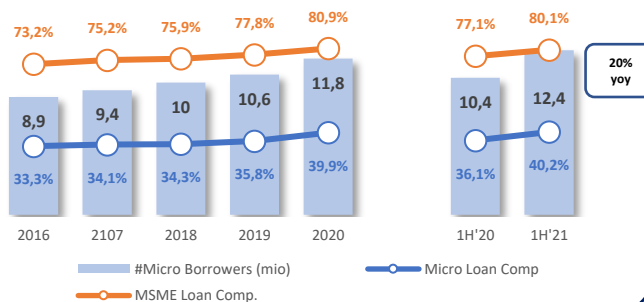
Government Efforts to Handle Covid-19 Pandemic

- Proactive social restriction program
- Accelerated Vaccination Program
- Stronger ERP Budget for Health & Social Protection

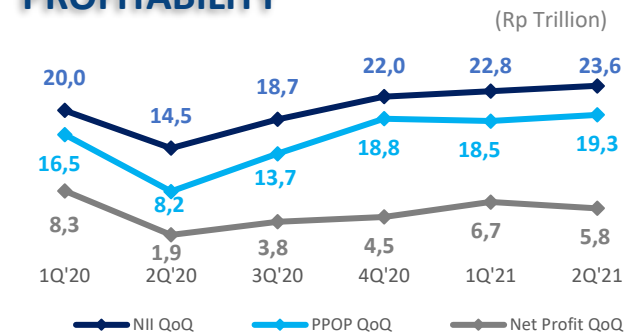
Indonesia Covid-19 Monthly Avg. Cases



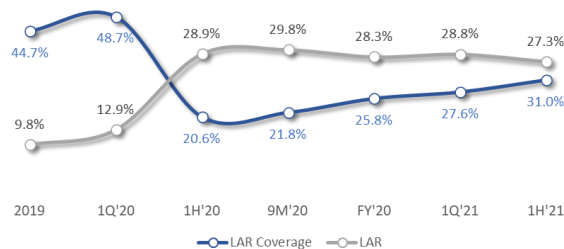
ON TRACK PORTFOLIO MANAGEMENT



STRONG OPERATING PROFITABILITY



BUILDING CUSHION TO MITIGATE COVID-19 IMPACT



SECURING STRONG AND SUSTAIN FUTURE GROWTH



ESTABLISHING UMI ECOSYSTEM TO UNLOCK NEW SOURCE OF GROWTH



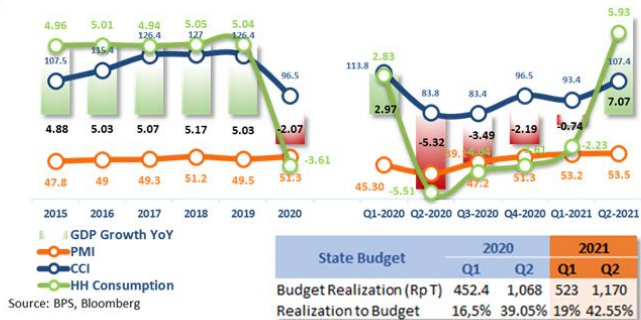


MACRO ECONOMY

Economic Recovery Continues to Recover, Remain Cautious on Pandemic Impact



Recovering GDP Growth



GDP, and Consumption show recovery

Stable Exchange Rate



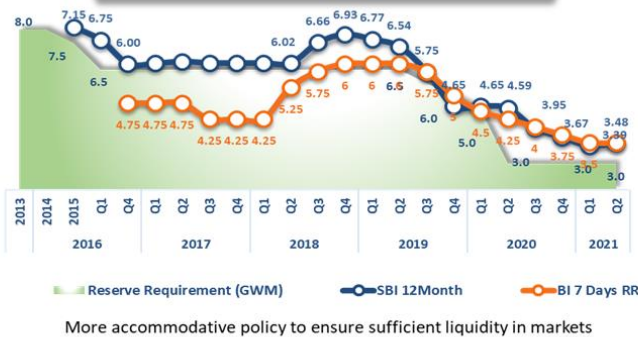
Stabilize exchange rate, and healthy level of foreign reserves

Attractive Yield



Manageable level of inflation provides attractive real yield

Accommodative Monetary Policy



More accommodative policy to ensure sufficient liquidity in markets

Government Responses to Pandemic

Implementation Of Emergency Public Activity Restrictions (PPKM)



Acceleration of Covid-19 Vaccination Program



Increasing Economic Recovery Program (ERP) 2021 Budget from Rp699.43 T to Rp744.75 T



Government and Regulators Actively Issuing Policies To Boost Demand and Consumption (LTV Relaxation)



INVESTMENT PROPOSITION





BRI INVESTMENT PROPOSITION





LEADING AND WELL-POSITIONED TO SERVE MICRO BANKING



BRI Key Highlights

Largest Bank in Indonesia

Large customer base of **>120 million deposit customers** and **> 13 million borrowers**

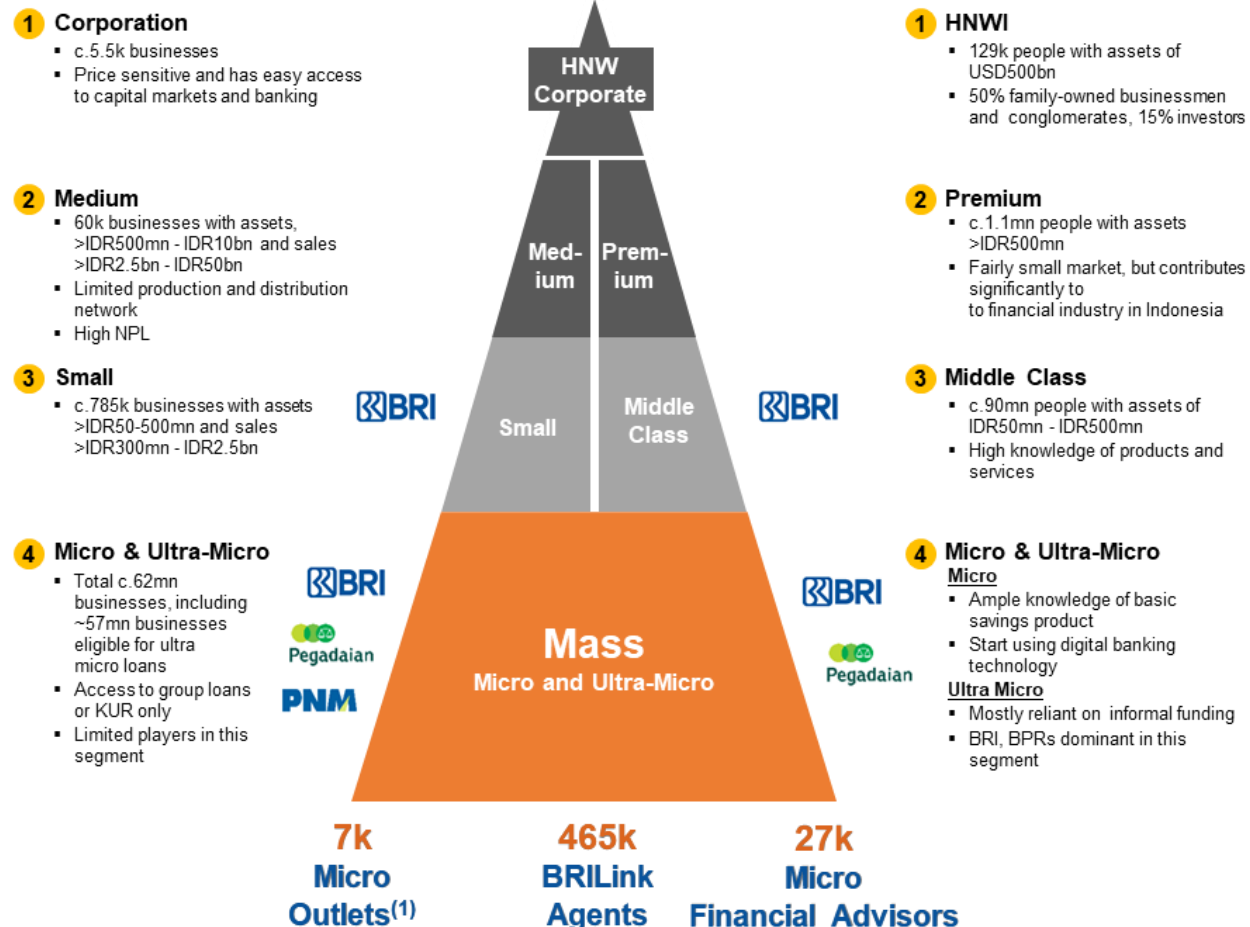
Leader in micro lending with more than **60% market share**, catering to **12.4 million borrowers**

Unrivalled access to the **underpenetrated** low-income and middle income population

Most extensive distribution network with **>9,500 outlets**, **>207,000 e-channel units** and **>465,000 branchless agents**

Best digital bank in Indonesia with the **best mobile application** in Southeast Asia as awarded by The Asian Banker International Excellence in Retail Financial Services Awards in 2019

Well-Positioned to Serve Micro Banking



Source: BRI's public filings
(1) Micro outlets include BRI Unit and Teras BRI.



SECURING STRONG AND SUSTAINABLE FUTURE GROWTH

BRIVolution 2.0



“The Most Valuable Banking Group in Southeast Asia & Champion of Financial Inclusion”

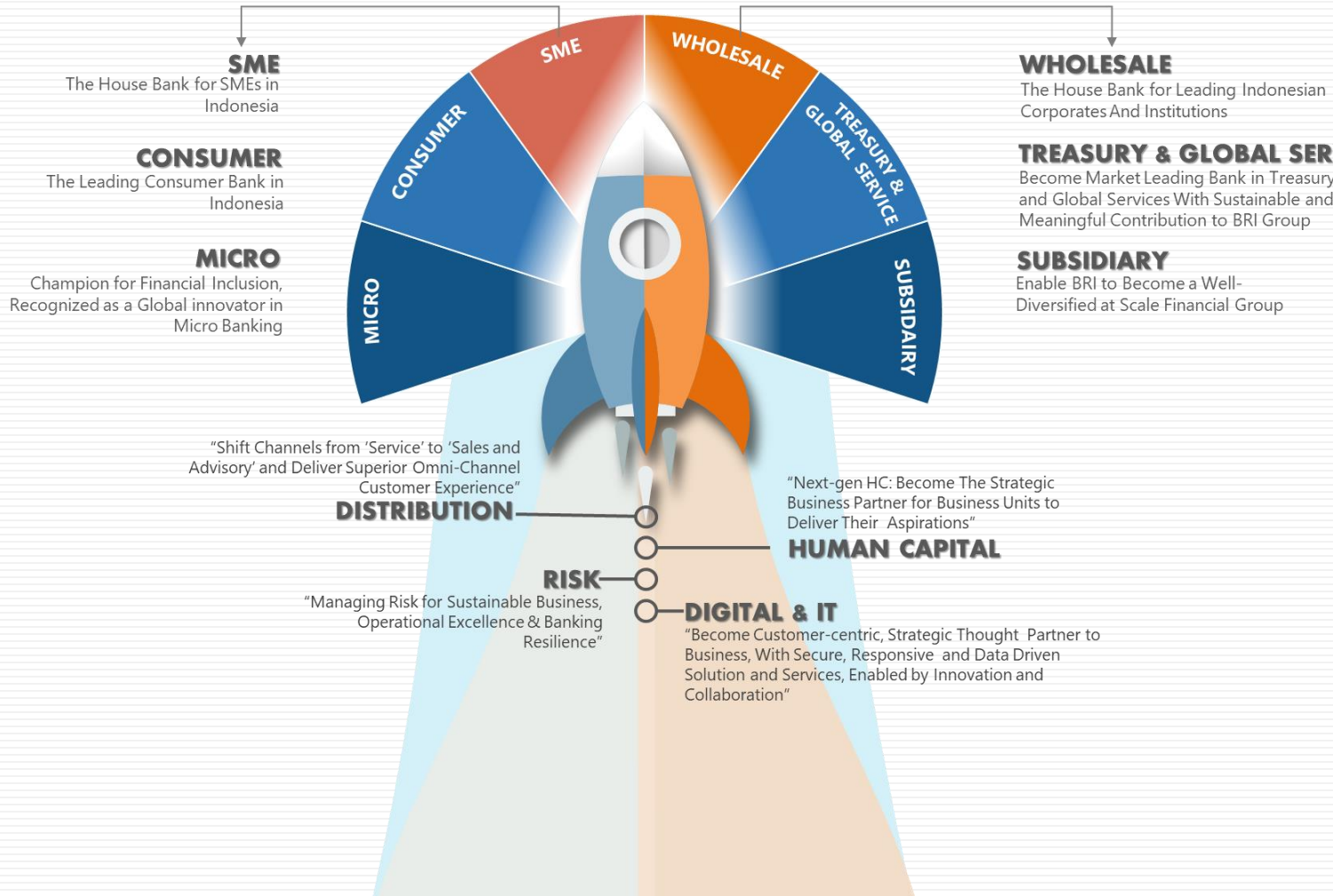
\$75Bn Market Cap

90% in financial inclusion

Digital First DNA

Agile & Entrepreneurial Mindset

Home to The Best Talent



Our Transformation is Anchored In Six Themes (6C)

Creating New Growth Engine

Accelerating CASA Growth

Enhancing Cross Sell to Boost Fee Income

Adapting Culture & Capabilities

Improving Customer Experience

Containing Credit Cost



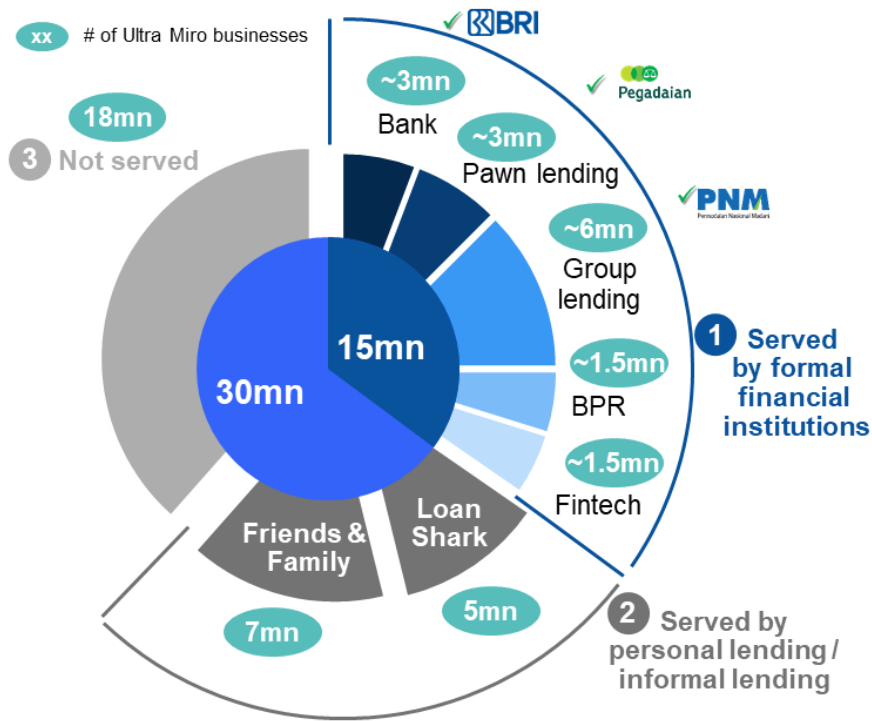
SECURING STRONG AND SUSTAINABLE FUTURE GROWTH

The Establishment of Ultra Micro Ecosystem



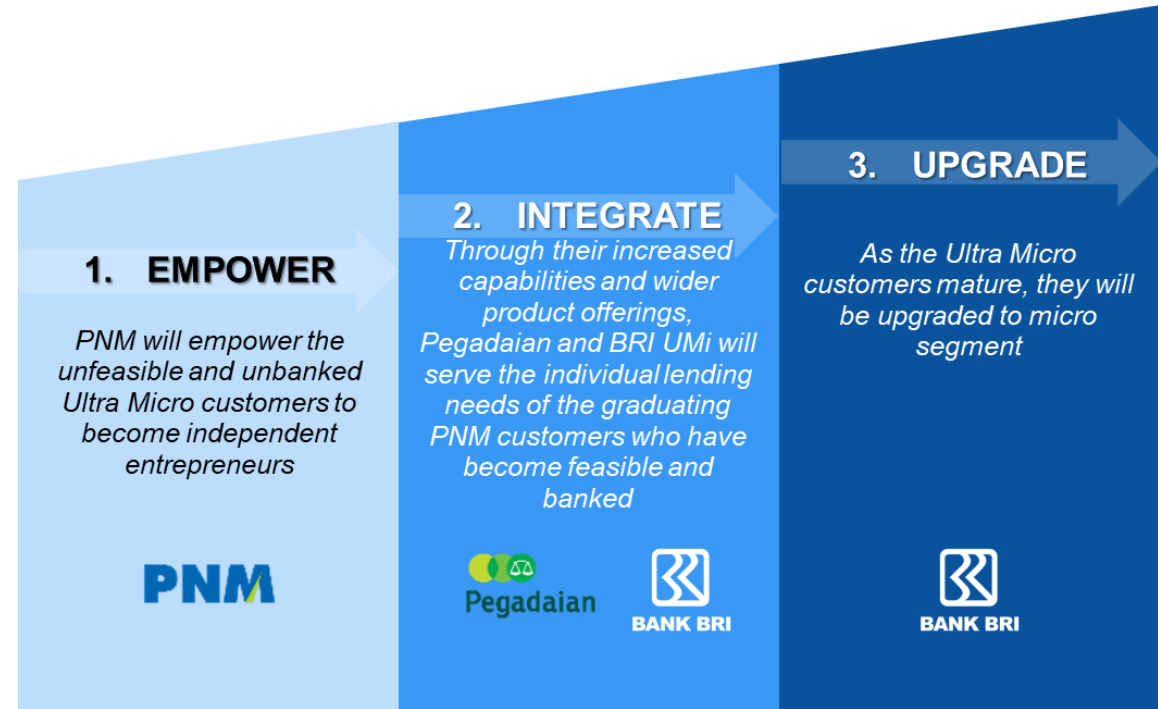
BRI's Total Addressable Market: Ultra Micro Business with Additional Funding Needs

- 45mn** required additional funding in 2018...
- 1** But only **15mn** were served by formal financial institutions...
- 2** And **12mn** were served by personal lending / informal lending...
- 3** With the remaining **18mn** still not served by any providers



Ultra Micro Businesses with Additional Funding Needs by Source of Funds (2018)

Consolidated Ultra Micro Ecosystem for a more Integrated Journey for Customers



The combination of BRI, Pegadaian and PNM Business Models complement each other to provide end-to-end financial services to Ultra Micro Customers



HYBRID BANK BUSINESS MODEL

Strengthened by Network Transformation and Empowered by New Digital Proposition

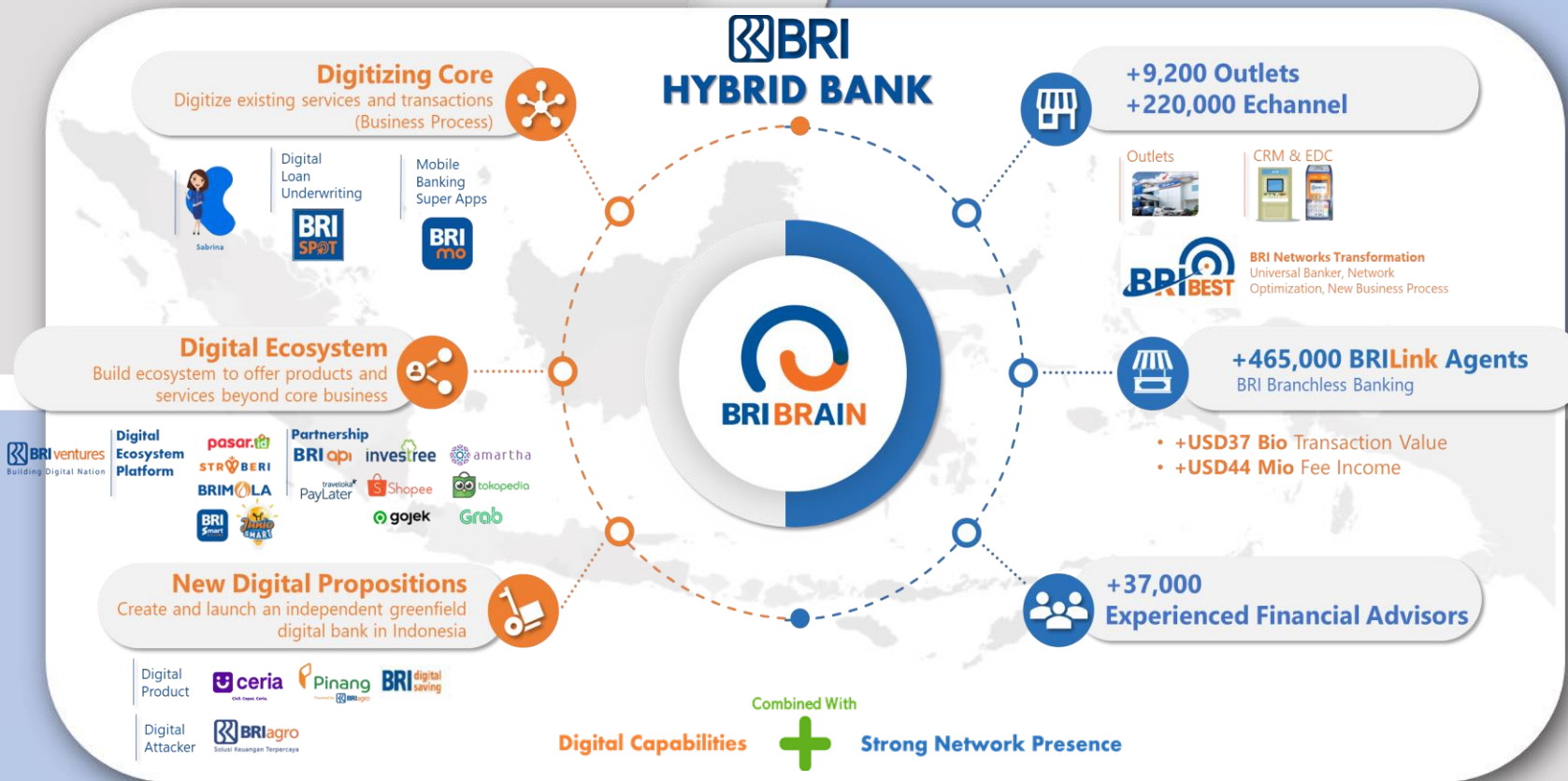


Rapid Change in Consumer Behavior

Consumers are transitioning into digital economy.

Huge Market Potential

>30 Mio Unserved Ultra-micro Market



Growing Young Market Population

with more than 190 million productive population

Geographically Challenging

Consists of more than 75 thousand villages spread across thousands archipelagos separated by the sea.



FIRST MOVER IN ESG IMPLEMENTATION

Ensuring Company's Business Sustainability



First Mover on Indonesia Sustainable Banking

Served as The Chairman of Indonesia Financial Sustainability Initiatives

Indonesian Bank with The Largest Sustainable Business Portfolio

The First South East Asian Bank Issued Sustainable Bond

Constituent of Indonesia ESG Leader Index

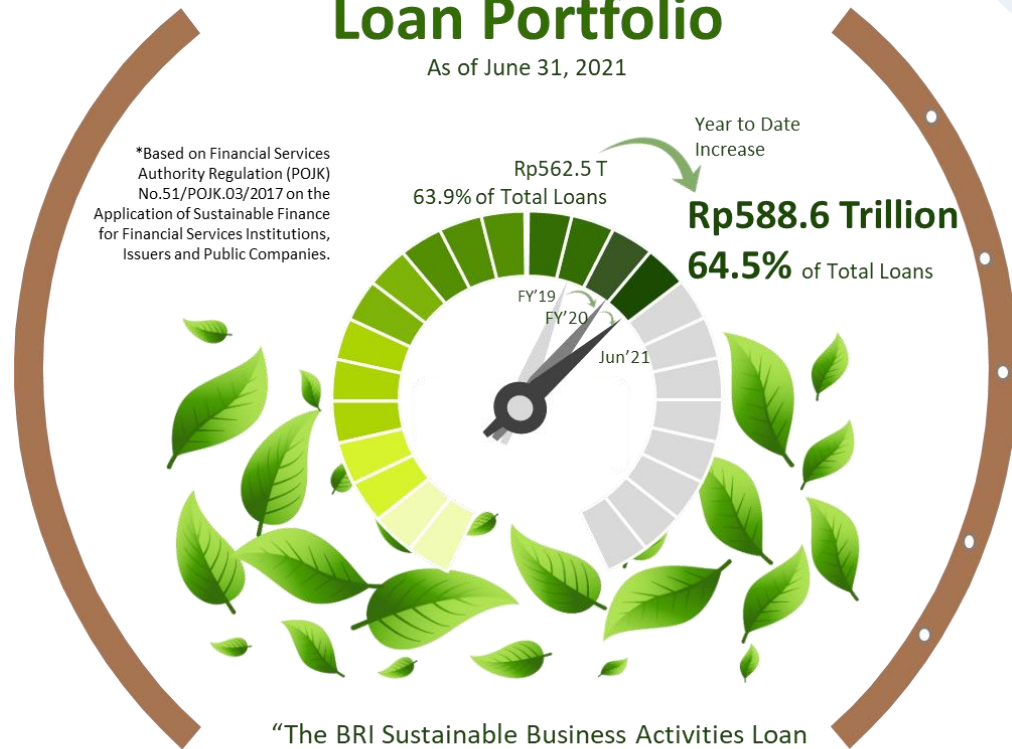
Strengthened ESG Governance by Establishing ESG Committee

Sustainable Business Activities*

Loan Portfolio

As of June 31, 2021

*Based on Financial Services Authority Regulation (POJK) No.51/POJK.03/2017 on the Application of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies.



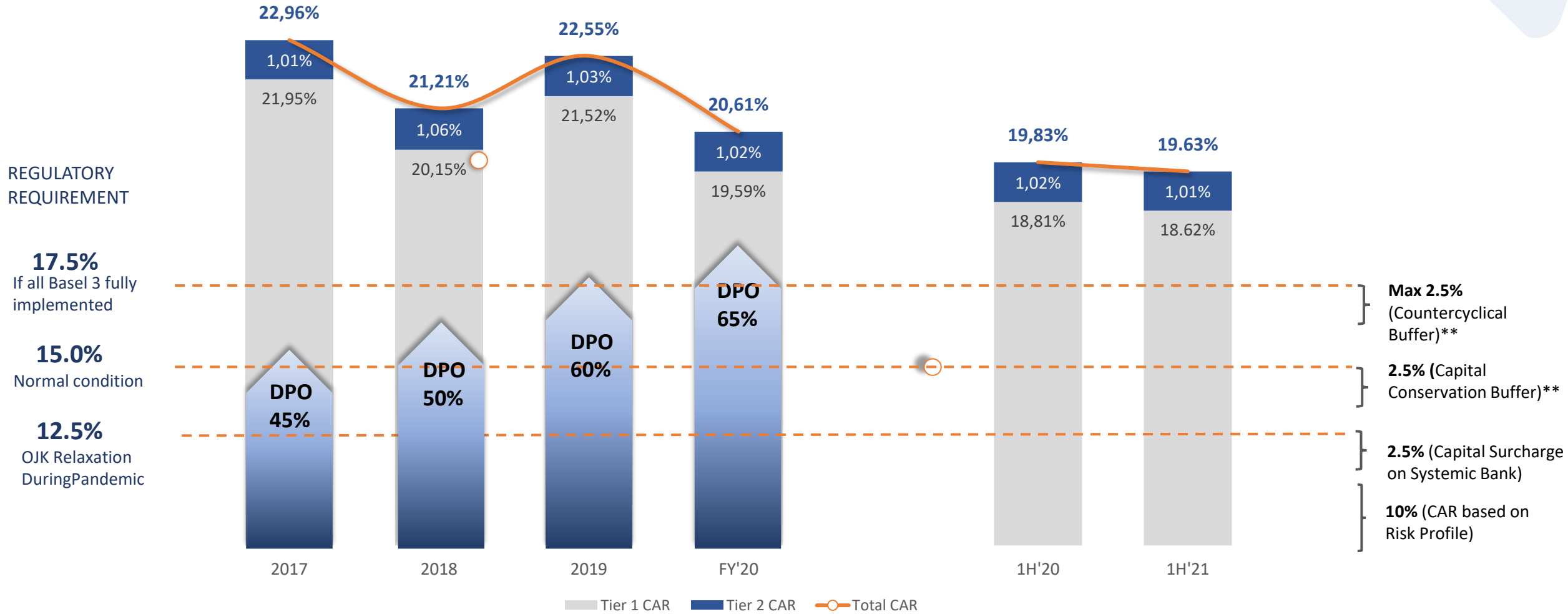
“The BRI Sustainable Business Activities Loan Portfolio **has sustainably increased** and **the highest among peers**”



BRI has adapted international ESG Reporting Standards

SOUND CAPITAL MANAGEMENT

Supporting Future Growth and Delivering Optimum Shareholder's Value



BRI 1H'21 PERFORMANCE





BALANCE SHEET

Resilient Balance Sheet to Contain the Risk of Covid-19 Pandemic



IDR Billion

Description	2019	2020	1Q'21	1H'20	1H'21	g YoY		g QoQ		g YtD	
						Nom	%	Nom	%	Nom	%
Total Assets	1,343,078	1,421,785	1,374,381	1,309,321	1,411,625	102,304	7.8%	37,244	2.7%	(10,160)	-0.7%
- Gross Loans	859,558	880,675	896,515	869,042	912,072	43,030	5.0%	15,557	1.7%	31,397	3.6%
- Other Earnings Assets	372,442	467,502	432,292	380,682	457,355	76,673	20.1%	25,063	5.8%	(10,148)	-2.2%
Total Earning Assets	1,233,131	1,348,177	1,328,807	1,250,855	1,369,427	118,572	9.5%	40,620	3.1%	21,250	1.6%
Earning Assets Provision	(37,670)	(66,444)	(73,280)	(54,798)	(79,482)	(24,684)	45.0%	(6,202)	8.5%	(13,038)	19.6%
Total Earning Assets (net)	1,195,460	1,281,733	1,255,527	1,196,057	1,289,945	93,889	7.8%	34,418	2.7%	8,212	0.6%
Total Non Earning Assets	147,617	140,052	118,854	113,264	121,680	8,416	7.4%	2,826	2.4%	(18,372)	-13.1%
Total Liabilities & S.E	1,343,078	1,421,785	1,374,381	1,309,321	1,411,625	102,304	7.8%	37,244	2.7%	(10,160)	-0.7%
Total Customer Deposits	969,750	1,052,664	1,033,256	1,013,156	1,079,072	65,917	6.5%	45,816	4.4%	26,409	2.5%
- Demand Deposits	167,843	183,002	172,520	172,763	189,305	16,542	9.6%	16,785	9.7%	6,302	3.4%
- Savings	404,360	459,148	442,093	401,092	459,233	58,141	14.5%	17,140	3.9%	85	0.0%
- Time Deposits	397,547	410,513	418,643	439,301	430,535	(8,766)	-2.0%	11,892	2.8%	20,021	4.9%
Other Interest Bearing Liabilities	135,752	134,912	96,535	84,351	90,376	6,025	7.1%	(6,159)	-6.4%	(44,536)	-33.0%
Non Interest Bearing Liabilities	33,910	39,850	56,712	28,719	48,818	20,099	70.0%	(7,894)	-13.9%	8,968	22.5%
Tier I Capital	187,012	174,757	167,633	165,118	173,159	8,041	4.9%	5,526	3.3%	(1,599)	-0.9%
Total Shareholder's Equity	203,665	194,359	187,878	183,095	193,358	10,263	5.6%	5,480	2.9%	(1,001)	-0.5%



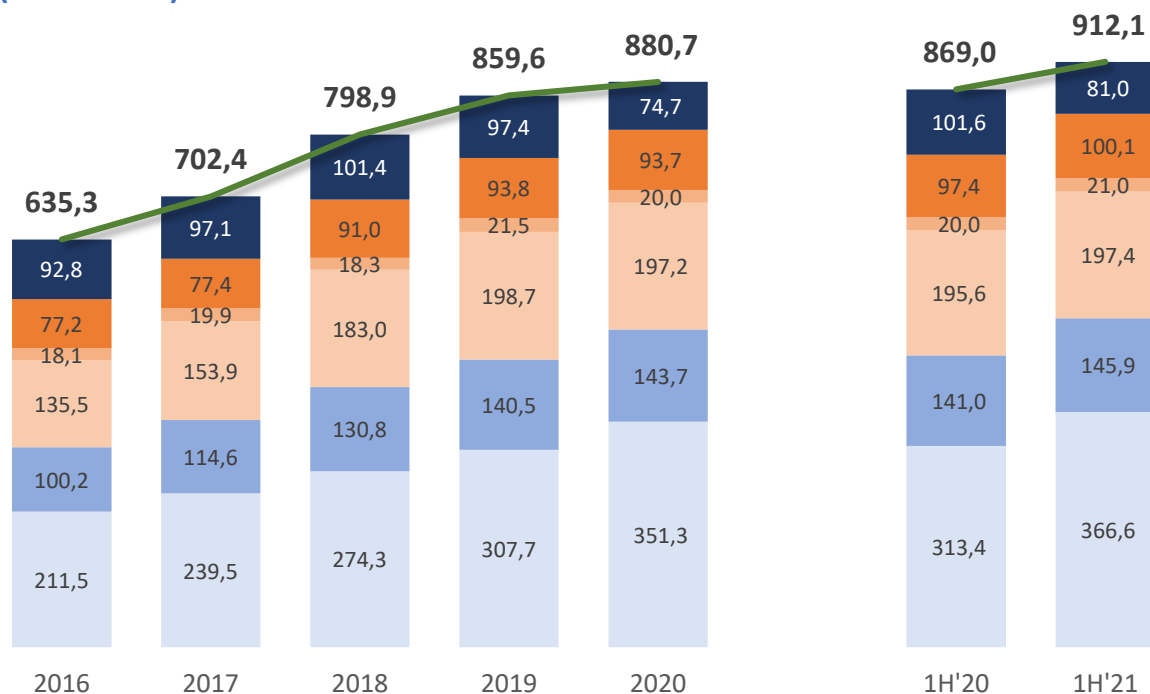
LOAN PORTFOLIO

On Track Portfolio Management, to Reach ~45% Micro Loan Composition in 2025

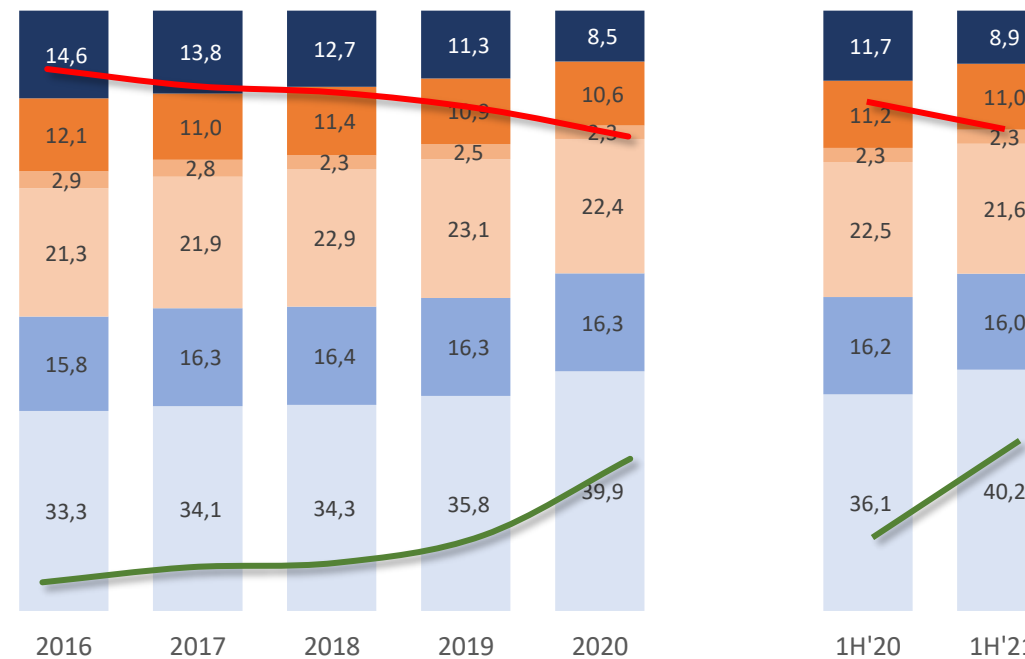


Loan Outstanding – by business segment

(IDR Trillion)



Composition – by business segment (%)



Micro Consumer Small Medium Corporate Non SOE SOE Total

YoY Growth (%)	17.0	3.5	0.9	4.9	2.8	-20.3	5.0
(Rp Tn)	53.2	5.0	1.8	1.0	2.7	-20.6	43.0

√ Started in 2018, Loan has been adjusted due to reclassification of Trade Finance/LC Related Receivables from Loan to Other Earning Assets-Other Receivables



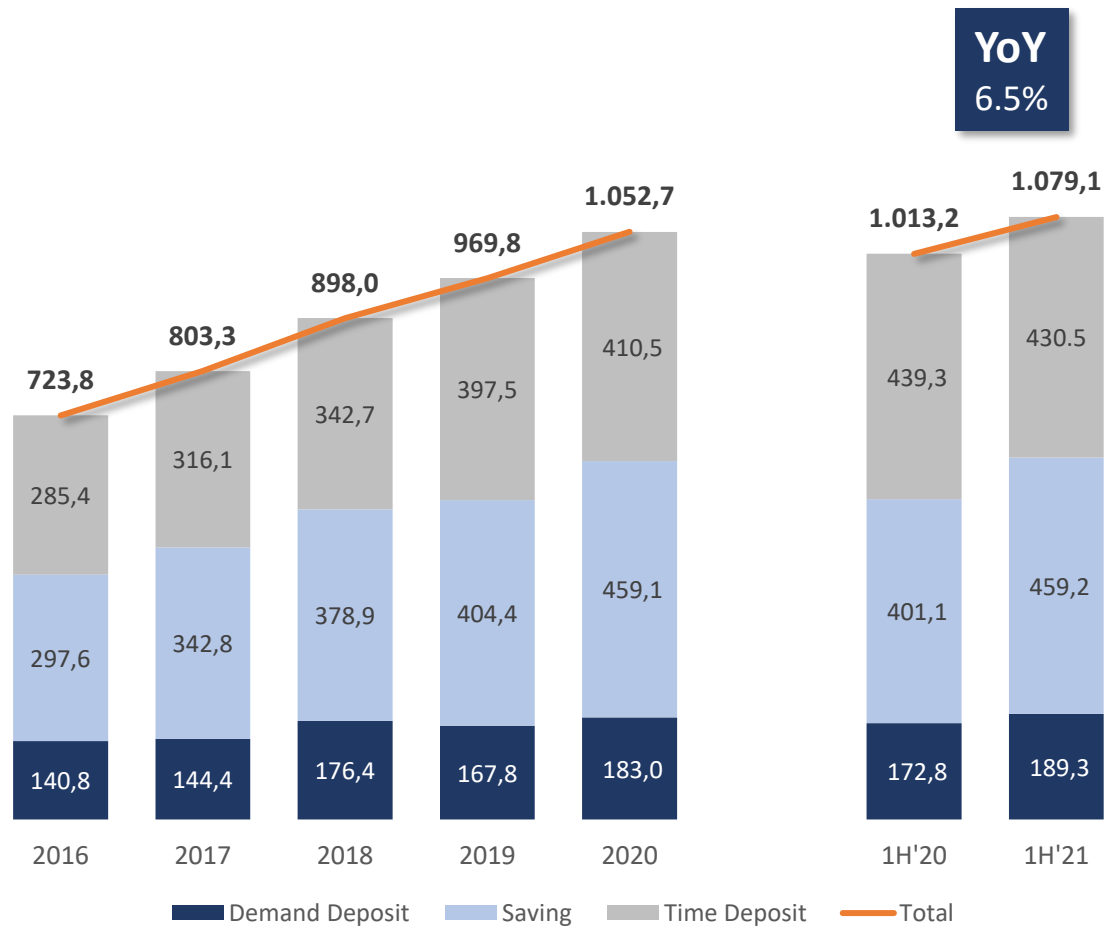
DEPOSIT

Deposits Growth Driven by CASA Boosted COF Efficiency

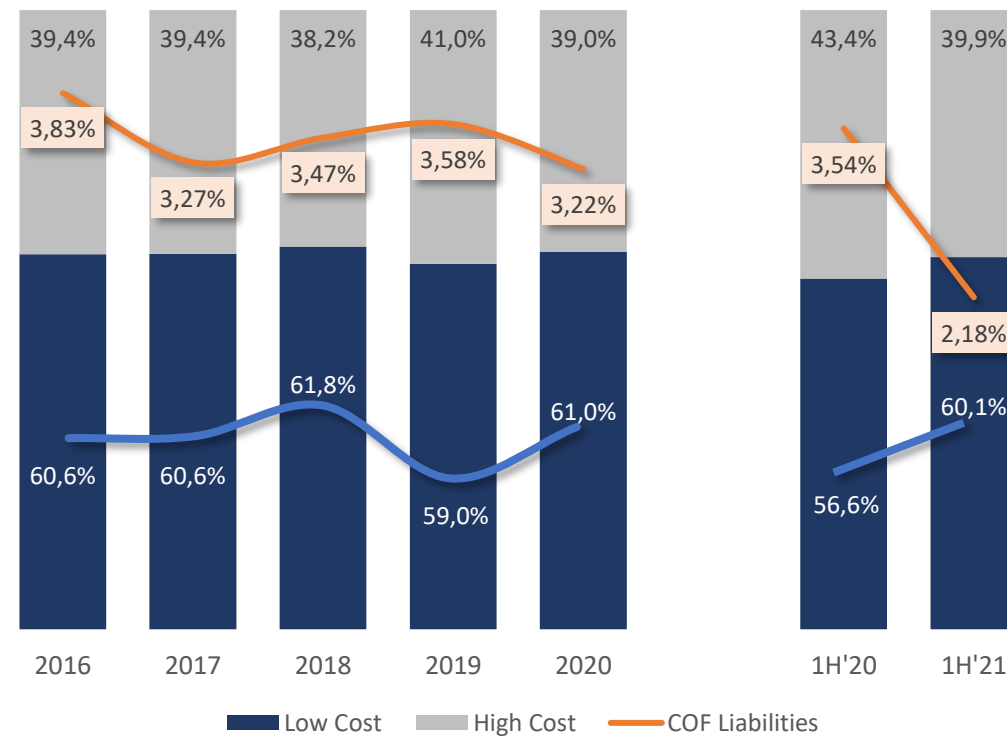


Deposits Growth

(IDR Trillion)



Deposits Composition, COF





INCOME STATEMENT

Strong PPOP Improvement, Allowing More Room for More Provisioning to Anticipate Pandemic Impact



IDR Billion

Description	2019	2020	1Q'21	1H'20	1H'21	g YoY		g QoQ	
						Nom	%	Nom	%
Interest Income	115,639	109,959	28,965	53,162	58,556	5,394	10.1%	626	2.2%
<i>Interest from Loans</i>	103,028	95,626	25,486	46,562	51,846	5,285	11.3%	875	3.4%
<i>Int. from Other Earning Assets</i>	12,611	14,333	3,479	6,600	6,709	109	1.7%	(249)	-7.2%
Interest Expense	(37,078)	(34,812)	(6,171)	(18,610)	(12,204)	6,406	-34.4%	138	-2.2%
Net Interest Income	78,560	75,147	22,794	34,552	46,352	11,800	34.2%	764	3.4%
Fee & Other Opr. Income *	27,552	28,430	8,218	13,714	16,302	2,588	18.9%	(135)	-1.6%
Gross Operating Income	106,112	103,577	31,012	48,266	62,654	14,388	29.8%	629	2.0%
Operating Expenses	(41,782)	(46,396)	(12,565)	(23,610)	(24,864)	(1,254)	5.3%	266	-2.1%
Pre Provision Operating Profit	64,329	57,181	18,447	24,656	37,790	13,134	53.3%	896	4.9%
Provision Expenses	(21,307)	(30,989)	(9,687)	(9,200)	(21,529)	(12,329)	134.0%	(2,155)	22.2%
Non Operating Income (Net)	(72)	(31)	(2)	(6)	(2)	4	-60.6%	1	-43.2%
Profit Before Tax n Minor. Int.	42,950	26,161	8,759	15,450	16,258	809	5.2%	(1,259)	-14.4%
Tax Expense	(8,921)	(7,808)	(2,085)	(5,248)	(3,810)	1,438	-27.4%	360	-17.3%
Net Profit	34,029	18,353	6,673	10,201	12,448	2,247	22.0%	(899)	-13.5%
EPS**	276	150	218	167	203	37	22.0%		



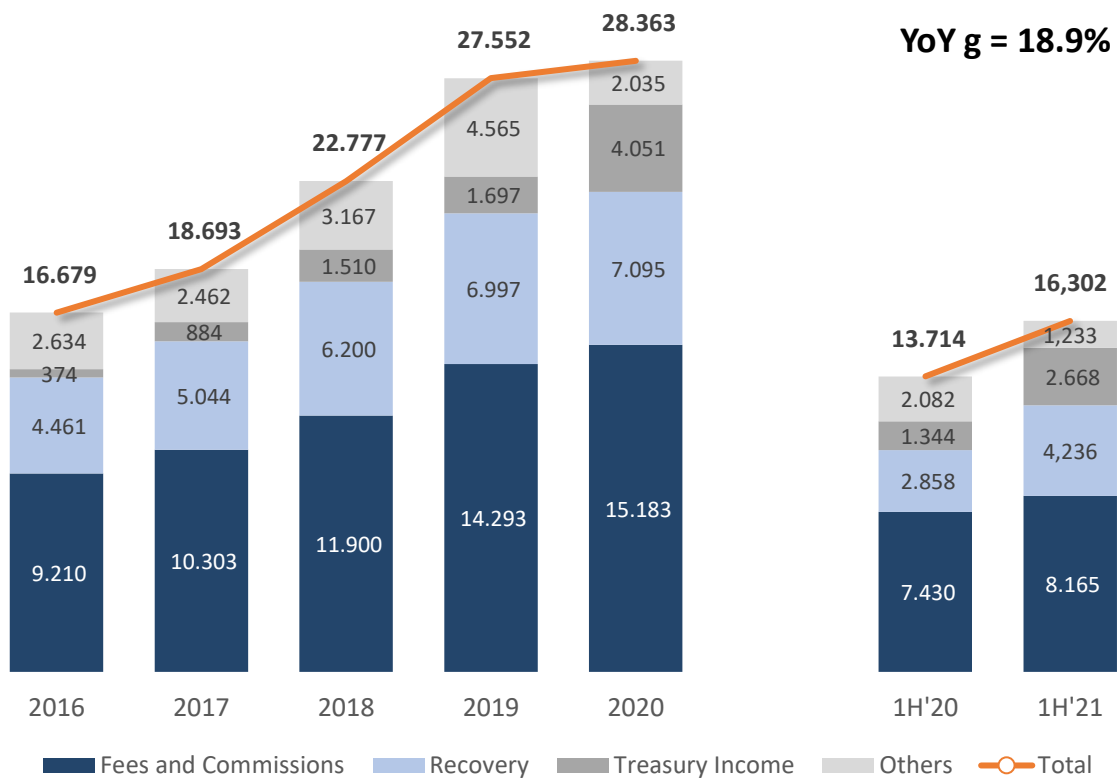
FEE & OTHER OPERATING INCOME

Improving Fee Income Composition from Transaction



Fee and Other Operating Income

(IDR Billion)



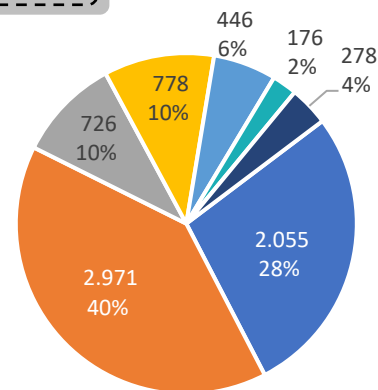
YoY g = 18.9%

Fee & Other Operating Income growth driven by Treasury Income, Recovery Income and Fee Based Income

Fee and Commission – Composition

(IDR Billion)

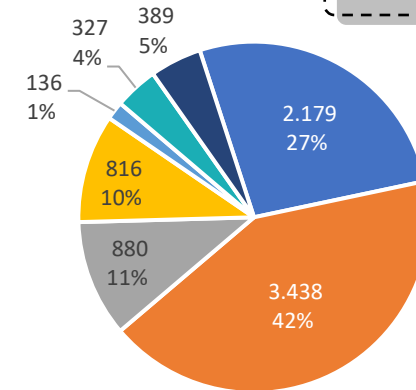
Jun'20



- Deposit Adm Fee
- Loan Adm Fee
- Non E-Channel Related Fee
- Others

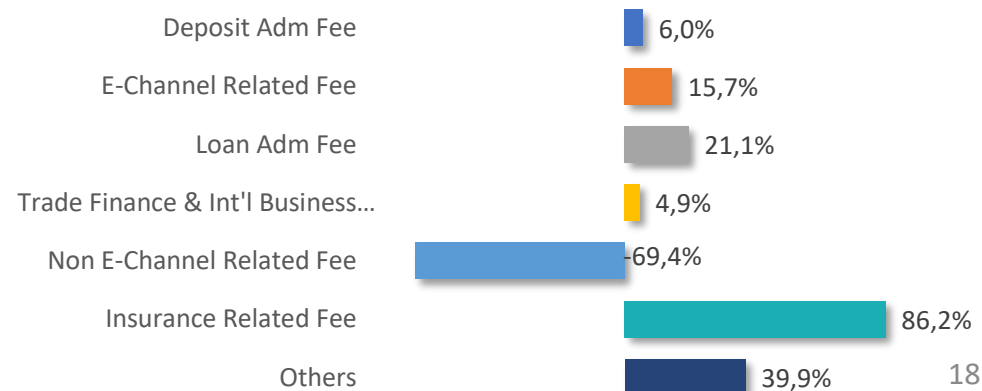
YoY g = 9.9%

Jun'21



- E-Channel Related Fee
- Trade Finance & Int'l Business Related Fee
- Insurance Related Fee

YoY Growth



LOAN QUALITY

Strengthening Resilience





NPL and SML

Manageable During Pandemic, Yet Remain Cautious In SME & Corporate Segment



Non-Performing Loan – by segment

NPL	2019	1H'20	2020	1Q'21	1H'21
Micro	1.18%	1.18%	0.83%	1.23%	1.53%
Consumer	1.10%	1.50%	1.49%	1.65%	1.79%
Small	3.17%	3.63%	3.61%	4.10%	4.14%
Medium	5.38%	6.79%	4.61%	4.46%	2.99%
Corporate	8.75%	10.75%	12.58%	11.31%	11.81%
SoE	1.73%	1.11%	1.30%	1.25%	1.20%
Total NPL	2.62%	2.98%	2.94%	3.12%	3.27%

Special Mention – by segment

SML	2019	1H'20	2020	1Q'21	1H'21
Micro	3.51%	2.25%	2.47%	4.32%	4.26%
Consumer	2.52%	3.49%	2.69%	3.38%	3.29%
Small	4.63%	5.91%	3.19%	5.56%	6.58%
Medium	2.97%	7.04%	3.07%	5.03%	5.61%
Corporate	5.82%	7.29%	2.31%	4.73%	4.46%
SoE	4.29%	4.33%	3.53%	4.57%	10.54%
Total SML	3.93%	4.19%	2.75%	4.52%	5.22%

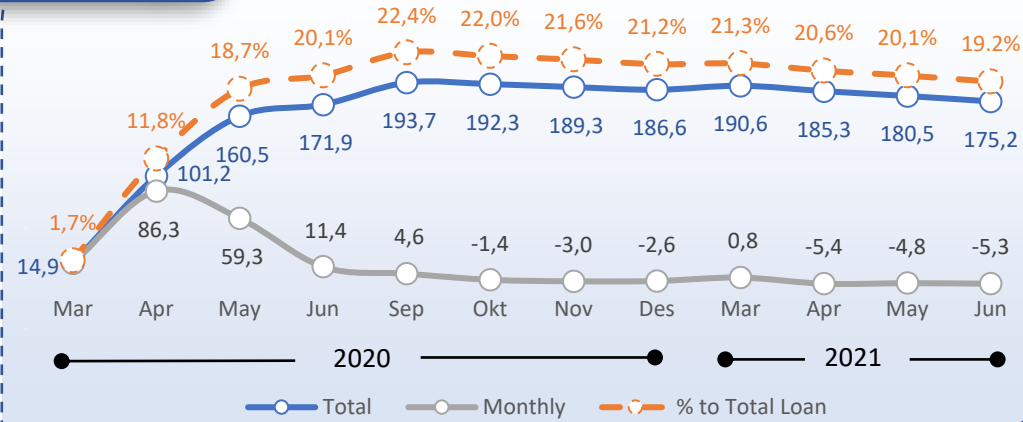


COVID-19 RESTRUCTURED LOAN

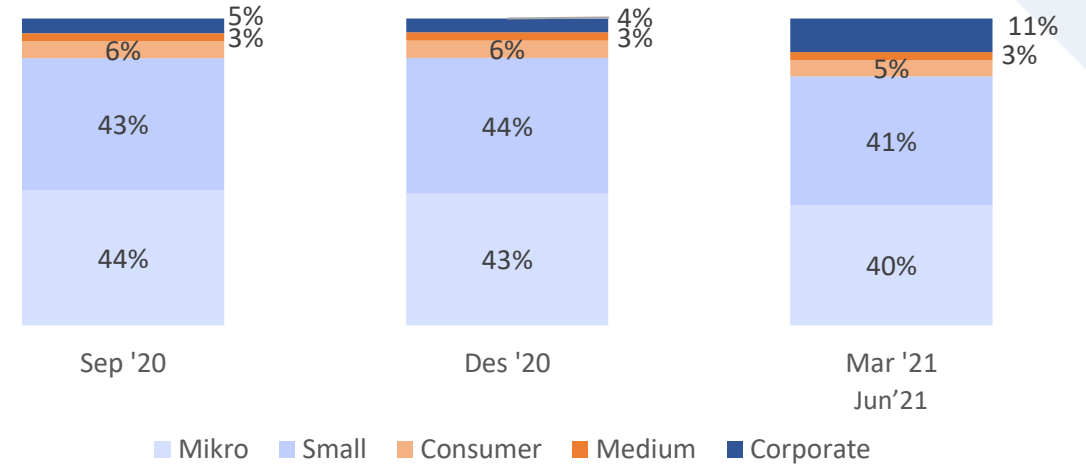
Declining Trend Driven by MSMEs Segment

Outstanding

IDR Trillion

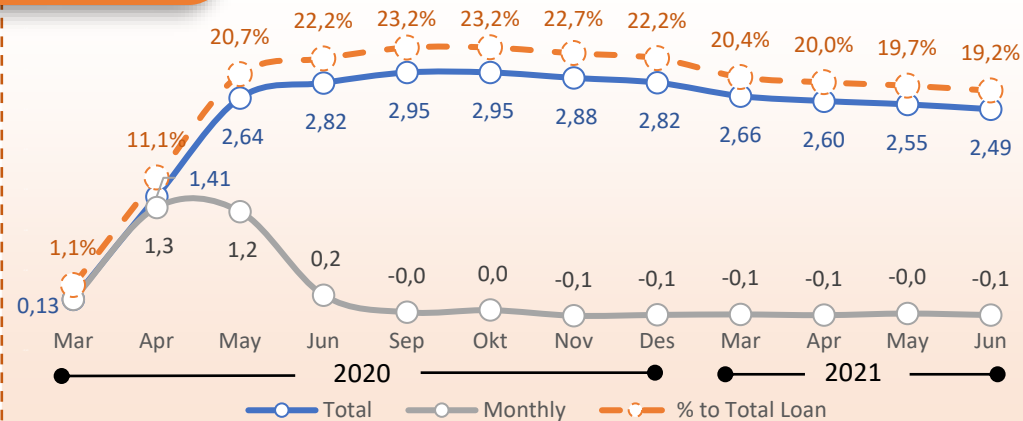


Outstanding Composition by Segment

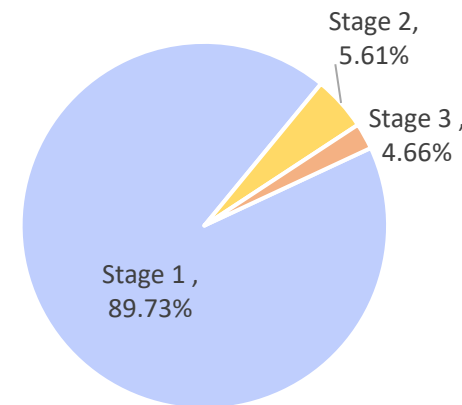


#Borrowers

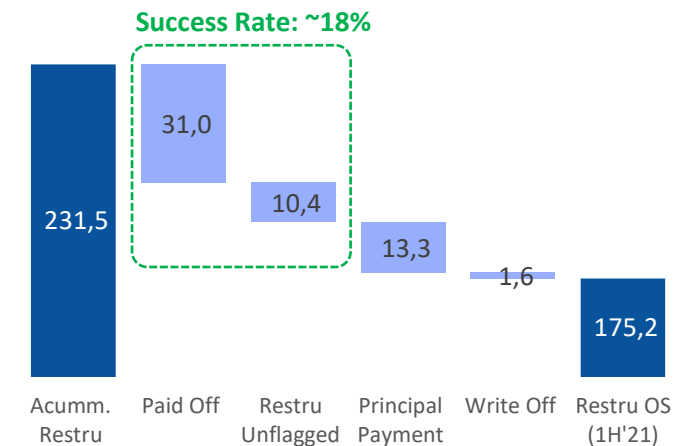
in Million



Outstanding Composition by Stages



Restru. Loans Success Rate



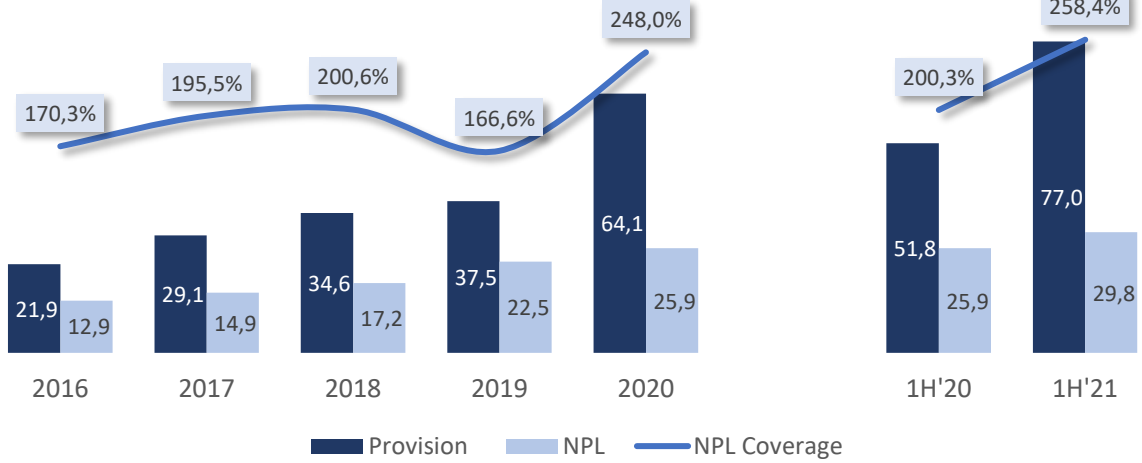


COVERAGE, WRITE OFF & RECOVERY

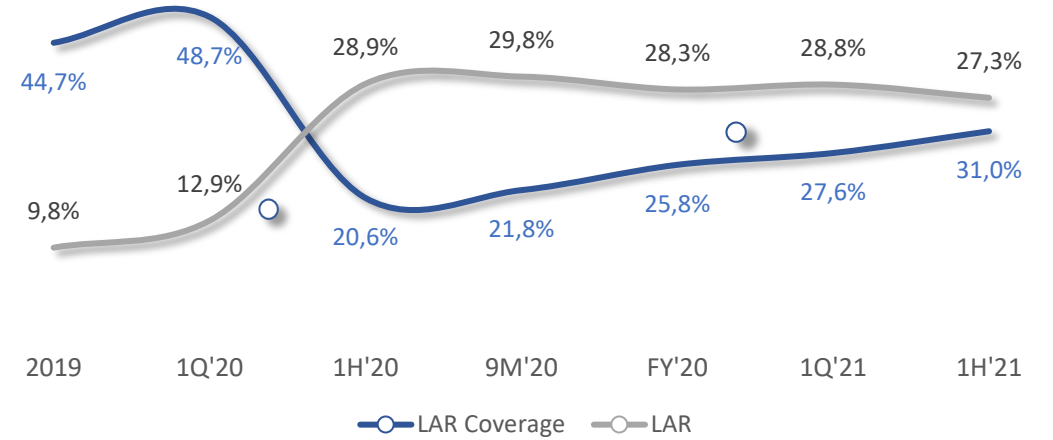
Building Adequate Cushion to Mitigate Covid-19 Impact



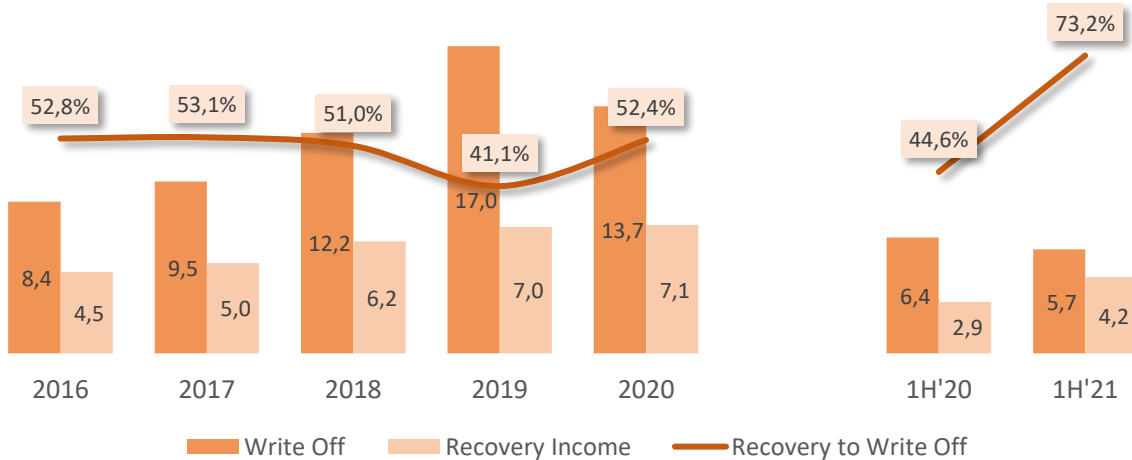
NPL Coverage



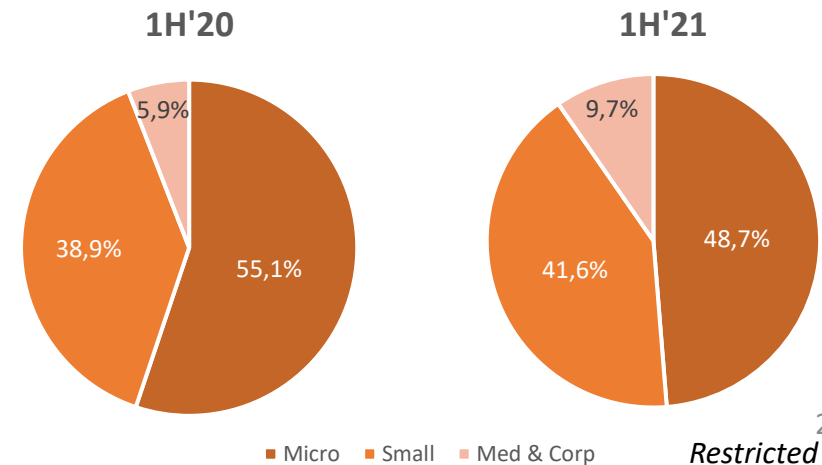
LAR & LAR Coverage (Inc. Covid-19)



Write Off & Recovery



Recovery Income Composition by Segment



DIGITAL STRATEGY





BRI DIGITAL STRATEGY

Strong Digital Capabilities, Ready to Capture The Opportunities from Customer's Behavior Shift



Digitizing Core

Exploitation:

Digitize existing services and transactions (Business Process)

- Optimize existing Channels
- Integrated Digitized Operation
- Simplified and standardized system

AgenBRILink
Layanan Transaksi Keuangan Tanpa Kantor



Sabrina

Branchless Banking Initiatives for Micro



Advanced Mobile Banking



Digital Loan Underwriting System

Boost Productivity & Unleash The Potential



Digital Ecosystem

Exploration:

Build ecosystem to offer products and services beyond core business.

- Digital Platform for Business
- Build new business model
- Partnership with Fintech

Digital Ecosystem Platform



Online Wet Market



B2B2C Integrated Billing System



School Management System



LPG Gas 3kg Ordering System



Micro Transaction Ecosystem Solutions



Digital partnership & Collaboration
The First Bank with ISO Certificate in Open API

P2P Partnership



E-Commerce Partnership



Ride Hailing Partnership



Leveraging New Liquidity, New Opportunities, New Source of Growth



New Digital Propositions

Exploration:

Create and launch an independent greenfield digital bank in Indonesia

- Mobile First channel
- Fully Digital for untapped market
- Build New Digital Capability



AI & Big Data Analytics



The First Bank with ISO Certificate in Big Data



ISO 27001:2013

Digital Loan Products



BRI x Traveloka Paylater Card



Digital Ultra Micro Loan



Digital Credit Card



Digital Lending Platform

Tap the Untapped Embedded in Customer Life





BRISPOT

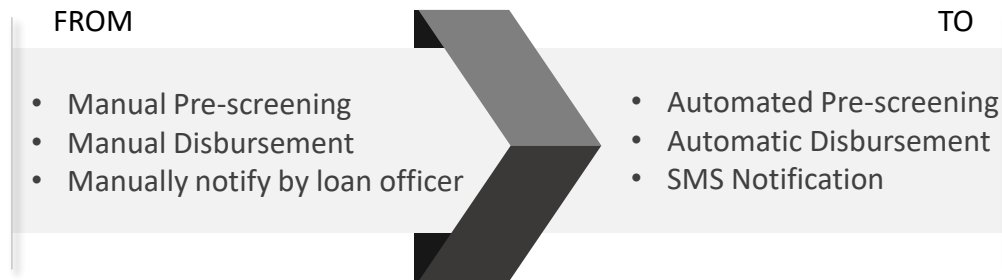
Radically Fasten Loan Underwriting Process and Boost Productivity



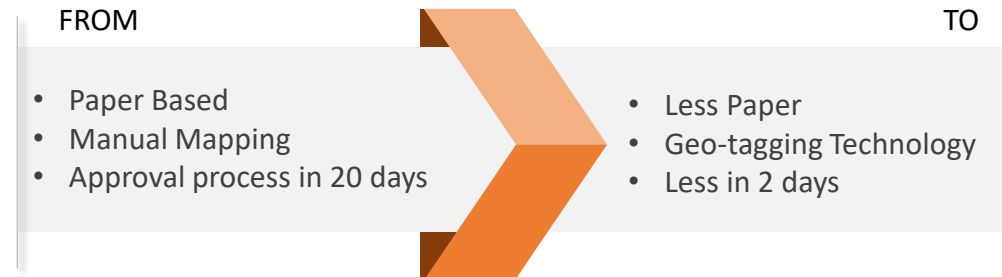
Digitalization



Automation



Simplification



NEXT (ENHANCEMENT)

Going forward

- Ride Hailing Apps Integration
- Fintech Partnership Integration
- BRISPOT for BRILink Agents
- GoogleAPI collaboration for geo-tagging loan disbursement pipeline

2020

BRISPOT EXTERNAL

Development of BRISPOT as apps for external use (customer) to ease the access to BRI's loan application.

BRISPOT SMALL COMMERCIAL

Development of BRISPOT for small and commercial business replicated the successful implementation of BRISPOT for micro and consumer.

2019

BRISPOT CONSUMER

Business Process Re-Engineering supported by the development of BRISPOT Consumer as an application platform for consumer business banking services and facilities.

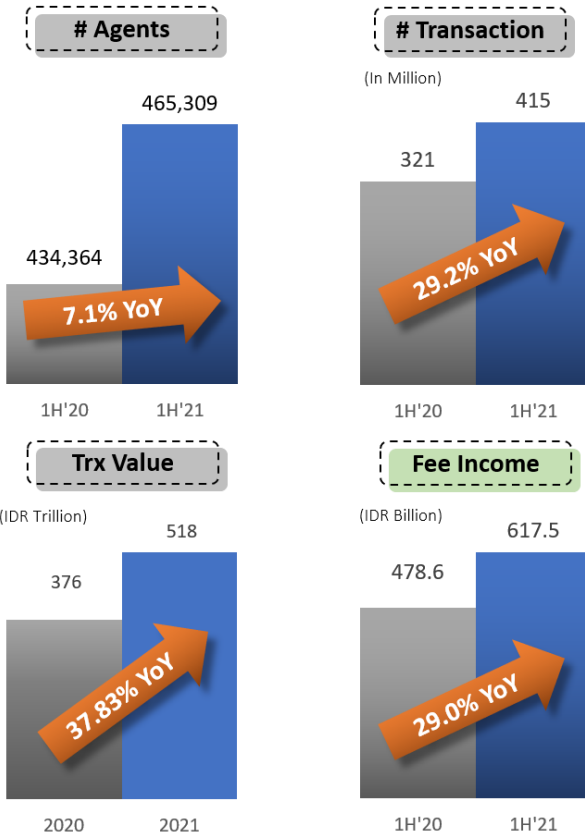
2018

BRISPOT MICRO

Business Process Re-Engineering supported by the development of BRISPOT for micro loan (Kupedes), an application platform that expedite the micro loan underwriting process.



Redefine the role of the BRILink agent to become the primary channel for lead generation & servicing for select segments



- ✓ **26.3 Thousand** saving referrals (↑ 32% YoY)
- ✓ **83.2 Thousand** loan referrals (↑ 275% YoY)
- ✓ **IDR 15.1 T** CASA (↑ 60% YoY)
- ✓ **2,370** financial inclusion acquisition (+1,117 from Mar'21)



Re-define agent's roles as the primary acquisition and fulfillment point for select "physical" customer segments,



Revamp agent governance through focus on agent segmentation, management incentives & capability building



Strengthen the agent operation by building liquidity management offering for agents



Transform BRILink into a local superstore for financial and non-financial products

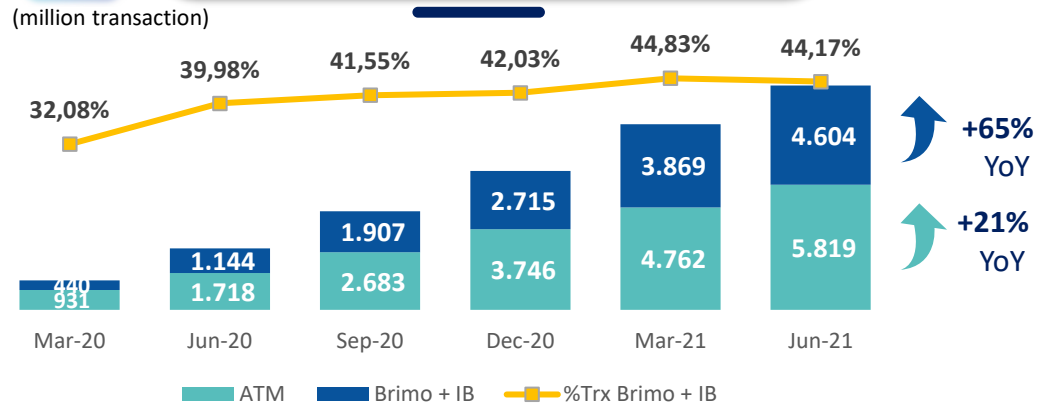


TRANSACTION BASED CASA

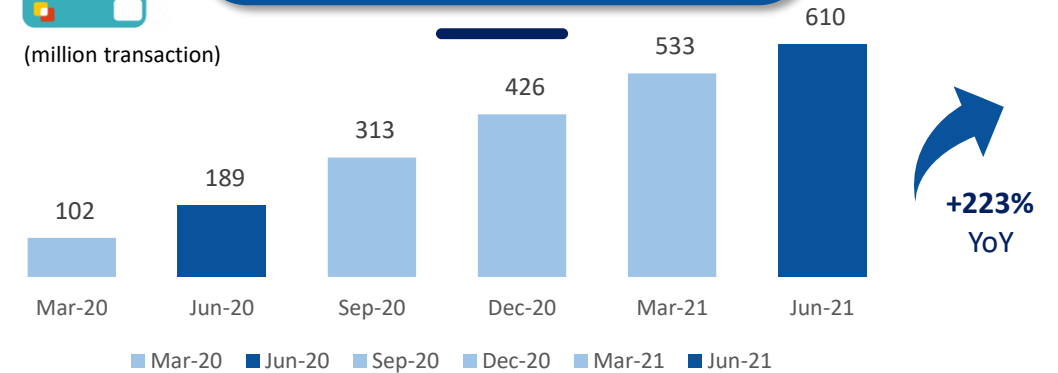
CASA as Digital Ecosystem Source of Fund & Fee Income Booster



Digital Transaction continues to grow significantly throughout 2020-2021



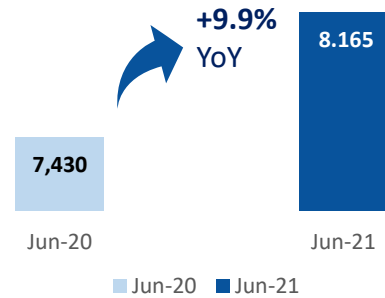
Significant growth of BRIZZI usage over the last year (+223% YoY)



Increasing FBI from Digital Channel as a sign of behavior shifting towards Digital

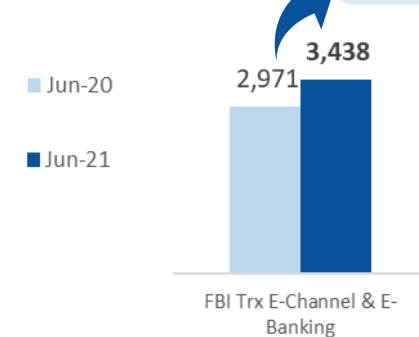
(Rp Billion)

BRI's Total FBI grow 9.9% YoY

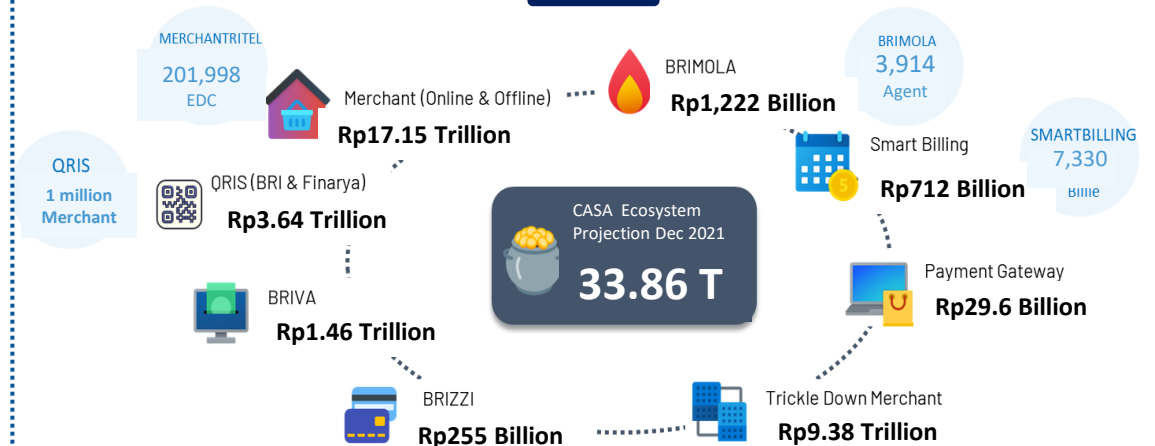


Increasing E-Channel FBI

+15.7% YoY



Increased Transactions expected to increase CASA balances from Ecosystem Partners



BRIMO SUPER APP

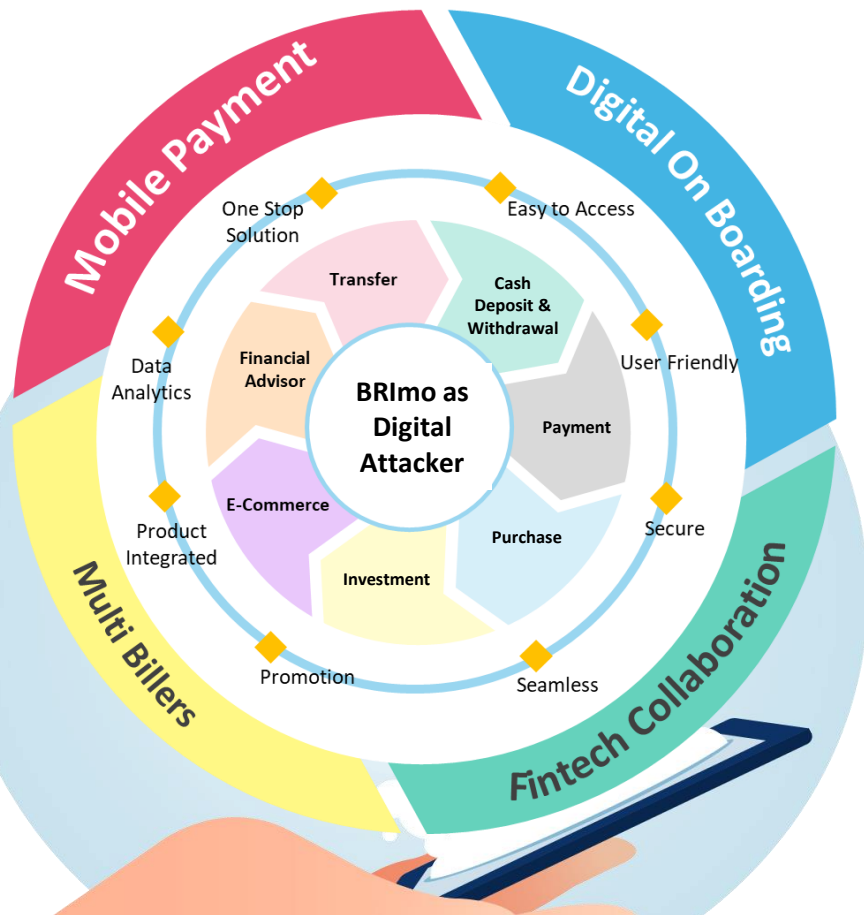
Digital Attacker with 50-killer Features

+109%
user YoY

+218%
trx YoY

+663%
Trx vol YoY

BRImo has shown significant growth during 2021



UP NEXT : BRIMO WITH AI & MACHINE LEARNING



50 killer features will be implemented in 2021 to bolster Brimo as Digital Attacker and Closed Loop Ecosystem

Brimo Already Connected With Strategic Partner To Generate CASA And FBI





DIGITAL INITIATIVES

Boost Consumer Lending Even More



DIGITAL LENDING SUPPORTED BY MAJOR PARTNER PLATFORM



Rp **151 Bn**

Loan Disbursement (YtD)

+478%

New User (YoY)

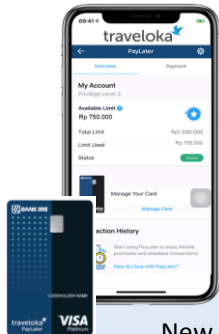
621%

YoY Disbursement

Integrated with major platform :



Upcoming Partners : traveloka, Shopee, OVO, DANA



Rp **556 Bn**

Loan Disbursement (YTD)

289%

Disbursement (YoY)

+2,878

New User Jun'21



New API Partnership in 2021 :

BUY NOW PAY LATER VIA PARTNERS PLATFORM WITH FAST APPROVAL PROCESS



Quick Apply
With Digital Onboarding



Instant Limit
5 minutes approval



Competitive Price
(Transaction Fee & Interest)



Connect to Ecosystem
Via E-commerce Digital Platform



Transaction for Online or Offline Stores



Upcoming Products : BRIGUNA DIGITAL (Q4 2021)



On Boarding through BRIMO



User Verification NIK E-KTP & OTP Verification



Credit Scoring Scoring & Approval by system



Online Agreement Using Digital Signature



Disbursement Direct Into Account Disbursement

Elevate customer experience

Widely accesible

Simplification

SLA < 1 hour



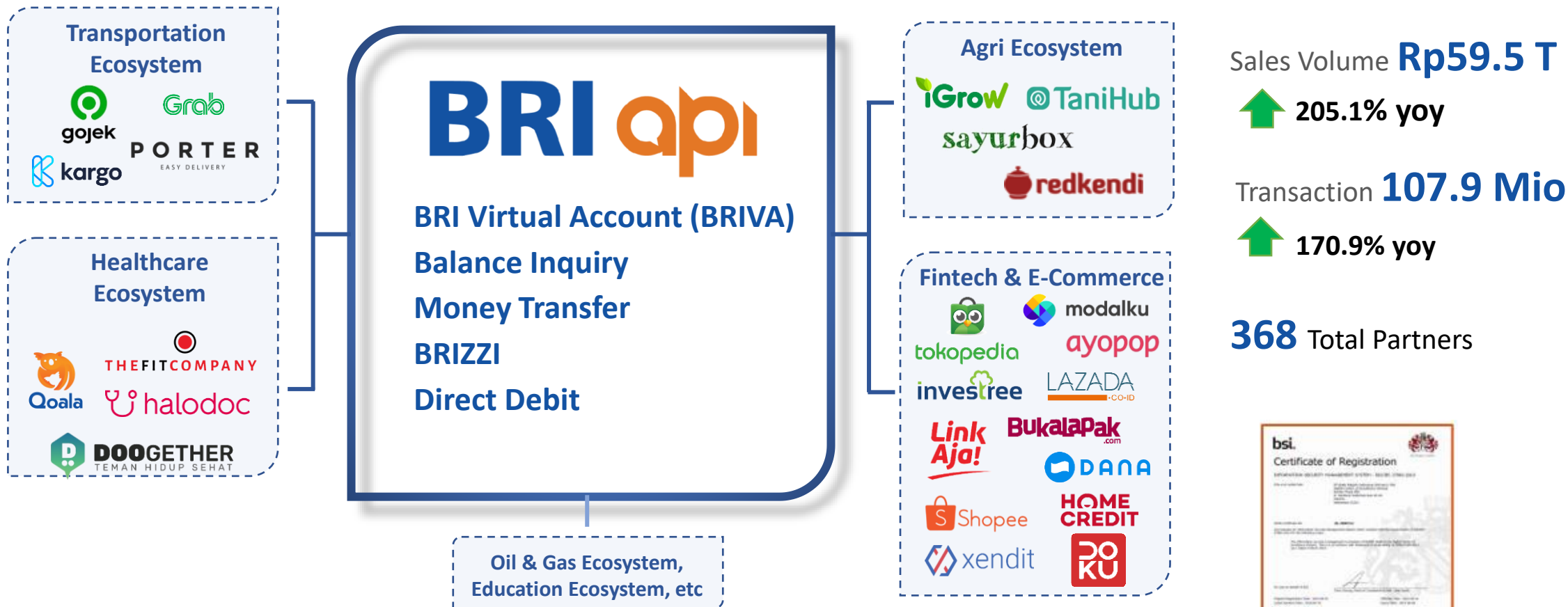
BRI API

Gateway for Digital Partnership



Execute Digital Partnership with Precision & Speed (OpenAPI)

API which stands for 'Application Programming Interface' connects business processes, services, content, and data to channel partners, internal teams, and independent developers in an easy and secure way.



...Digital Partnership Model to connect with Fintech and create digital ecosystem. As of Jun 2021, 368 partners have been using BRI API with 107.9 million transactions and Rp59.5 T sales volume...



ISO 27001:2013

A large graphic on the right side of the slide features the words 'THANK YOU' in white, bold, uppercase letters. The text is centered within a dark blue, rounded rectangular shape. This shape is partially overlapped by a grey triangle pointing left and an orange triangle pointing right. The background of the slide is a light grey geometric pattern of overlapping triangles.

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