

PROSPECTUS

PT BANK BTPN TBK. - CAPITAL INCREASE WITH GRANTING PRE-EMPTIVE RIGHTS II (PMHMETD II) TO THE SHAREHOLDERS IN THE FRAMEWORK OF THE ISSUANCE OF PRE-EMPTIVE RIGHTS (HMETD)

Date of Extraordinary General Meeting of Shareholders (EGMS)	December 7, 2023
Effective Date of Registration Statement	February 19, 2024
Last date of stock trading with HMETD (Cum-Right)	
- Regular market and negotiation market	February 27, 2024
- Cash market	February 29, 2024
Starting date of stock trading without HMETD (Ex-Right)	
- Regular market and negotiation market	February 28, 2024
- Cash market	March 1, 2024
Date of Listing to obtain HMETD	February 29, 2024
Date of HMETD distribution	March 1, 2024
Securities Listing date at Indonesia Stock Exchange	March 4, 2024
Starting date of trading, payment and exercise of HMETD	March 4, 2024
Last date of trading, payment and exercise of HMETD	March 13, 2024

Starting date of delivery of new shares resulting from HMETD	March 6, 2024
Last date of delivery of new shares resulting from HMETD	March 15, 2024
Last date of payment for purchase order of Additional Shares	March 15, 2024
Date of allocation for purchase order of Additional Shares	March 18, 2024
Date of Full Payment by the Standby Buyer	March 20, 2024
Date of refund for excess payments on Unfulfilled Orders	March 20, 2024

THE FINANCIAL SERVICES AUTHORITY ("OJK") DOES NOT STATE TO APPROVE OR NOT TO APPROVE THESE SECURITIES, NOR STATES THE TRUTH OR ADEQUACY OF THE CONTENTS OF THIS PROSPECTUS. EVERY STATEMENT THAT IS CONTRARY TO THOSE MATTERS IS AN UNLAWFUL ACT.

THIS PROSPECTUS MUST AND NEED GETS IMMEDIATE ATTENTION. IF THERE IS ANY DOUBT AS TO THE ACTION TAKEN, PLEASE CONSULT WITH A COMPETENT PARTY.

PT BANK BTPN TBK. (THE "COMPANY") IS FULLY RESPONSIBLE FOR THE TRUTH OF ALL INFORMATION, FACTS, DATA, OR REPORTS AND HONEST OPINIONS CONTAINED IN THIS PROSPECTUS.

PT BANK BTPN Tbk



(Signed and Sealed on a revenue stamp)

Henoch Munandar

Dini Herdini

Having its domicile and head office in South Jakarta, Indonesia

Main Business Activities:

Carrying out business activities as a commercial bank

Head Office:

BTPN Tower, 29th Floor

CBD Mega Kuningan

Jl. Dr. Ide Anak Agung Gde Agung, Kav. 5.5 - 5.6

South Jakarta 12950

Telephone: +62 21 30026200; Fax: +62 21 30026308

Website: www.btpn.com; E-mail: corporate.secretary@btpn.com

Office Network as of September 30, 2023:

1 head office, 9 non-operational regional offices, 58 branch offices, 199 sub-branch offices, 1 operational functional office, and 212 ATMs.

**CAPITAL INCREASE WITH GRANTING PRE-EMPTIVE RIGHTS II (PMHMETD
II) TO THE SHAREHOLDERS IN THE FRAMEWORK OF THE ISSUANCE OF
PRE-EMPTIVE RIGHTS (HMETD)**

The Company offers 2,589,131,077 (two billion five hundred and eighty-nine million one hundred and thirty-one thousand seventy-seven) ordinary registered shares with the nominal value of IDR20 (twenty Rupiah) per share (the **"New Shares"**) or 24.32% (twenty-four point three two percent) of the issued and fully paid-up capital after the PMHMETD II with the exercise price of IDR2,600 (two thousand six hundred Rupiah) per share (the **"Exercise Price"**) so that the total fund that will be received by the Company in the framework of this PMHMETD II is IDR6,731,740,800,200 (six trillion seven hundred and thirty-one billion seven hundred and forty million eight hundred thousand two hundred Rupiah). Every holder of 10,000,000,000 (ten billion) shares whose name is registered in the Shareholders Register (the **"DPS"**) of the Company on February 29, 2024 at 15:00 Western Indonesian Time shall have the right for 3,213,591,453 (three trillion two hundred and thirteen million five hundred and ninety-one thousand four hundred and fifty-three) HMETD, where every 1 (one) HMETD provides the holder with the right to purchase 1 (one) New Share with the Exercise Price that must be fully paid-up when submitting the order for the HMETD exercise.

In the event that a shareholder owns the HMETD in fraction, in accordance with Article 33 of the OJK Regulation No.

32/POJK.04/2015 on Capital Increase of a Public Company with Pre-emptive Rights as has been amended by the OJK Regulation No. 14/POJK.04/2019 (the "**POJK No. 32/2015**"), then the HMETD in fraction must be sold by the Company and the proceeds thereof shall be put into the Company's account. All of the New Shares issued in this PMHMETD II will be issued from the portfolio and will be listed at IDX with due observance of the applicable laws and regulations. The New Shares issued in the framework of the PMHMETD II shall have the same and equal rights in all respects to the other fully paid-up shares, including, among others, voting rights in the General Meeting of Shareholders (the "**GMS**"), the right for dividend distribution, the right for bonus shares, and the right for the HMETD.

Based on the Letter of Sumitomo Mitsui Banking Corporation ("**SMBC**") dated December 4, 2023 on the Letter of Statement of the Shareholder and Standby Buyer (the "**Letter of Statement of the Shareholder and Standby Buyer SMBC**"), SMBC as the Main Shareholder (as defined below), SMBC will exercise all HMETD that it owns in the PMHETD II, which is a total of 2,292,033,462 (two billion two hundred and ninety-two million thirty-three thousand four hundred and sixty-two) New Shares.

If the New Shares offered in this PMHMETD II are not totally taken or exercise by the HMETD holders, then the rest will be allocated to the other HMETD holders who have ordered more

than their rights. In the event of excess order, the New Shares will be allocated proportionally based on the total HMETD exercised by each shareholder who has asked for addition of securities based on the Exercise Price.

Based on the Letter of BCA No. 185/DIB/2023 dated December 11, 2023 to respond to the Letter of the Company No. S.586/DIR/CCS/XI/2023 dated November 3, 2023, BCA has agreed to exercise its HMETD to maintain at least 1% (one percent) of the Company's shares that are not listed at the IDX and remain to be owned by Indonesian Citizens and/or Indonesian Legal Entities based on the PP No. 29/1999. In this PMHMETD II, BCA shall have the right for 26,689,650 (twenty-six million six hundred and eighty-nine thousand six hundred and fifty) HMETD, where the exercise of all HMETD will maintain the ownership of BCA 1.03% (one point zero three percent) of the total issued and fully paid-up capital after the PMHMETD II.

Based on the Deed of Agreement on the Purchase of Remaining Shares in the Framework of Capital Increase with Pre-emptive Rights of PT Bank BTPN Tbk. No. 09 dated December 7, 2023 between the Company and SMBC, made before Ashoya Ratam, S.H., M.Kn., a Notary in Jakarta as has been amended by the Addendum of Agreement on the Purchase of Remaining Shares in the Framework of Capital Increase with Pre-emptive Rights of PT Bank BTPN Tbk. dated February 12, 2024 between the Company and SMBC (the "**Standby Buyer Agreement**"), in its capacity as the

Standby Buyer, SMBC will purchase all remaining new shares that are not subscribed by the other shareholders. SMBC also has sufficient fund and is able to exercise all the HMETD of its rights proportionally to its share ownership (in proportion) and to act as the Standby Buyer in the PMHMETD II based on the Letter of Statement of the Shareholder and Standby Buyer SMBC.

THIS PMHMETD II SHALL BECOME EFFECTIVE UPON RECEIPT OF EFFECTIVE STATEMENT FROM THE OJK WHERE THE PLAN OF THE COMPANY FOR THE PMHMETD II HAS BEEN APPROVED BY THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ("EGMS") OF THE COMPANY HELD ON DECEMBER 7, 2023.

THE HMETD WILL BE LISTED AT THE IDX. THE HMETD MAY BE TRADED BOTH WITHIN AND OUTSIDE THE IDX FOR NO LESS THAN 5 (FIVE) BUSINESS DAYS STARTING FROM MARCH 4, 2024 TO MARCH 13, 2024. THE NEW SHARES RESULTING FROM THE EXERCISE OF THE HMETD WILL BE LISTED AT IDX ON MARCH 4, 2024. THE LAST DATE OF EXERCISE OF THE HMETD SHALL BE MARCH 13, 2024 WITH A NOTE THAT THE HMETD THAT IS EXERCISED BY THE SAID DATE WILL BE INVALID.

IMPORTANT WARNING

THE PREVIOUS SHAREHOLDERS WHO DO NOT EXERCISE THEIR RIGHTS IN THIS PMHMETD II WILL HAVE A DECREASING PERCENTAGE OF SHARE

OWNERSHIP (DILUTION) IN A MAXIMUM OF 24.32% (TWENTY-FOUR POINT THREE TWO PERCENT) .

THE MAIN RISK FACED BY THE COMPANY IS THE CREDIT RISK, NAMELY A RISK THAT ARISES FROM THE FAILURE OF ANOTHER PARTY IN FULFILLING THEIR OBLIGATION TO THE COMPANY, INCLUDING THE CREDIT RISK RESULTING FROM THE FAILURE OF A DEBTOR, THE CREDIT CONCENTRATION RISK, THE COUNTERPARTY CREDIT RISK, AND THE SETTLEMENT RISK. THE OTHER BUSINESS RISKS WHICH MAY BE FACED BY THE COMPANY CAN BE SEEN IN CHAPTER VI OF THIS PROSPECTUS .

THE COMPANY DOES NOT ISSUE COLLECTIVE SHARE CERTIFICATES (THE "SKS") IN THIS PMHMETD II, BUT THOSE SHARES WILL BE DISTRIBUTED ELECTRONICALLY TO BE ADMINISTERED IN THE COLLECTIVE CUSTODY OF PT KUSTODIAN SENTRAL EFEK INDONESIA ("KSEI") .

THE STANDBY BUYER



Sumitomo Mitsui Banking Corporation

This Prospectus is issued in Jakarta on February 29, 2024

(Signed)

NOVIE

(Signed)

IQBAL DARMAWAN

(Signed)

Ester Agung Setiawati

The Company has submitted the Registration Statement (as defined below) in the framework of the PMHMETD II to the OJK by way of letter No. S.663/DIR/CCS/XII/2023 dated December 11, 2023 in accordance with the requirements stipulated in the POJK No. 32/2015 and the POJK No. 33/2015, which is the implementing regulation of the Law of the Republic of Indonesia No. 8 of 1995 on Capital Market as has been amended partly by the Law of the Republic of Indonesia No. 4 of 2023 on the Development and Strengthening of the Financial Sector (the "**UUPPSK**").

The Company has also announced information concurrently with the submission of the Registration Statement (as defined below) in the websites of the IDX and the Company.

The Capital Market Supporting Institutions and Professions in the framework of this PMHMETD II shall be fully responsible for the data presented in accordance with their function and position in accordance with the provisions of laws and regulations in the capital market sector, and their respective professional codes of ethics, norms, and standards.

In connection with this PMHMETD II, every affiliated party shall not provide information or statements about the data not disclosed in this Prospectus without prior written approval of the Company.

The Capital Market Supporting Institutions and Professions in the framework of this PMHMETD II expressly state that they have no Affiliation with the Company as defined in the UUPM as has been amended by the UUPPSK.

In accordance with the PP No. 29/1999 (as defined below) as the implementation of the Law No. 7 of 1992 as has been amended lastly by the Law No. 4 of 2023 on the Development and Strengthening of the Financial Sector, it is stipulated that:

- a. The total ownership of a bank's shares by Foreign Citizens and/or Foreign Legal Entities acquired through direct purchase or through the Stock Exchange shall be a maximum of 99% (ninety-nine percent) of the total shares of the relevant bank (Article 3 of PP No. 29/1999);
- b. The purchase of shares by Foreign Citizens and/or Foreign Legal Entities through the Stock Exchange may reach 100% (one hundred percent) of the total shares of the bank listed in the Stock Exchange (Article 4 paragraph (1) of PP No. 29/1999);
- c. The bank may only list its shares in the Stock Exchange a maximum of 99% (ninety-nine percent) of the total shares of the relevant bank (Article 4 paragraph (2) of PP No. 29/1999);
- d. At least 1% (one percent) of the bank's shares as referred to in Article 4 paragraph (2) of PP No. 29/1999

not listed in the Stock Exchange must remain to be owned by Indonesian Citizens ("WNI") or Indonesian Legal Entities (Article 4 paragraph (3) of PP No. 29/1999).

On the date this Prospectus is issued, a total of 83,052,048 of the Company's shares are owned by BCA representing 1.03% (one point zero three percent) of the capital paid in and issued in the Company not listed at the IDX. In this PMHMETD II, BCA has the right for 26,689,650 (twenty-six million six hundred and eighty-nine thousand six hundred and fifty) HMETD, where the exercise of all the HMETD will maintain the ownership of BCA 1.03% (one point zero three percent) of the issued and fully paid-up capital in the Company after the PMHMETD II. In connection with the exercise of the PMHMETD II, based on the Letter of BCA No. 185/DIB/2023 dated December 11, 2023 to respond to the Letter of the Company No. S.586/DIR/CCS/XI/2023 dated November 3, 2023, BCA has agreed to exercise its HMETD to maintain at least 1% (one percent) of the Company's shares which are not listed at the IDX and remain to be owned by Indonesian Citizens and/or Indonesian Legal Entities based on PP No. 29/1999.

PT Mandiri Sekuritas states that it has given its written approval dated December 11, 2023 on the inclusion of its name in this Prospectus as the party that has assisted the Company in the formulation of this Prospectus and will not revoke such approval.

THIS PMHMETD II IS NOT REGISTERED BASED ON LAWS AND/OR REGULATIONS OTHER THAN THOSE APPLICABLE IN INDONESIA. WHOEVER OUTSIDE THE TERRITORY OF INDONESIA RECEIVES THIS PROSPECTUS OR THE CERTIFICATE EVIDENCE OF THE HMETD, OR OTHER DOCUMENTS RELATED TO THIS PMHMETD II, THEN THOSE DOCUMENTS ARE NOT INTENDED AS OFFERING DOCUMENTS TO PURCHASE SHARES OR TO EXERCISE THE HMETD, UNLESS THE OFFER OR PURCHASE OF THE SHARES OR THE EXERCISE OF THE HMETD IS NOT CONTRARY TO OR A VIOLATION OF THE LAWS AND/OR APPLICABLE IN THOSE COUNTRIES. IN THE EVENT THAT A SHAREHOLDER NOT AN INDONESIAN CITIZEN WHO BASED ON THE PROVISIONS OF LAWS AND REGULATIONS PREVAILING IN HIS COUNTRY IS PROHIBITED TO EXERCISE THE HMETD, THEN THE COMPANY OR THE PARTY APPOINTED BY THE COMPANY SHALL HAVE THE RIGHT TO REFUSE THE APPLICATION OF THE SAID PARTY TO EXERCISE THE PURCHASE OF SHARES BASED ON THE HMETD THAT HE OWNS.

THE PROSPECTUS IS ONLY DISTRIBUTED IN INDONESIA BASED ON THE LAWS AND/OR REGULATIONS APPLICABLE IN INDONESIA. NOTHING CONTAINED IN THIS DOCUMENT MAY BE DEEMED AS AN OFFER OF SECURITIES TO BE SOLD IN THE TERRITORIES THAT PROHIBIT THEM. ANY PARTIES OUTSIDE THE TERRITORY OF INDONESIA SHALL BE FULLY RESPONSIBLE FOR COMPLYING WITH THE PROVISIONS PREVAILING IN THE RELEVANT COUNTRIES.

THE COMPANY HAS DISCLOSED ALL MATERIAL INFORMATION THAT MUST BE KNOWN BY THE PUBLIC AND NO MORE MATERIAL INFORMATION WHICH HAS NOT BEEN DISCLOSED, SO IT WILL NOT MISLEAD THE PUBLIC.

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DEFINITIONS AND ABBREVIATIONS

"Affiliate" : Means the parties as referred to in the UUPM as has been amended by the UUPPSK, namely:

(i) family relationship due to marriage up to the second degree, both horizontally and vertically, i.e. the relationship of a person to the:

(a) husband or wife;

(b) parent of husband or wife and the husband or wife of child;

(c) grandfather and grandmother of husband or wife and the husband or wife of grandchild;

(d) sibling of husband or wife and the husband or wife of sibling;
or

(e) husband or wife of sibling of the relevant person.

(ii) family relationship because of heredity up to the second degree, both horizontally and vertically,

i.e. the relationship of a person to the:

(a) parent and child;

(b) grandfather and grandmother as well as grandchild; or

(c) sibling of the relevant person.

(iii) relationship between the party and an employee, director or commissioner of the party;

(iv) relationship between two or more companies where there is one or more same members of the board of directors, management, board of commissioners or supervisors;

(v) relationship between a company and a party, either directly or indirectly, in any manner that controls or is controlled by the said company or party in determining the management and/or policies of the said company or party;

(vi) relationship between two or more companies that are controlled either

directly or indirectly, in any manner, in determining the management and/or policies of the company by the same party; or

(vii) relationship between a company and the main Shareholder, namely the party that directly or indirectly owns at least 20% (twenty percent) of the shares with voting rights of the said company.

"Exchange Member" : Means a Securities Company that has obtained exchange membership approval to use the IDX's system and/or means in the framework of carrying out securities trading activities at the IDX in accordance with the IDX's regulations.

"Public Accountants" : Means the Public Accountants Office of Siddharta Widjaja & Rekan that carries out the audit on the Group's consolidated financial statements.

"BAE" or "Securities Administration Bureau" Means the Securities Administration Bureau, namely PT Datindo Entrycom that is domiciled in Jakarta, which is the

party appointed by the Company to carry out share administration based on the Share Administration Management Agreement.

"Custodian Bank" : Means a commercial bank that has obtained approval of the OJK to carry out business activities as a Custodian as referred to in the UUPM as has been amended by the UUPPSK.

"IDX" or "Stock Exchange" : Means the party that administers and provides a system and/or means to bring together the selling and purchasing offers of other parties' Securities with the purpose of trading Securities among them, which in this case is PT Bursa Efek Indonesia domiciled in South Jakarta.

"Dilution" : Means the decreasing percentage of share ownership resulting from non-exercise of the HMETD in this PMHMETD II.

"DPS" : Means the abbreviation of Shareholders Register that is made, compiled, and administered by the BAE containing information about ownership of Securities by the Securities holders in the

Collective Custody at KSEI based on the data provided by Account Holders to KSEI.

"Securities" : Means securities, namely acknowledgements of indebtedness, commercial securities, shares, bonds, proof of debts, collective investment contract participation units, futures contracts on securities, and any derivatives of securities.

"Effective" : Means the fulfillment of all requirements for the Registration Statement in accordance with the provisions of the UUPM as has been amended by the UUPPSK:

(i) on the basis of the passage of time, namely:

(a) 20 (twenty) Business Days from the date of the Registration Statement is received completely by the OJK; or

(b) 20 (twenty) Business Days from the date the latest amendment submitted by the Company or requested by the OJK is fulfilled; or

(ii) based on effective statement by the OJK that there is no further change and/or addition of information required by the OJK.

"Additional FPPS" : Means the abbreviation of Additional Share Ordering Form in the framework of exercising the PMHMETD II exceeding the portion that becomes the right of the HMETD Holder based on the total HMETD that it owns.

"GCG" : The abbreviation of Good Corporate Governance.

"Group" : Means the Company and Subsidiaries.

"Exercise Price" : Means the price per new share resulting from the exercise of the HMETD that must be paid by a Shareholder in the framework of exercising an HMETD to become a new share, namely IDR2,600 (two thousand six hundred Rupiah) per share.

"Stock Exchange Day" : Means a day when the Stock Exchange carries out the activities of securities trading transactions in the Stock

Exchange, unless that day is a national holiday or is declared as a holiday by the Stock Exchange.

"Calendar Day" : Means every day in one year in accordance with the Gregorian calendar including Saturdays, Sundays, and national holidays that are determined from time to time by the Government and ordinary Business Days that because of certain circumstances are determined by the Government as non-Business Days.

"Business Day" : Means a business day in general, not including Saturdays and Sundays as well as the days that are determined by the Government as national holidays.

"HMETD" : Means the abbreviation of Pre-emptive Rights, namely the rights inherent to a share giving opportunity to the relevant Shareholder to purchase a new share before being offered to other parties.

"IAPI" : Means the abbreviation of Indonesian Institute of Certified Public Accountants.

- "Kemenkumham"** : Means the Ministry of Law and Human Rights of the Republic of Indonesia.
- "KSEI"** : Means the abbreviation of PT Kustodian Sentral Efek Indonesia domiciled in Jakarta, a limited liability company domiciled in South Jakarta, which is a depository and settlement institution in accordance with the laws and regulations applicable in the capital market sector.
- "Custodian"** : Means a party that provides securities and other assets custody services including receiving the payment of interests and other rights, settling Securities transactions and representing the Account Holders who are its customers in accordance with the provisions of the UUPM as has been amended by the UUPPSK, covering KSEI, Securities Companies, and the Custodian Bank.
- "Public"** : Means individuals of Indonesian citizens and foreign citizens and/or Indonesian legal entities and foreign legal entities, whether residing or having

legal domicile in Indonesia or residing or being domiciled outside the legal territory of the State of the Republic of Indonesia.

"Menkumham" : Means the abbreviation of Minister of Law and Human Rights of the Republic of Indonesia (formerly the Minister of Justice of the Republic of Indonesia, as has been amended from time to time).

"Financial Services Authority" or "OJK" : Means the Financial Services Authority of the Republic of Indonesia having the functions, duties, and authority of regulations, supervision, examination, and investigation as referred to in the Law No. 21 of 2011 on the Financial Services Authority as amended by the UUPPSK.

"OJK IKNB" : OJK as the Supervisor of Financing Institutions, Venture Capital Companies, and other Financial Service Institutions.

"Standby Buyer" : Means SMBC.

"Account Holder" : Means a party whose name is recorded as the owner of the Securities Account in

KSEI covering the Custodian Bank and/or the Securities Company and/or other parties approved by KSEI with due observance of the laws and regulations applicable in the capital market sector and regulations of KSEI.

"Shareholder" : Means a shareholder of the Company recorded in the DPS of the Company.

"Main Shareholder" : Means a party that is either directly or indirectly owns at least 20% (twenty percent) of voting rights of all the shares having voting rights issued by the Company or a lesser amount as stipulated by the OJK.

"Government" : Means the Government of the State of the Republic of Indonesia.

"Capital Increase with Pre-emptive Rights II" or "PMHMETD II" : Means the offer of 2,589,131,077 (two billion five hundred and eighty-nine million one hundred and thirty-one thousand seventy-seven) ordinary registered shares with the nominal value of IDR20 (twenty Rupiah) per share or 27.75% (twenty-seven point seven five percent) of the issued and fully paid-up

capital after the PMHMETD II with the Exercise Price of IDR2,600 (two thousand six hundred Rupiah) per share so that the amount of fund to be received by the Company in the framework of this PMHMETD II is IDR6,731,740,800,200 (six trillion seven hundred and thirty-one billion seven hundred and forty million eight hundred thousand two hundred Rupiah). Every holder of 10,000,000,000 (ten billion) shares whose name is registered in the DPS of the Company on February 29, 2024 at 15:00 Western Indonesian Time shall have the right for 3,213,591,453 (three trillion two hundred and thirteen million five hundred and ninety-one thousand four hundred and fifty-three) HMETD, where every 1 (one) HMETD provides the holder with the right to purchase 1 (one) New Share with the Exercise Price that must be fully paid-up when submitting the order for the HMETD exercise.

"Collective Custody" : Means the custody of Securities that are jointly owned by more than one party whose interests are represented by KSEI.

"Trading Period" : Means a period where a Shareholder and/or an HMETD holder may sell or transfer the HMETD that it owns and exercise the HMETD that it owns.

"Standby Buyer Agreement" : Means the Deed of Agreement on the Purchase of Remaining Shares in the Framework of Capital Increase with Pre-emptive Rights of PT Bank BTPN Tbk. No. 09 dated December 7, 2023 between the Company and SMBC, made before Ashoya Ratam, S.H., M.Kn., a Notary in Jakarta as has been amended by the Addendum of Agreement on the Purchase of Remaining Shares in the Framework of Capital Increase with Pre-emptive Rights of PT Bank BTPN Tbk. dated February 12, 2024 between the Company and SMBC.

"Share Administration Management Agreement" : Means the Deed of Agreement on Share Administration Management and Exercising Agent in the Framework of Capital Increase with Pre-emptive Rights of PT Bank BTPN Tbk. No. 08 dated December 7, 2023 between the Company and BAE, made before Ashoya Ratam, S.H., M.Kn., a

Notary in Jakarta as has been amended by the Deed of Amendment of Agreement on Share Administration Management and Exercising Agent in the Framework of Capital Increase with Pre-emptive Rights of PT Bank BTPN No. 07 dated February 12, 2024 between the Company and BAE, made before Ashoya Ratam, S.H., M.Kn., a Notary in Jakarta.

**"Registration
Statement"**

Means the registration statement as referred to in Article 1 paragraph (19) of the UUPM as has been amended by the UUPM in conjunction with the POJK No. 32/2015 along with the documents submitted by the Company to the OJK in the framework of the PMHMETD II, consisting of the documents that must be submitted along with the appendices thereof, including all amendments, addendums, and corrections thereof to comply with the requirements of the OJK.

"Company"

: Means PT Bank BTPN Tbk., a public limited liability company that is domiciled in South Jakarta, which is established under

and pursuant to the laws and statutory regulations of the State of the Republic of Indonesia.

"Subsidiary" : Means a company whose financial statements are consolidated with the Company in accordance with the accounting principles generally applicable in Indonesia.

"POJK No. 14/2019" : Means the OJK Regulation No. 14/POJK.04/2019 on Amendment to the Financial Services Authority Regulation Number 32/POJK.04/2015 on Capital Increase of Public Companies with Pre-emptive Rights.

"POJK No. 15/2020" : Means the OJK Regulation No. 15/POJK.04/2020 on the Plan and Convention of General Meeting of Shareholders of a Public Company.

"POJK No. 17/2020" : Means the OJK Regulation No. 17/POJK.04/2020 on Material Transactions and Change of Business Activities.

"POJK No. 17/2023" : Means the OJK Regulation No. 17 of 2023 on the Application of Good Governance for Commercial Banks.

"POJK No. 27/2016" : Means the OJK Regulation No. 27/POJK.03/2016 on the Fit and Proper Assessment of the Main Parties of the Financial Service Institutions.

"POJK No. 27/2022" : Means the OJK Regulation No. 27 of 2022 on the Second Amendment to the Financial Services Authority Regulation Number 11/POJK.03/2016 on the Obligation for Provision of Minimum Capital of a Commercial Bank.

"POJK No. 30/2015" : Means the OJK Regulation No. 30/POJK.04/2015 on the Report of Realized Use of Funds Resulting from Public Offering.

"POJK No. 32/2015" : Means the OJK Regulation No. 32/POJK.04/2015 on Capital Increase of Public Companies with Pre-emptive Rights as amended by the POJK No. 14/2019.

"POJK No. 33/2015" : Means the OJK Regulation No. 33/POJK.04/2015 on the Form and Contents of the Prospectus in the Framework of Capital Increase of Public Companies with Pre-emptive Rights.

- "POJK No. 33/2014"** : Means the OJK Regulation No. 33/POJK.04/2014 on the Board of Directors and Board of Commissioners of Issuers or Public Companies.
- "POJK No. 34/2014"** : Means the OJK Regulation No. 34/POJK.04/2014 on the Nomination and Remuneration Committee of Issuers or Public Companies.
- "POJK No. 35/2014"** : Means the OJK Regulation No. 35/POJK.04/2014 on the Corporate Secretary of Issuers or Public Companies.
- "POJK No. 42/2020"** : Means the OJK Regulation No. 42/POJK.04/2014 on the Affiliate Transactions and Conflict of Interest Transactions.
- "POJK No. 47/2020"** : Means the OJK Regulation No. 47/POJK.05/2020 on Business and Institutional Licensing of Financing Companies and Sharia Financing Companies.
- "POJK No. 55/2015"** : Means the OJK Regulation No. 55/POJK.04/2015 on the Formation of and Guidelines for the Work Execution of the Audit Committee.

"POJK No. 56/2015"	: Means the OJK Regulation No. 56/POJK.04/2015 on the Formation of and Guidelines for Preparing Charters of the Internal Audit Unit.
"POJK No. 29/1999"	: Means the Government Regulation Number 29 of 1999 on the Purchase of Shares of Commercial Banks.
"Prospectus"	: Means any written information that is compiled and issued by the Company in connection with the PMHMETD II in accordance with the provisions of the UUPM as has been amended by the UUPPSK and POJK No. 33/2015.
"PSAK"	: Means the abbreviation of Statement of the Financial Accounting Standards.
"PUT I"	: Means the Limited Public Offering I to the Shareholders in the Framework of the Issuance of Pre-emptive Rights by the Company that obtained effectiveness from the OJK on November 25, 2010.
"Securities Account"	: Means the account that contains a note on the position of the shares and/or funds of a Shareholder that is administered at

KSEI, or the Account Holder, based on a securities account opening agreement signed by the Shareholder and the Securities Company and/or the Custodian Bank.

"Rupiah" or "IDR" : Means Rupiah, the legal currency of the state of the Republic of Indonesia.

"GMS" : Means the abbreviation of General Meeting of Shareholders, namely a general meeting of the shareholders of the Company that is convened in accordance with the provisions of the Company's articles of association, the UUPT and the UUPM as well as the implementing regulations thereof.

"EGMS" Means the abbreviation of Extraordinary General Meeting of Shareholders, namely a meeting that is convened in accordance with the provisions of the Company's articles of association, the UUPT and the UUPM as well as the implementing regulations thereof.

"SBHMETD" : Means the abbreviation of Certificate of Evidence of Pre-emptive Rights, namely

the certificate of evidence of rights or a certificate that is issued by the Company to a Shareholder evidencing the HMETD, which may be traded during the Trading Period of the HMETD.

"Allocation Date" : Means the date of the share allocation.

"USD" or "United States of America Dollar" : The United States of America Dollar, the legal and valid currency in the United States of America.

"Omnibus Law" : Law No. 6 of 2023 on the Enactment of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation to Become Law.

"Law on Capital Market" or "UUPM" : Means the Law No. 8 of 1995 on Capital Market as amended lastly by the UUPPSK.

"UUPPSK" : Means the Law No. 4 of 2023 on the Development and Strengthening of the Financial Sector.

"UUPT" : Means the Law No. 40 of 2007 on Limited Liabilities Company as amended by the Omnibus Law.

TECHNICAL DEFINITIONS AND ABBREVIATIONS

"Productive Asset" : Means investment of the Company's fund for gaining income, in the form of credits, securities, interbank fund placements, acceptance bills, bills on the securities that are purchased based on a reverse repurchase agreement, derivative bills, participation, administrative account transactions as well as other forms of fund provision equivalent thereto.

"ATM" : Means the abbreviation of Automated Teller Machine, namely an electronic machine that can replace the functions of a teller and make things easier for customers such as cash withdrawals, balance checks, and book transfers.

"ATMR" : Means the abbreviation of Risk-Weighted Assets that is used in the calculation of the minimum capital and the calculation of additional capital formation as a buffer where the calculation method is determined by the OJK.

- "BOPO"** : Means the Operational Cost compared to the Operational Revenue.
- "BMPK"** : Means the abbreviation of Credit Provision Maximum Limit, namely the maximum percentage of fund provision as determined against a bank's capital for fund provision to the related party, or the Core Capital (Tier 1) for fund provision to those other than the related party.
- "BPPN"** : Means the abbreviation of Indonesian Bank Restructuring Agency, namely a special agency that is established in the framework of bank restructuring as referred to in the Law on Banking, whose term of office based on the Decree of the President of the Republic of Indonesia No. 15 of 2004 ended as of February 27, 2004 and was declared dissolved.
- "CAR"** : Means the abbreviation of Capital Adequacy Ratio, namely the capital adequacy ratio of a bank that is calculated from the total capital of the bank in accordance with the provisions of

the OJK consisting of the core capital and the complementary capital divided by the total ATMR.

"CKPN" : Means the Allowance for Impairment Losses.

"GWM" : Means the abbreviation of Minimum Mandatory Giro, namely the minimum amount of fund that must be maintained by the bank which is determined by Bank Indonesia as a certain percentage of a third party's fund.

"LDR" : Means the abbreviation of Loan to Deposit Ratio, namely the ratio of the provided credit amount to the third party's fund and the capital based on the formula stipulated by Bank Indonesia.

"Core Capital (Tier 1)" : Means the bank's capital consisting of (i) the main core capital covering the paid-in capital and the disclosed reserve, and (ii) the additional tier 1 covering among others: (a) debt instruments that have capital characteristics, subordination in nature,

having no period, and the payment of the return cannot be accumulated (perpetual non-cumulative preference shares) either with or without the call option feature, (c) hybrid instruments that have no period and the payment of the return cannot be accumulated (perpetual and non-cumulative), and (d) the *agio* or *disagio* resulting from the issuance of an instrument that is classified as an additional core capital.

"Complementary Capital (Tier 2)" : Means the bank's capital that meets the requirements as regulated in the POJK No. 27/2022.

"NIM" : Means the abbreviation of Net Interest Margin that constitutes the revenue of net interest divided by the average Productive Asset in the Current collectability and In Special Attention.

"NPL" : Means the abbreviation of Non Performing Loan, namely a credit with substandard, doubtful and bad quality based on the provisions of the OJK's collectability classification.

"ROA" : Means the abbreviation of Return on Assets, namely the rate of return that is calculated by dividing the profit before tax within a period of 12 (twelve) consecutive months by the average amount of assets within the same period.

"ROE" : Means the abbreviation of Return on Equity, namely the rate of return that is calculated by dividing the profit after tax within a period of 12 (twelve) consecutive months by the average amount of equity within the same period.

ABBREVIATED NAMES OF COMPANIES/PARTIES

"BCA"	:	Means PT Bank Central Asia Tbk.
"BTPN Syariah"	:	Means PT BTPN Syariah Tbk.
"BTPN Syariah Ventura"	:	Means PT BTPN Syariah Ventura
"SMBC"	:	Means Sumitomo Mitsui Banking Corporation
"SMBCI"	:	Means PT Bank Sumitomo Mitsui Indonesia
"SMBC Singapore"	:	Means Sumitomo Mitsui Banking Corporation of Singapore Branch
"SMFG"	:	Means the Sumitomo Mitsui Financial Group

SUMMARY

The summary below is an integral part and must be read in conjunction with more detailed information, including the consolidated financial statements and the notes on the related consolidated financial statements, and the business risks, all of which are contained in this Prospectus. This summary is made based on the most important facts and considerations for the Company. All of the Company's financial information is presented in millions Rupiah and on a consolidated basis, unless stated otherwise, and prepared in accordance with the accounting principles generally applicable in Indonesia.

A. BRIEF HISTORY

PT BANK BTPN Tbk. (the "**Company**"), domiciled in South Jakarta, formerly named PT Bank Tabungan Pensiunan Nasional, was established by virtue of Deed No. 31 dated February 16, 1985, made before Komar Andasasmita, S.H., a Notary in Bandung. This deed of establishment has been amended by Deed No. 12 dated July 13, 1985, made before Dedeh Ramdah Sukarna, S.H., a notary substitute of Komar Andasasmita, S.H., a Notary in Bandung, and has been approved by the Minister of Justice of the Republic of Indonesia by way of Decree No. C2-4583HT01.01TH.85 dated July 25, 1985 and has been registered in the register book of the Registrar's Office of the District Court of Bandung No. 458 and No. 459 dated August 16, 1985 and

has been announced in the State Gazette of the Republic of Indonesia No. 76 dated September 20, 1985, Supplement No. 1148 (the "**Company's Deed of Establishment**").

Based on the Letter of the Minister of Finance of the Republic of Indonesia No. S-625/MK.11/1985 dated December 30, 1985 and Decree of the Minister of Finance of the Republic of Indonesia No. Kep-135/KM.11/1986 dated December 2, 1986 on the Granting of a Business License to PT Bank Tabungan Pensiunan Nasional in Bandung, together with its 26 (twenty-six) branch offices in Indonesia, the Company is granted the permit to carry out a savings bank business as a continuation of the business of *Perkumpulan Bank Pegawai Pensiunan Militer* ("**Bapemil**") which has been operating since 1959.

Based on the Decree of the Minister of Finance No. KEP-055/KM.17/1993 dated March 22, 1993 on the Business License of PT Bank Tabungan Pensiunan Nasional in Bandung, the Minister of Finance of the Republic of Indonesia granted a business license to the Company domiciled at Jl. Otto Iskandardinata No. 392, Bandung 40242, together with its 26 branch offices in Indonesia to carry out business activities as a commercial bank. By the issuance of that decree, the Decree of the Minister of Finance No. KEP-135/MK.11/1986 dated December 2, 1986 on the Granting of a Business License to the Company was revoked and declared null and void.

Based on the Deed of Minutes of the Company's Extraordinary General Meeting of Shareholders No. 22 dated January 21, 2019 made before Ashoya Ratam, S.H., M.Kn., a Notary in Jakarta, the shareholders of the Company have approved among others: (i) merger with SMBCI where SMBCI acted as the disappearing party and the Company acted as the surviving party; (ii) change of the Company's name to be PT BANK BTPN Tbk., which have been notified to the Menkumham by virtue of the Receipt of Notification on the Merger of the Company No. AHU-AH.01.10-0006176 dated January 22, 2019, and (iii) Decree of Menkumham No. AHU-0006169.AH.01.10.Tahun 2019 dated January 22, 2019.

The articles of association of the Company has been amended several times and lastly amended as stated in the Deed of Statement of a Resolution of the Company's General Meeting of Shareholders No. 07 dated December 7, 2023 made before Ashoya Ratam, S.H., M.Kn., a Notary in Jakarta, as has been approved by Menkumham by virtue of Decree No AHU-0082757.AH.01.02.Tahun 2023 dated February 7, 2024 (the **"Deed of Company No. 07/2023"**).

(The articles of association of the Company as contained in the Deed of Establishment until lastly amended by the Deed of Company No. 07/2023 shall hereinafter be referred to as the **"Articles of Association of the Company"**).

In accordance with Article 3 of the Articles of Association of the Company, the purpose and objective of the Company is to do business in the commercial bank sector.

In order to achieve the said purpose and objective, the Company may carry out business activities as follows:

1) Main business activities, namely:

- To collect funds from the public in the form of savings such as giro, term deposits, deposit certificates, saving and/or other forms similar thereto, both in Rupiah currency and in foreign currencies;
- To distribute the funds collected from the public in the form of credits, whether long term, medium term, or short term, or in other forms of loans that are common in the banking world, both in Rupiah currency and in foreign currencies.

2) Supporting business activities, namely:

- To issue acknowledgements of indebtedness;
- To purchase, sell or secure on own risk or for the benefit of the customer's order:
 - o Bills of exchange, including drafts accepted by the bank whose validity period is no longer than is customary in the trading of such instrument;

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- o Acknowledgements of indebtedness and other commercial papers whose validity period is no longer than is customary in the trading of such instrument;
 - o State treasury papers and Government guarantee letters;
 - o Bank Indonesia Certificates (SBI);
 - o Bonds;
 - o Commercial papers and/or term promissory notes whose validity period is up to 1 (one) year;
 - o Other securities instruments whose validity period is up to 1 (one) year;
 - To transfer money, both for own benefit and for the benefit of customers;
 - To put funds in, borrow funds from, or lend funds to, other banks, using letters, telecommunication means or bearer money orders, checks, or other means;
 - To receive payments from bills on securities and make calculation with or among third parties;
 - To provide a place to store goods and securities;
 - To carry out custody activities for the benefit of other parties based on contracts and/or agreements;

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- To place funds from a customer to another customer in the form of securities, whether listed or not in the Stock Exchange;
 - To purchase collaterals through auction or in any other manners, either wholly or partly, in the event that the debtor fails to fulfill its obligations to the Company, provided that the collaterals being purchased must be disbursed as soon as possible;
 - To carry out factoring, credit card business, and trusteeship activities;
 - To make capital participation in banks that carry out business activities based on the sharia principle in accordance with the provisions stipulated by the authorized agency in the banking sector;
 - To carry out activities in foreign currencies in compliance with the provisions stipulated by the authorized agency;
 - To carry out activities of capital participation in banks (including sharia banks) or other companies in the financial sector, such as leasing, venture capital, Securities Companies, insurances, as well as settlement and deposit clearing agencies in compliance with the provisions stipulated by the authorized agency;

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- To carry out temporary capital participation activities to deal with the effects of credit failures and/or other financing failures, with condition of withdrawing its participation in accordance with the provisions stipulated by OJK;
 - To act as the founder of pension funds and the management of pension funds in accordance with the provisions of laws and regulations;
 - To issue letters of credit in various forms and bank guarantees;
 - To do other activities commonly carried out by the Company to the extent not contrary to the laws and regulations.

The Company has already owned the licenses that must be owned related to the business activities of the Company, namely:

- License as a Commercial Bank based on Decree of the Minister of Finance No. KEP-055/KM.17/1993 dated March 22, 1993 on Business License of PT Bank Tabungan Pensiunan Nasional in Bandung;
- License as a Mutual Fund Securities Sales Agent (APERD) based on the Certificate of Registered Mutual Fund Securities Sales Agent No. 02/PM.2/STTD/APERD/2016 dated June 29, 2016;

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- License to carry out business activities in foreign currencies based on the Copy of Decree of Member of the Board of Commissioners of the Financial Services Authority No. KEP-80/D.03/2015 on the Granting of License for Carrying out Business Activities in Foreign Currencies to PT Bank Tabungan Pensiunan Nasional Tbk.;
 - License as a License Category Payment Service Provider 1 based on the Letter of Bank Indonesia No. 23/680/DKSP/Srt/B dated July 1, 2021 on Conversion of Payment System Service Provider License Post Enactment of BI Regulation No. 22/23/PBI/2020 on Payment System.

B. INFORMATION ABOUT THE HMETD

Type of Offer : Capital Increase with Pre-emptive Rights

Nominal Value : IDR20 (twenty Rupiah)

Exercise Price : IDR2,600 (two thousand six hundred Rupiah) per share

HMETD Ratio : 10,000,000,000 : 3,213,591,453

Ownership Dilution : 24.32% (twenty-four point three two percent)

Date of Listing to obtain HMETD : February 29, 2024

The Listing Date of Securities are Listed at the Stock Exchange : March 4, 2024

Trading Period of
the HMETD : March 4 - 13, 2024

Exercise Period of
the HMETD : March 4 - 13, 2024

Listing : IDX

C. PLAN FOR USE OF FUNDS

The Company plans to use the funds obtained from the PMHMETD II after deducting the issuance costs among others as follows:

1. About 62.6% for business expansion and investment, one of which is by taking over a company related to financing business activities, namely PT Oto Multiartha ("OTO") from PT Summit Auto Group that is a subsidiary of Sumitomo Corporation (SC Group) and SMBC.
2. About 37.4% for business expansion and investment, one of which is by taking over a company related to financing business activities, namely PT Summit Oto Finance ("SOF") from PT Summit Auto Group that is a subsidiary of Sumitomo Corporation (SC Group) and SMBC.

Complete explanation about the plan for use of the Company's funds resulting from the PMHMETD II can be seen in Chapter II of this Prospectus.

D. SUMMARY OF IMPORTANT FINANCIAL DATA

The figures in the summary of important financial data below come from and/or are calculated based on the Group's

consolidated financial statements on and for a period of nine months ending on September 30, 2023 and 2022 and years ending on December 31, 2022 and 2021 as per the report contained in this Prospectus.

The Group's consolidated financial statements on and for a period of nine months ending on September 30, 2023 as well as on and for the year ending on December 31, 2022 were prepared by the management of the Company in accordance with the Financial Accounting Standards in Indonesia ("**SAK**") and have been audited by the Public Accountants Office ("**KAP**") Siddharta Widjaja & Rekan, based on the audit standards established by the Indonesian Institute of Certified Public Accountants ("**IAPI**") and signed by Novie, S.E., CPA (Public Accountant Registration No. AP.1212) with opinion without modification as contained in the relevant independent auditor's report dated December 7, 2023, reissued on January 8, 2024.

The Group's consolidated financial statements on and for the year ending on December 31, 2021 were prepared by the management of the Company in accordance with the SAK and have been audited by the KAP Siddharta Widjaja & Rekan, based on the audit standards established by the IAPI and signed by Liana Lim, S.E., CPA (Public Accountant Registration No. AP.0851) with opinion without modification as contained in the

relevant independent auditor's report dated February 23, 2022, reissued on January 8, 2024.

The financial information in this Prospectus also presents consolidated financial information for a period of nine months ending on September 30, 2022 taken from the statements of profit and loss and other consolidated comprehensive incomes and the consolidated cash flow report of the Group. The Group's consolidated financial information for a period of nine months ending on September 30, 2022 is also presented as comparative information in the consolidated financial statements on and for a period of nine months ending on September 30, 2023. In connection with the financial information, KAP Siddharta Widjaja & Rekan has neither audited nor reviewed nor stated any opinion or conclusion on the interim consolidated financial information which was neither audited nor reviewed.

A. REPORT ON CONSOLIDATED FINANCIAL POSITION

(in millions Rupiah)

	September 30	December 31	
	2023	2022	2021
Total Assets	195,843,636	209,169,704	191,917,794
Total Liabilities	144,310,812	159,913,419	146,932,964
Total Temporary Sharia Funds	10,508,266	9,843,261	8,905,903
Total Equities	41,024,558	39,413,024	36,078,927

B. REPORT ON CONSOLIDATED COMPREHENSIVE PROFIT AND LOSS

(in millions Rupiah)

	For a period of nine months ending on September 30		For the years ending on December 31	
	2023	2022	2022	2021
Net Interest and Sharia Revenues	8,996,142	8,667,423	11,678,315	11,143,040
Net Operational Revenue	3,072,693	3,617,822	4,657,676	4,008,178
Profit Before Income Tax	3,067,231	3,618,959	4,657,319	4,007,172
Net Profit	2,395,264	2,816,141	3,629,564	3,104,215
Total Current Year's Comprehensive Profit, After Tax	2,442,348	2,659,881	3,474,962	3,182,819

C. FINANCIAL RATIOS

(in millions Rupiah)

	September 30	December 31	
	2023	2022	2021
CAPITAL			
CAR in consideration of credit and operational risks	30.28%	27.42%	26.31%
CAR in consideration of credit, operational and market risks	29.78%	27.29%	26.17%
QUALITY OF ASSETS			
Problematic productive assets to total productive assets	0.71%	0.68%	1.26%
Problematic productive assets and problematic non-productive assets to total productive assets and non-productive assets	0.71%	0.68%	0.78%

(in millions Rupiah)			
	September 30	December 31	
	2023	2022	2021
CKPN of financial assets to productive assets	2.24%	1.85%	2.18%
RENTABILITY			
ROA	2.05%	2.36%	2.23%
ROE	7.78%	9.15%	8.57%
NIM	6.44%	6.32%	6.56%
Total liabilities to total equities (x)	3.77	4.31	4.32
Total liabilities to total assets (x)	0.79	0.81	0.81
EFFICIENCY LEVEL			
BOPO	80.33%	75.05%	80.47%
CIR	49.28%	49.79%	63.23%
QUALITY OF CREDIT			
NPL - gross	1.47%	1.43%	1.68%
NPL - net	0.50%	0.44%	0.37%
LIQUIDITY			
LDR	137.91%	126.66%	123.10%
COMPLIANCE			
Percentage of violation of BMPK	0.00%	0.00%	0.00%
<u>GWM of the Company</u>			
Rupiah			
Primary GWM	7.89%	8.20%	3.65%
PLM GWM	9.94%	10.91%	15.20%
Foreign Currencies			
Foreign Currency GWM	4.02%	4.02%	4.04%
<u>GWM of Subsidiaries</u>			
Rupiah			
Total GWM	6.45%	5.77%	3.80%
PDN	0.87%	0.33%	0.14%

E. BUSINESS RISKS

The Main Risks that Have Significant Influence on the Company's Business Sustainability

The credit risks resulting from the failure of other parties in fulfilling their obligations to the Company, including the credit risks resulting from the failure of debtors, credit concentration risk, counterparty credit risk, and settlement risk.

The Business Risks that are Material in Nature Either Directly or Indirectly which May Affect the Business Outcome and Financial Condition of the Company Related to the Company's Business Activities

- Market Risk
- Liquidity Risk
- Operational Risk
- Legal Risk
- Reputation Risk
- Strategy Risk
- Compliance Risk

General Risks

- Macro and global economic conditions

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- Changes in foreign exchange rates
 - Compliance with the applicable laws and regulations relating to the business sector of the public company
 - Lawsuits or legal claims
 - Government policies
 - Regulations of other countries or international regulations

Investment-Related Risks in the Company's Shares

- The trading price of the Company's shares may fluctuate.
- The ability of the Company to pay dividends in the future will depend on the profit in the future, financial condition, cash flow, and working capital requirements.

Further explanation on the Company's business risks can be seen in Chapter VI of this Prospectus.

F. DIVIDEND POLICY

All of the Company's shares that have been subscribed and fully paid up in the Company, including the New Shares offered in the framework of the PMHMETD II, shall have the same and equal rights in all respects, including the right for cash dividends. The recommendation, amount fixing, and distribution of the dividends will be proposed by the Board of Directors and approved by the GMS based on their discretion and will depend on a number of factors including the net profit of the

Company, the availability of mandatory reserve, capital expenditure needs, operational outcome, cash flow, and the payment of cash dividends by Subsidiaries. It further depends on a variety of factors such as the success in implementing the business and financial strategies, competition and the applicable regulations, the economic condition in general and other specific factors related to the Company and the Company's industry. The majority of those factors are beyond control of the Company. By considering the factors as referred to above, the Board of Directors of the Company may give recommendation for distribution of cash dividends to the shareholders a maximum of 35% of the current year's profit.

Complete explanation on the Company's dividend policy can be seen in Chapter X of this Prospectus.

I. CAPITAL INCREASE WITH PRE-EMPTIVE RIGHTS (PMHMETD II)

In the framework of exercising this PMHMETD II, the Company obtained approval of the Company's shareholders for the planned PMHMETD II on December 7, 2023 as stated in the Deed of Minutes of General Meeting of Shareholders of PT Bank BTPN Tbk. No. 6 dated December 7, 2023 made before Ashoya Ratam, S.H., M.Kn., a Notary in South Jakarta (the **"Deed of the Company No. 6/2023"**).

A total of 2,589,131,077 (two billion five hundred and eighty-nine million one hundred and thirty-one thousand seventy-seven) New Shares or 24.32% (twenty-four point three two percent) of the issued and fully paid-up capital after the PMHMETD II with the Exercise Price of IDR2,600 (two thousand six hundred Rupiah) per share so that the amount of fund to be received by the Company in the framework of this PMHMETD II is IDR6,731,740,800,200 (six trillion seven hundred and thirty-one billion seven hundred and forty million eight hundred thousand two hundred Rupiah). Every holder of 10,000,000,000 (ten billion) shares whose name is registered in the DPS of the Company on February 29, 2024 at 15:00 Western Indonesian Time shall have the right for 3,213,591,453 (three trillion two hundred and thirteen million five hundred and ninety-one thousand four hundred and fifty-three) HMETD, where every 1 (one) HMETD provides the holder with the right to purchase 1

(one) New Share with the Exercise Price that must be fully paid-up when submitting the order for the HMETD exercise.

In the event that a shareholder owns the HMETD in fraction, in accordance with Article 33 of the OJK Regulation No. 32/POJK.04/2015, the HMETD in fraction must be sold by the Company and the proceeds shall be put into the Company's account. All of the New Shares issued in this PMHMETD II will be issued from the portfolio and will be listed at IDX with due observance of the applicable laws and regulations. The New Shares issued in the framework of the PMHMETD II shall have the same and equal rights in all respects to the other fully paid-up shares, including, among others, voting rights in the GMS, the right for dividend distribution, the right for bonus shares, and the right for the HMETD.

Based on the the Letter of Statement of the Shareholder and Standby Buyer SMBC, SMBC as the Main Shareholder (as defined below), SMBC will exercise all HMETD that it owns in the PMHETD II, which is a total of 2,292,033,462 (two billion two hundred and ninety-two million thirty-three thousand four hundred and sixty-two) New Shares.

If the New Shares offered in this PMHMETD II are not totally taken or exercise by the HMETD holders, then the rest will be allocated to the other HMETD holders who have ordered more than their rights. In the event of excess order, the New

Shares will be allocated proportionally based on the total HMETD exercised by each shareholder who has asked for addition of securities based on the Exercise Price.

Based on the Letter of BCA No. 185/DIB/2023 dated December 11, 2023 to respond to the Letter of the Company No. S.586/DIR/CCS/XI/2023 dated November 3, 2023, BCA has agreed to exercise its HMETD to maintain at least 1% (one percent) of the Company's shares that are not listed at the IDX and remain to be owned by Indonesian Citizens and/or Indonesian Legal Entities based on the PP No. 29/1999. In this PMHMETD II, BCA shall have the right for 26,689,650 (twenty-six million six hundred and eighty-nine thousand six hundred and fifty) HMETD, where the exercise of all HMETD will maintain the ownership of BCA 1.03% (one point zero three percent) of the total issued and fully paid-up capital after the PMHMETD II.

Based on the Alert Purchase Agreement, in its capacity as the Standby Buyer, SMBC will purchase all remaining new shares that are not subscribed by the other shareholders. SMBC also has sufficient fund and is able to exercise all the HMETD of its rights proportionally to its share ownership (in proportion) and to act as the Standby Buyer in the PMHMETD II based on the Letter of Statement of the Shareholder and Standby Buyer SMBC.

PT BANK BTPN Tbk.



Having its domicile and head office in South Jakarta, Indonesia

Main Business Activities:

Carrying out business activities as a commercial bank

Head Office:

BTPN Tower, 29th Floor

CBD Mega Kuningan

Jl. Dr. Ide Anak Agung Gde Agung, Kav. 5.5 - 5.6

South Jakarta 12950

Telephone: +62 21 30026200; Fax: +62 21 30026308

Website: www.btpn.com; E-mail: corporate.secretary@btpn.com

Office Network as at October 31, 2023:

1 head office, 9 non-operational regional offices, 58 branch offices, 199 sub-branch offices, 1 operational functional office, and 215 ATMs.

THE MAIN RISK FACED BY THE COMPANY IS THE CREDIT RISK, NAMELY A RISK THAT ARISES FROM THE FAILURE OF ANOTHER PARTY IN FULFILLING THEIR OBLIGATION TO THE COMPANY, INCLUDING THE CREDIT RISK RESULTING FROM THE FAILURE OF A DEBTOR, THE CREDIT CONCENTRATION RISK, THE COUNTERPARTY CREDIT RISK, AND THE SETTLEMENT RISK. THE OTHER BUSINESS RISKS WHICH MAY BE FACED BY THE COMPANY CAN BE SEEN IN CHAPTER VI OF THIS PROSPECTUS.

In the framework of exercising the PMHMETD II as required by the applicable laws and regulations, the Company convened an EGMS on December 7, 2023 in accordance with the Deed of the Company No. 6/2023, the minutes of which meeting were announced through the website of Bursa Efek Indonesia and the website of the Company on December 8, 2023, where the Shareholders have approved among others as follows:

1. Approved the plan for capital increase with HMETD with the total shares to be issued in the framework of capital increase with HMETD a maximum of 3,095,000,000 (three billion ninety-five million) shares with the nominal value of IDR20 (twenty Rupiah) per share, with due observance of the applicable laws and regulations.
2. Approved the amendment of Article 4 paragraph (2) of the Company's articles of association in connection with the increase of the Company's issued and paid-in capital resulting from the exercise of capital increase with HMETD.
3. a. Approved the granting of authority to the Company's Board of Commissioners on the exercise of capital increase with HMETD;

b. Approved the granting of powers to the Company's Board of Directors to take the necessary actions relating to the exercise of capital increase with HMETD.

A. COMPANY'S CAPITAL STRUCTURE AND SHAREHOLDERS COMPOSITION

Based on the Deed of the Company No. 07/2023 and the DPS dated January 31, 2024, the latest capital structure and shareholders composition of the Company are as follows:

	Share capital with the nominal value of IDR20 per share		
	Total Shares	Nominal Value (IDR)	%
Authorized Capital	15,000,000,000	300,000,000,000	
Issued and Fully Paid-up Capital			
SMBC	7,132,311,297	142,646,225,940	88.53%
PT Bank Central Asia Tbk.	83,052,408	1,661,048,160	1.03%
PT Bank Negara Indonesia (Persero) Tbk.	12,007,137	240,142,740	0.15%
Ongki Wanadjati Dana	860,804	17,216,080	0.01%
Merisa Darwis	222,358	4,447,160	0.00%
Henoch Munandar	173,756	3,475,120	0.00%
Hanna Tantani	148,154	2,963,080	0.00%
Dini Herdini	118,572	2,371,440	0.00%
Darmadi Sutanto	89,120	1,782,400	0.00%
Kaoru Furuya	3,000	60,000	0.00%
Public (each <5%)	827,828,065	16,556,561,300	10.27%
Total Issued and Fully Paid-up Capital	8,056,814,671	161,136,293,420	100.00%
Total Shares in Portfolio	6,943,185,329	138,863,706,580	

In accordance with Article 4 paragraphs (2) and (3) of PP No. 29/1999 related to the obligation to maintain at least 1% (one percent) of the shares not listed at the IDX and remain owned by Indonesian Citizens and/or Indonesian Legal Entities, currently 83,052,048 shares owned by BCA representing 1.03% of the total issued capital and paid-in capital of the Company are not listed at the IDX.

In this PMHMETD II, BCA shall have the right for 26,689,650 (twenty-six million six hundred and eighty-nine thousand six hundred and fifty) HMETD, where the exercise of all the HMETD will maintain the ownership of BCA 1.03% (one point zero three percent) of the issued and fully paid-up capital after the PMHMETD II.

In connection with the exercise of the PMHMETD II, based on the Letter of BCA No. 185/DIB/2023 dated December 11, 2023 to respond to the Letter of the Company No. S.586/DIR/CCS/XI/2023 dated November 3, 2023, BCA has agreed to exercise its HMETD to maintain at least 1% (one percent) of the Company's shares that are not listed at the IDX and remain to be owned by Indonesian Citizens and/or Indonesian Legal Entities based on the PP No. 29/1999.

As such, as the BCA's shares are not listed, the Company has met the conditions of Article 4 paragraphs (2) and (3) of PP No. 29/1999 related to the obligation of maintaining at least 1% (one percent) of the shares not listed at the IDX and remain to be owned by Indonesian Citizens and/or Indonesian Legal Entities, both before and after the PMHMETD II.

B. PMHMETD II

Type of Offer : Capital Increase with Pre-emptive Rights

Nominal Value : IDR20 (twenty Rupiah)

Exercise Price : IDR2,600 (two thousand six hundred Rupiah) per share

HMETD Ratio : 10,000,000,000 : 3,213,591,453

Ownership Dilution : 24.32% (twenty-four point three two percent)

Date of Listing to obtain HMETD : February 29, 2024

The Listing Date of Securities are Listed at the Stock Exchange : March 4, 2024

Trading Period of the HMETD : March 4 - 13, 2024

Exercise Period of the HMETD : March 4 - 13, 2024

Listing : IDX

If the HMETD offered in this PMHMETD II is exercised wholly by the Company's shareholders, then the Company's capital structure and shareholders composition after the PMHMETD II shall be in pro forma as follows:

	Before the PMHMETD			After the PMHMETD II		
	Total Shares	Nominal Value of IDR20 per share	%	Total Shares	Nominal Value of IDR20 per share	%
Authorized Capital	15,000,000,000	300,000,000,000		15,000,000,000	300,000,000,000	
Issued and Fully Paid-up Capital						
SMBC	7,132,311,297	142,646,225,940	88.53%	9,424,344,759	188,486,895,180	88.53%
PT Bank Central Asia Tbk.	83,052,408	1,661,048,160	1.03%	109,742,058	2,194,841,160	1.03%
PT Bank Negara Indonesia (Persero) Tbk.	12,007,137	240,142,740	0.15%	15,865,740	317,314,800	0.15%
Ongki Wanadjati Dana	860,804	17,216,080	0.01%	1,137,431	22,748,620	0.01%

	Before the PMHMETD			After the PMHMETD II		
	Total Shares	Nominal Value of IDR20 per share	%	Total Shares	Nominal Value of IDR20 per share	%
Merisa Darwis	222,358	4,447,160	0.00%	293,814	5,876,280	0.00%
Henoch Munandar	173,756	3,475,120	0.00%	229,594	4,591,880	0.00%
Hanna Tantani	148,154	2,963,080	0.00%	195,764	3,915,280	0.00%
Dini Herdini	118,572	2,371,440	0.00%	156,676	3,133,520	0.00%
Darmadi Sutanto	89,120	1,782,400	0.00%	117,759	2,355,180	0.00%
Kaoru Furuya	3,000	60,000	0.00%	3,964	79,280	0.00%
Public (each <5%)	827,828,065	16,556,561,300	10.27%	1,093,858,189	21,877,163,780	10.27%
Total Issued and Fully Paid-up Capital	8,056,814,671	161,136,293,420	100.00%	10,645,945,748	212,918,914,960	100.00%
Total Shares in Portfolio	6,943,185,329	138,863,706,580		4,354,054,252	87,081,085,040	

If the HMETD offered in this PMHETD II is exercised by all shareholders of the Company except for the public, whereas the remaining new shares not subscribed by the public are purchased by SMBC as the Standby Buyer, then the Company's capital structure and shareholders composition after the PMHMETD II shall be in pro forma as follows:

	Before the PMHMETD			After the PMHMETD II		
	Total Shares	Nominal Value of IDR20 per share	%	Total Shares	Nominal Value of IDR20 per share	%
Authorized Capital	15,000,000,000	300,000,000,000		15,000,000,000	300,000,000,000	
Issued and Fully Paid-up Capital						
SMBC	7,132,311,297	142,646,225,940	88.53%	9,690,374,883	193,807,497,660	91.02%
PT Bank Central Asia Tbk.	83,052,408	1,661,048,160	1.03%	109,742,058	2,194,841,160	1.03%
PT Bank Negara Indonesia (Persero) Tbk.	12,007,137	240,142,740	0.15%	15,865,740	317,314,800	0.15%
Ongki Wanadjati Dana	860,804	17,216,080	0.01%	1,137,431	22,748,620	0.01%
Merisa Darwis	222,358	4,447,160	0.00%	293,814	5,876,280	0.00%
Henoch Munandar	173,756	3,475,120	0.00%	229,594	4,591,880	0.00%
Hanna Tantani	148,154	2,963,080	0.00%	195,764	3,915,280	0.00%
Dini Herdini	118,572	2,371,440	0.00%	156,676	3,133,520	0.00%
Darmadi Sutanto	89,120	1,782,400	0.00%	117,759	2,355,180	0.00%

	Before the PMHMETD			After the PMHMETD II		
	Total Shares	Nominal Value of IDR20 per share	%	Total Shares	Nominal Value of IDR20 per share	%
Kaoru Furuya	3,000	60,000	0.00%	3,964	79,280	0.00%
Public (each <5%)	827,828,065	16,556,561,300	10.27%	827,828,065	16,556,561,300	7.78%
Total Issued and Fully Paid-up Capital	8,056,814,671	161,136,293,420	100.00%	10,645,945,748	212,918,914,960	100.00%
Total Shares in Portfolio	6,943,185,329	138,863,706,580		4,354,054,252	87,081,085,040	

By observing that the total new shares issued in this PMHMETD II are in the amount of 2,589,131,077 (two billion five hundred and eighty-nine million one hundred and thirty-one thousand seventy-seven) shares, then the Shareholders who fail to exercise their rights to purchase the new shares offered in this PMHMETD II may experience a decrease in their share ownership percentage (dilution) in the maximum amount of 24.32% (twenty-four point three two percent).

C. INFORMATION ABOUT THE HMETD

1. The shareholders who have the right to receive the HMETD

The shareholders whose names are validly recorded in the DPS of the Company on February 29, 2024 at 15:00 Western Indonesian Time shall have the right to receive the HMETD. Every holder of 10,000,000,000 (ten billion) old shares shall have the right for 3,213,591,453 (three trillion two hundred and thirteen million five hundred and ninety-one thousand four hundred and fifty-three) HMETD, where every 1 (one) HMETD provides the holder with the right to subscribe for 1 (one)

new share of the Company, which will be offered with the Exercise Price of IDR2,600 (two thousand six hundred Rupiah) per share that must be fully paid-up when submitting the order for purchasing the New Shares.

2. Valid holders of HMETD

The valid holders of HMETD shall be as follows:

- The Shareholders who have the right to receive the HMETD and have not sold their HMETD; or
- The last HMETD purchasers/holders whose names are contained in the endorsement column of the SBHMETD; or
- The holders of the HMETD in collective custody of KSEI;

until the last date of the HMETD Trading Period.

3. Form of HMETD

Regarding the Shareholders whose shares have not put into the Collective Custody system at KSEI, the Company will issue the SBHMETD specifying the names and addresses of the HMETD holders, the total shares owned, the total HMETD that can be used to purchase the New Shares, the total new shares to be purchased, the total price that must be paid, the total additional New Shares being ordered, the endorsement column and other necessary information.

Regarding the Shareholders whose shares are in the Collective Custody system at KSEI, the Company will not issue SBHMETD, but will credit the HMETD to the securities account in the name of the Custodian Bank or the Securities Company appointed by each Shareholder at KSEI.

4. HMETD trading

The HMETD holders may trade the HMETD that they own during the HMETD Trading Period, namely from March 4, 2024 to March 13, 2024.

The HMETD trading must observe the provisions of the laws and regulations applicable in the territory of the Unitary State of the Republic of Indonesia, including but not limited to the provisions on taxation and the provisions in the capital market sector including the regulations of the stock exchange where the HMETD is traded. If an HMETD holder is in doubt to make a decision, they should at their own expense consult an investment advisor, securities broker, investment manager, legal advisor, public accountant, or other professional advisors.

The HMETD in collective custody at KSEI is traded in the Stock Exchange, whereas the HMETD in the form of SBHMETD may only be traded outside the stock exchange. The HMETD traded through the stock exchange will be settled by means of transfer on the securities account in the name of the Custodian Bank or the

Securities Company at KSEI. All the costs and taxes that may arise from the trading and transfer of the HMETD shall be the responsibility and liability of the HMETD holder or the prospective HMETD holder.

An HMETD holder who intends to transfer their HMETD may do it through an Exchange Member or Custodian Bank.

All the costs and taxes that may arise from the trading and transfer of the HMETD shall be the responsibility and liability of the HMETD Holder or the prospective HMETD Holder.

5. Application for SBHMETD splitting

If an SBHMETD holder intends to sell or transfer part of the HMETD that they own, the relevant HMETD holder may contact the BAE of the Company to get the desired HMETD denomination. The HMETD holder may split the SBHMETD from March 4, 2024 to March 13, 2024.

Every splitting will be subject to a fee which shall be the applicant's liability.

6. HMETD transfer procedure

An HMETD holder who does not want to exercise their right and intends to transfer their HMETD that is obtained in the framework of this PMHMETD II may transfer the HMETD to another party in the HMETD Trading Period, namely from March 4 to 13, 2024, and through an Exchange Member or Custodian Bank. The

HMETD trading shall be carried out in accordance with the trading mechanism of stock exchanges in general.

7. Theoretical value of HMETD

The values of the HMETD offered by the valid HMETD holders will be various from one HMETD to another based on the forces of the demand and supply at the time of the offer.

The following presents the theoretical calculation of HMETD values in this PMHMETD II. The calculation below is only a theoretical illustration and is not intended as a guarantee or estimation of the HMETD value. The following illustration is given to show a general description in calculating the HMETD value.

It is assumed that the market
price of a share = IDR a

The share price of the PMHMETD II = IDR b

The total shares circulating
before the PMHMETD II = A

The total shares offered in the
PMHMETD II = B

The total shares circulating
after the PMHMETD II = A + B

The theoretical price of a new
share =
$$\frac{(\text{IDR a} \times A) + (\text{IDR b} \times B)}{(A + B)}$$

= IDR c

The theoretical price of HMETD = IDR c - IDR b

8. HMETD fraction

In accordance with the POJK No. 32/2015, in case a Shareholder has an HMETD in fraction, the right for the share fraction and/or other Equity Securities in the capital increase with HMETD must be sold by the Company and the proceeds thereof shall be put into the Company's account.

9. Procedure for issuance and submission of HMETD evidence and shares

The holders of HMETD in collective custodian at KSEI who will exercise their HMETD must submit an application for exercise through an Exchange Member/Custodian Bank appointed as their securities manager. Thereafter, the Exchange Member/Custodian Bank will make an application or instruction for exercise through the Central Depository-Book Entry Settlement System ("C-BEST") in accordance with the procedure provided by KSEI. In making the exercise instruction, the Exchange Member/Custodian Bank must meet the conditions as follows:

- The HMETD holder must provide the HMETD exercise fund when submitting the application;
- Sufficient HMETD and payment fund for the HMETD exercise must be available in the securities account of the HMETD holder who makes the exercise.

On the following One Exchange Day KSEI will submit the HMETD Holders Register in collective custody at KSEI who exercise their rights and deposit the payment fund for the HMETD exercise into the Company's bank account.

The new shares resulting from the HMETD exercise will be distributed by the Company/BAE of the Company in electronic form to the account that has been determined by KSEI to be then distributed to each securities account of the relevant HMETD holders who exercise their right by KSEI. The new shares resulting from the exercise will be distributed by the Company/BAE of the Company no later than 2 (two) Business Days after the application for exercise is received from KSEI and the payment fund has been received properly (in good funds) in the Company's bank account.

10. Rights of Shareholders

Based on the Company's Articles of Association, if the shares in portfolio will be issued by means of limited public offering with pre-emptive rights to the Shareholders, then all the Shareholders whose names are recorded in the DPS on February 29, 2024 shall have the pre-emptive rights to purchase the shares to be issued (or in this PMHMETD II is referred to as the HMETD), proportionally to the total shares owned by the Shareholders. The HMETD may be sold and transferred to other parties, with due observance of the

Company's Articles of Association and the laws and regulations applicable in the capital market sector. Moreover, each share shall give rights to each Shareholder to:

- Receive dividends, bonus shares, or other rights relating to share ownership. Each Shareholder whose name is recorded in the DPS of the Company on 1 (one) Business Day before the date of the GMS shall have the right to receive dividends, bonus shares, or other rights relating to the share ownership.
- Attend and vote in the GMS of the Company. Each Shareholder whose name is recorded in the Shareholders register 1 (one) Business Day before the Recording Date shall have the right to attend and vote in the GMS of the Company.
- Request for convention of the Company's GMS. One (1) or more Shareholders who jointly represent 1/10 (one-tenth) of the total shares with valid voting rights may request for convention of the Company's GMS.

11. Use of SBHMETD

SBHMETD is the evidence of the rights provided by the Company to their holders to purchase the new shares offered by the Company in the framework of the PMHMETD II and issued for the entitled Shareholders who have not made share conversion. The SBHMETD cannot be exchanged with money or anything to the

Company, and may not be traded in the form of photocopy. The ownership evidence of HMETD for HMETD holders in collective custody at KSEI will be given by KSEI through their Exchange Member or Custodian Bank.

12. The Company's share performance at IDX

The historical performance of the Company's shares at IDX every month within the last 12 (twelve) months' period before the Registration Statement to the OJK is as follows:

Description	Highest Price (IDR)	Lowest Price (IDR)	Total Trading Volume (Shares)
Dec-22	2,650	2,560	563,000
Jan-23	2,580	2,400	812,600
Feb-23	2,540	2,430	396,500
Mar-23	2,540	2,400	390,500
Apr-23	2,560	2,480	843,800
May-23	2,610	2,460	1,133,900
Jun-23	2,710	2,580	683,900
Jul-23	2,780	2,700	2,087,600
Aug-23	2,770	2,700	917,300
Sep-23	2,740	2,700	1,374,600
Oct-23	2,700	2,540	650,600
Nov-23	2,700	2,520	580,100

13. Listing of the Company's shares at IDX

These new shares will be listed at IDX together with the shares that have been listed previously by the Company.

Therefore, the total New Shares to be listed by the Company at IDX are 2,589,131,077 (two billion five hundred and eighty-nine million one hundred and thirty-one thousand seventy-seven) shares or 24.42% (twenty-four point four two percent) of the total issued and fully paid-up capital after this PMHMETD II. These New Shares will be listed at IDX together with the shares that have been listed previously by the Company. Therefore, the total shares to be listed by the Company at IDX are 10,536,203,690 (ten billion five hundred and thirty six million two hundred and three thousand six hundred and ninety) shares of the total issued and fully paid-up capital after this PMHMETD II. A maximum of 109,742,058 (one hundred and nine million seven hundred and forty two thousand and fifty-eight) shares representing 1.03% (one point zero three percent) of the issued capital and paid-in capital of the Company after the PMHMETD II owned by PT Bank Central Asia Tbk., which are Indonesian Legal Entities will not be listed at IDX. This is based on Article 4 paragraph (2) of PP No. 29/1999; where at least 1% (one percent) of the bank's shares not listed at IDX shall remain to be owned by Indonesian Citizens ("**WNI**") or Indonesian Legal Entities.

All the funds obtained by the Company from this PMHMETD II after deducting all costs related to the PMHMETD II will be used by the Company to:

Reason and	:	a. To expand consumer financing
Consideration for		business
Takeover		

Name of Sellers : a. PT Summit Auto Group (SC Group)

b. SMBC

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Status of Takeover Process : On September 26, 2023, the Company as the purchaser and SC Group and SMBC as the sellers have signed a Conditional Share Sale and Purchase Agreement in Relation to the Shares in PT Oto Multiartha as has been amended by the Amendment Agreement dated December 27, 2023 (the "**PJBB OTO**"). Currently, the Company is in the process of meeting the pre-requisite conditions set out in the PJBB OTO, among others:

- On November 22, 2023, the Company obtained approval for the planned capital participation in OTO and SOF from the OJK as the Banking Supervisor.
- On October 3, 2023, OTO submitted an application for approval of the planned change of ownership and the fit and proper assessment of the

prospective new controlling shareholder to the OJK IKNB.

- On January 23, 2024, the Bond III holder Oto Multiartha 2019 approved the deletion of Article 6 paragraph 6.2 point 6.2.19 of the Trusteeship Agreement of Bond III Oto Multiartha of 2019 Number 11 dated February 15, 2019, preventing the takeover of OTO by the Company.
- On January 23, 2024, the holder of Sustainable Bond I Stage I Oto Multiartha 2023 approved the deletion of Article 7 paragraph 7.2 point 7.2.18 of the Trusteeship Agreement of Sustainable Bond I Oto Multiartha Stage I of 2023 Number 3 dated March 2, 2023, preventing the takeover of OTO by the Company.
- The Company has obtained

approval/waiver from the creditors of the Company in connection with the takeover process.

- On December 11, 2023, OTO announced the planned takeover to its employees and on February 1, 2024, OTO announced the planned takeover through Media Indonesia newspaper in the framework of meeting the provisions of the UUPT.

Nature of Affiliate : SMBC is the controlling Relationship shareholder of the Company.

Deed of Establishment : Deed No. 245 dated March 28, 1994, made before Wiwiek Widjajanti, S.H., the substitute notary of Erly Soehandjojo, S.H., a Notary in Jakarta which has been approved by the Minister of Justice of the Republic of Indonesia by virtue of the Decree No. 02.6033.HT.01.01-TH.94 dated April 16, 1994, and has been registered in the

register book of the Registrar's Office of the District Court of South Jakarta No. 718 dated May 3, 1994, and has been announced in the State Gazette of the Republic of Indonesia No. 60 dated July 27, 1994, Supplement No. 4902.

Latest Articles of Association : Deed of Statement of a Resolution of the Shareholders of OTO No. 15 dated October 16, 2019, made before Aryanti Artisari, S.H., M.Kn., a Notary in Jakarta, as has been approved by the Menkumham by virtue of Decree No. AHU-0085834.AH.01.02.Tahun 2019 dated October 23, 2019.

Management and Supervision

: Board of Directors

President Director	: Akinori Otsu
Director	: Tetsushi Tanaka
Director	: Pieter Maruli Panjaitan
Director	: Ronny

Board of Commissioners

President Commissioner	: Koichiro Nakayama
Commissioner	: Hirohiko Taniguchi
Commissioner	: Nugroho Triko Pramono
Independent Commissioner	: Muliawan Gunadi K
Independent Commissioner	: Murniaty Santoso

Capital Structure and
Share Ownership

On the date this Prospectus is issued, the capital structure and share ownership of OTO based on the Deed of Statement of a Resolution of the Shareholders of OTO No. 39 dated March 22, 2016 made before Aryanti Artisari, a Notary in Jakarta that has been notified to the Menkumham by virtue of the Receipt of Notification No. AHU-AH.01.03-0033647 dated March 22, 2016 and has been registered in the Companies Register No. AHU-0036535.AH.01.11.Tahun 2016 dated March 22, 2016 are as follows:

Name of Shareholder	Total Shares	Nominal Value (IDR1,000 per share)	Ownership Percentage
Authorized Capital	1,500,000,000	1,500,000,000,000	
Series A Shares	225,000,000	225,000,000,000	
Series B Shares	1,275,000,000	1,275,000,000,000	
Issued and Fully Paid-up Capital			
PT Sinar Mas Multiartha Tbk.			
Series A Shares	139,306,099	139,306,099,000	15.0%
PT Summit Auto Group			
Series B Shares	463,424,954	463,424,954,000	49.9%

SMBC			
Series B Shares	325,976,271	325,976,271,000	35.1%
Total Issued and Fully Paid-up Capital			
Series A Shares	139,306,099	139,306,099,000	100.00%
Series B Shares	789,401,225	789,401,225,000	100.00%
Total Issued and Fully Paid-up Capital	928,707,324	928,707,324,000	
Shares in Portfolio			
Series A Shares	85,693,901	85,693,901,000	
Series B Shares	485,598,775	485,598,775,000	
Total Shares in Portfolio	571,292,676	571,292,676,000	

Agreement relating to the Planned Takeover of OTO

The Company has signed the PPJB OTO, where the Company agreed to purchase the "OTO Shares For Sale" consisting of: (i) of SAG which is a subsidiary of Sumitomo Corporation (SC Group), a total of 147,664,464 (one hundred and forty-seven million six hundred and sixty-four thousand four hundred and sixty-four) series B shares constituting 15.9% (fifteen point nine percent) of the issued and fully paid-up capital in OTO; and (ii) of SMBC, a total of 325,976,271 (three hundred and twenty-five million nine hundred and seventy-six thousand two hundred and seventy-one) series B shares constituting 35.1% (thirty-five point one percent) of the issued and fully paid-up capital in OTO (the "**Planned Takeover of OTO**").

In connection with the Planned Takeover of OTO, the Company is bound by the conditions in the PJBB OTO, among others as follows:

Conditions precedent : Up to the date this Prospectus is issued, the status of compliance with the conditions precedent in connection with the Planned Takeover of OTO is among others as follows:

No.	Conditions Precedent	Status
1.	The PMHMETD II has been completed (including by the Company obtaining the effective statement on the exercise of the limited public offering from the OJK).	The Company is in the process of obtaining effective statement on the PMHMETD II.
2.	The approval for fit and proper assessment that is required based on the POJK No. 27/2016 for the Company to become the controlling shareholder of OTO has been obtained.	The Company is in the process of fit and proper assessment as the prospective controlling shareholder of OTO. The Company conducted an interview with the OJK IKNB

No.	Conditions Precedent	Status
		in connection with the fit and proper assessment process on February 13, 2024 and is waiting for the results of the interview.
3.	The approval of the OJK related to the change of share ownership in OTO based on the POJK No. 47/2020 has been obtained.	The OJK IKNB has issued the Letter No. S-71/PL.02/2023 dated December 15, 2023, stating that the application documents for the approval of the planned change of ownership of OTO are already complete, except for the evidence of placement of the takeover funds in the escrow account and/or deposit by the Company that will be submitted after the funds resulting from the issuance of the new shares have been available.
4.	OTO has announced the	OTO has announced the

No.	Conditions Precedent	Status
	Planned Takeover of OTO to the public in 1 (one) newspaper circulating in one country in Indonesia, and to the employees of OTO in accordance with the UUPT.	Planned Takeover of OTO to the public through the Media Indonesia newspaper on February 1, 2024, and to the employees of OTO on December 11, 2023. This condition precedent has been fulfilled.
5.	The general meeting of shareholders of OTO has been convened in accordance with the quorum stipulated in OTO's Articles of Association or the circular resolution in lieu of general meeting of shareholders of OTO has been signed by all shareholders of OTO to among others approve the takeover of OTO by the Company.	OTO plans to obtain the approval of shareholders through a circular resolution upon receipt of approval of the OJK IKNB based on the POJK No. 47/2020.

No.	Conditions Precedent	Status
6.	The audited financial statements of OTO ending on December 31, 2023 have been available and the Independent Auditor has prepared an unqualified opinion relating to the transaction set out in the PJBB OTO.	OTO is preparing audited financial statements for a period ending on December 31, 2023. The financial statements are expected to be available in mid- or end of February 2024. The Independent Auditor is expected to conclude an unqualified opinion relating to the transaction of takeover of OTO in mid-March 2024.

Date of Completion : The completion will be achieved at the time agreed by the parties, but not exceeding 5 business days after all conditions precedent in the PPJB OTO have been fulfilled or have been waived (as relevant), with condition that the expected completion date will occur before September 26, 2024 or another date that may be agreed on by the parties in writing.

Value of agreement : Based on the PJBB OTO, the takeover price of OTO's shares shall be 1.2 times of the Total Valuation of OTO. The Total Valuation of OTO shall be the Net Asset Book Value of OTO deducted by the Total Equity Investment of PT Sinar Mas Multi Artha Tbk. ("**SMMA**") in OTO based on the audited financial statements of OTO as at December 31, 2023.

The parties agree that the takeover price of OTO's shares will be determined in the reasonable range of market value for OTO's shares based on the valuation report and/or unqualified opinion of the independent auditor made based on the audited financial statements of OTO as at December 31, 2023.

If the takeover price of OTO's shares calculated based on the formula referred to above is higher than the reasonable range of market value for OTO's shares, the takeover price of OTO's shares to

be used shall be the highest value of the reasonable range of market value for OTO's shares. If the takeover price of OTO's shares based on the formula referred to above is lower than the reasonable range of market value for OTO's shares, the takeover price of OTO's shares to be used shall be the lowest value of the reasonable range of market value for OTO's shares. Therefore, the takeover price of OTO's shares to be used by the parties on the Completion Date shall always be in the reasonable range of market value for OTO's shares based on the valuation report and/or unqualified opinion of the independent auditor.

Transaction Payment : The payment for the completed transaction of takeover will be made in cash.

Governing Law : The Law of the Republic of Singapore.

Settlement of Disputes : The Singapore International Arbitration Centre.

2. About 37.4% for business expansion and investment, one of which is by taking over a company related to financing business activities, namely PT Summit Oto Finance ("**SOF**") from PT Summit Auto Group that is a subsidiary of SC Group and SMBC. The following is the detailed description of the planned takeover:

Reason and Consideration

for Takeover : a. To expand consumer financing business

b. To expand market segment

c. To accelerate digitalization with Jenius as the core, thereby increasing the Company's value on the whole

Name of Sellers : a. PT Summit Auto Group (SC Group)

b. SMBC

Business Activities of
OTO

: To engage in the financing sector (financial activities).

Status of Takeover
Process

: On September 26, 2023, the Company as the purchaser and SC Group and SMBC as the sellers have signed a Conditional Share Sale and Purchase Agreement in Relation to the Shares

in PT Summit Oto Finance as has been amended by the Amendment Agreement dated December 27, 2023 (the "**PJBB SOF**"). Currently, the Company is in the process of meeting the pre-requisite conditions set out in the PJBB SOF, among others:

- On November 22, 2023, the Company obtained approval for the planned capital participation in OTO and SOF from the OJK as the Banking Supervisor.
- On October 3, 2023, SOF submitted an application for approval of the planned change of ownership and the fit and proper assessment of the prospective new controlling shareholder to the OJK IKNB.
- SOF has obtained approval/waiver from its creditors in connection with the takeover process.

-
- The Company has obtained approval/waiver from the creditors of the Company in connection with the takeover process.
 - On December 11, 2023, SOF announced the planned takeover to its employees and on February 1, 2024, SOF announced the planned takeover through Media Indonesia newspaper in the framework of meeting the provisions of the UUPT.

Nature of Affiliate Relationship : SMBC is the controlling shareholder of the Company.

Deed of Establishment : Deed No. 214 dated September 20, 1990, made before Notary Mudofir Hadi, S.H., and has been amended by Deed No. 194 dated October 22, 1990 made by Notary Mudofir Hadi, S.H. and has been approved by the Minister of Justice of the Republic of Indonesia by virtue of Decree No. C2-6214HT.01.01.Th.90 dated

October 30, 1990, and has been registered in the register book of the Registrar's Office of the District Court in South Jakarta No. 865 dated November 7, 1990, and has been announced in the State Gazette of the Republic of Indonesia No. 99 dated December 11, 1990, Supplement No. 5041.

Latest Articles of Association

: Deed of Statement of a Resolution of the Shareholders of SOF No. 16 dated October 16, 2019, made before Aryanti Artisari, S.H., M.Kn., a Notary in the Administrative City of South Jakarta, as has been approved by the Menkumham by virtue of Decree of Menkumham No. AHU-0085835.AH.01.02.Tahun 2019 dated October 23, 2019.

Management and Supervision

: Board of Directors

President Director : Rusna

Director : Kemaludin Fajar

Director : Krisna Suswandi

Board of Commissioners

President Commissioner : Yosuke Unigame
Commissioner : Hirohiko Taniguchi
Commissioner : Doddy Susanto
Independent Commissioner : Murniaty Santoso

Capital Structure and
Share Ownership

: On the date this Prospectus is issued, the capital structure and share ownership of SOF based on the Deed of Statement of a Resolution of the Shareholders of SOF No. 40 dated March 22, 2016 made before Aryanti Artisari, a Notary in Jakarta that has been notified to the Menkumham by virtue of the Receipt of Notification No. AHU-AH.01.03-0033648 dated March 22, 2016 and has been registered in the Companies Register No. AHU-0036535.AH.01.11.TAHUN 2016 dated March 22, 2016 are as follows:

Name of Shareholder	Total Shares	Nominal Value (IDR500,000 per share)	Ownership Percentage
Authorized Capital	12,000,000	6,000,000,000,000	
Series A Shares	1,800,000	900,000,000,000	
Series B Shares	10,200,000	5,100,000,000,000	

Name of Shareholder	Total Shares	Nominal Value (IDR500,000 per share)	Ownership Percentage
Issued and Fully Paid-up Capital			
PT Sinar Mas Multiartha Tbk.			
Series A Shares	732,618	366,309,000,000	15.0%
PT Summit Auto Group			
Series B Shares	2,437,176	1,218,588,000,000	49.9%
SMBC			
Series B Shares	1,714,326	857,163,000,000	35.1%
Total Issued and Fully Paid-up Capital			
Series A Shares	732,618	366,309,000,000	100.00%
Series B Shares	4,151,502	2,075,751,000,000	100.00%
Total Issued and Fully Paid-up Capital	4,884,120	2,442,060,000,000	
Shares in Portfolio			
Series A Shares	1,067,382	533,691,000,000	
Series B Shares	6,048,498	3,024,249,000,000	
Total Shares in Portfolio	7,115,880	3,557,940,000,000	

Agreement relating to the Planned Takeover of SOF

The Company has signed the PPJB SOF, where the Company agreed to purchase the "SOF Shares For Sale" consisting of: (i) of SAG which is a subsidiary of Sumitomo Corporation (SC Group), a total of 776,575 (seven hundred and seventy-six thousand five hundred and seventy-five) series B shares constituting 15.9% (fifteen point nine percent) of the issued and fully paid-up capital in SOF; and (ii) of SMBC, a total of 1,714,326 (one million seven hundred and fourteen thousand three hundred and twenty-six) series B shares constituting 35.1% (thirty-five point one percent) of the issued and fully paid-up capital in SOF (the "**Planned Takeover of SOF**"). In connection

with the Planned Takeover of SOF, the Company is bound by the conditions in the PJBB SOF, among others as follows:

Conditions precedent : Up to the date this Prospectus is issued, the status of compliance with the conditions precedent in connection with the Planned Takeover of SOF is among others as follows:

No.	Conditions Precedent	Status
1.	The PMHMETD II has been completed (including by the Company obtaining the effective statement on the exercise of the limited public offering from the OJK) .	The Company is in the process of obtaining effective statement on the PMHMETD II.
2.	The approval for fit and proper assessment that is required based on the POJK No. 27/2016 for the Company to become the controlling shareholder of SOF has been obtained.	The Company is in the process of fit and proper assessment as the prospective controlling shareholder of SOF. The Company conducted an interview with the OJK IKNB in connection with the fit

No.	Conditions Precedent	Status
		and proper assessment process on February 13, 2024 and is waiting for the results of the interview.
3.	The approval of the OJK related to the change of share ownership in SOF based on the POJK No. 47/2020 has been obtained.	The OJK IKNB has issued the Letter No. S-70/PL.02/2023 dated December 15, 2023, stating that the application documents for the approval of the planned change of ownership of SOF are already complete, except for the evidence of placement of the takeover funds in the escrow account and/or deposit by the Company that will be submitted after the funds resulting from the issuance of the new shares have been available.
4.	SOF has announced the Planned Takeover of SOF to	SOF has announced the Planned Takeover of SOF to

No.	Conditions Precedent	Status
	the public in 1 (one) newspaper circulating in one country in Indonesia, and to the employees of SOF in accordance with the UUPT.	the public through the Media Indonesia newspaper on February 1, 2024, and to the employees of SOF on December 11, 2023. This condition precedent has been fulfilled.
5.	The general meeting of shareholders of SOF has been convened in accordance with the quorum stipulated in SOF's Articles of Association or the circular resolution in lieu of general meeting of shareholders of SOF has been signed by all shareholders of SOF to among others approve the takeover of SOF by the Company.	SOF plans to obtain the approval of shareholders through a circular resolution upon receipt of approval of the OJK IKNB based on the POJK No. 47/2020.
6.	The audited financial statements of SOF ending	SOF is preparing audited financial statements for a

No.	Conditions Precedent	Status
	on December 31, 2023 have been available and the Independent Auditor has prepared an unqualified opinion relating to the transaction set out in the PJBB SOF.	period ending on December 31, 2023. The financial statements are expected to be available in mid- or end of February 2024. The Independent Auditor is expected to conclude an unqualified opinion relating to the transaction of takeover of SOF in mid-March 2024.

Date of Completion : The completion will be achieved at the time agreed by the parties, but not exceeding 5 business days after all condition precedents in the PPJB SOF have been fulfilled or have been waived (as relevant), with condition that the expected completion date will occur before September 26, 2024 or another date that may be agreed on by the parties in writing.

Value of agreement : Based on the PJBB SOF, the takeover price of SOF's shares shall be 1.2 times of the Total Valuation of SOF. The Total Valuation of SOF shall be the Net Asset Book Value of SOF deducted by the Total Equity Investment of SMMA in SOF based on the audited financial statements of SOF as at December 31, 2023.

The parties agree that the takeover price of SOF's shares will be determined in the reasonable range of market value for SOF's shares based on the valuation report and/or unqualified opinion of the independent auditor made based on the audited financial statements of SOF as at December 31, 2023.

If the takeover price of SOF's shares calculated based on the formula referred to above is higher than the reasonable range of market value for SOF's shares, the takeover price of SOF's shares to be used shall be the highest value

of the reasonable range of market value for SOF's shares. If the takeover price of SOF's shares based on the formula referred to above is lower than the reasonable range of market value for SOF's shares, the takeover price of SOF's shares to be used shall be the lowest value of the reasonable range of market value for SOF's shares. Therefore, the takeover price of SOF's shares to be used by the parties on the Completion Date shall always be in the reasonable range of market value for SOF's shares based on the valuation report and/or unqualified opinion of the independent auditor.

Transaction Payment : The payment for the completed transaction of takeover will be made in cash.

Governing Law : The Law of the Republic of Singapore.

Settlement of Disputes : The Singapore International Arbitration Centre.

The takeover of OTO and SOF companies by the Company shall constitute an Affiliate Transaction as regulated in the POJK No. 42/2020. However, the transaction value for takeover of OTO and SOF companies that will use the audited financial statements as at December 31, 2023 are not yet available by the date of this Prospectus. Therefore, it is still unknown whether the planned use of funds for takeover of OTO and SOF companies would meet the criteria as a material transaction as regulated in the POJK No. 17/2020. Considering that the takeovers of OTO and SOF are affiliate transactions, the parties agree that the takeover price of OTO and SOF will be determined in the reasonable range of market value that is calculated based on the valuation report and/or unqualified opinion of the independent auditor based on the audited financial statements of OTO and SOF as at December 31, 2023.

If the funds resulting from this PMHMETD II are not sufficient, the Company still has financing alternatives, among others from the internal treasury of the Company.

If the funds resulting from this PMHMETD II exceed the takeover value of the companies, the Company will use such funds for working capital, among others in the form of credit distribution to customers.

In the event that the funds obtained from this PMHMETD II are sufficient to meet the planned use of funds, but the Company

has not obtained the permit from the OJK IKNB for the Planned Takeover of OTO and Planned Takeover of SOF, the Company will keep using efforts to meet the requirements that are still unfulfilled up to a period of 6 (six) months from the Effective date of the PMHMETD II. The funds resulting from the PMHMETD II for the planned use of funds as referred to above will be put into the escrow account and/or deposit until the permit from the OJK IKNB is obtained. If within a period of 6 (six) months from the Effective date of the PMHMETD II the Company has not obtained the permit from the OJK IKNB for the Planned Takeover of OTO and Planned Takeover of SOF, the Company will submit the planned and the reason for the change of the planned use of funds to the OJK and ask for approval of the Company's GMS to change the planned use of funds.

In accordance with the POJK No. 30/2015, the Company will submit a report on the realization of the use of funds resulting from this PMHMETD II to the OJK and account for it in the annual GMS of the Company. The report on the realization of the use of funds submitted to the OJK will be made periodically in every 6 (six) months with the report dates of June 30 and December 31 until all the funds resulting from this PMHMETD II have been realized. The Company will submit the report no later than the 15th day of the subsequent month. In case the Company has used the funds resulting from the PMHMETD II before the report date, the Company may submit

the last realization of the use of funds earlier than the deadline for the report submission.

If in the future the Company intends to change the planned use of funds resulting from this PMHMETD II, the Company must submit the plan and the reason for the change of the planned use of funds resulting from the PMHMETD II to the OJK. Any changes in the planned use of funds must be firstly approved by the shareholders in the GMS. The report on the change of the planned use of funds will be submitted concurrently with the notification of the GMS agenda items to the OJK.

In accordance with the POJK No. 33/2015, the total expenses (exclusive of tax) spent by the Company are more or less equal to 0.309% (zero point three zero nine percent) of the PMHMETD II value covering the following:

- The service fee of the Capital Market Supporting Professions is 0.234% (zero point two three four percent);
- The service fee of the Capital Market Supporting Institutions is 0.002% (zero point zero zero two percent), which is the service fee of the Securities Administration Bureau;
- Financial advisory fee is 0.052% (zero point zero five two percent);

-
- Other fees are 0.021% (zero point zero two one percent), including the EGMS administration fee, the listing of additional shares at IDX, collection by the OJK relating to the submission of the Registration Statement, allocation auditor, printing cost of the Prospectus, certificates and forms, and other costs relating to this PMHMETD II.

III. ACKNOWLEDGEMENTS OF INDEBTEDNESS

The following acknowledgements of indebtedness come from the consolidated Financial statements of the Group on and for a period of nine months ending on September 30, 2023 are compiled by the management of the Company in accordance with the Financial Accounting Standards in Indonesia and have been audited by the Public Accountants Office of Siddharta Widjaja & Rekan, based on the audit standards established by the IAPI and signed by Novie, S.E., CPA (Public Accountant Registration No. AP.1212) with unqualified opinion as contained in the related independent auditor's report dated December 7, 2023, reissued on January 8, 2024.

The Group's balance of liabilities on September 30, 2023 was recorded IDR144,310,812 million with details as follows:

	<i>(in million Rupiah)</i>
	Total
Immediate Liability	58,992
Undistributed profits	20,623
Customer deposits	
Third parties	97,439,721
Affiliated parties	635,797
Accrued interest expenses	172,549
	<hr/> 98,248,067
Deposits from other banks	
Third parties	2,557,784
Affiliated parties	4,848,579

	(in million Rupiah)
	Total
Accrued interest expenses	4,067
	7,410,430
Derivative liabilities	
Third parties	1,267,055
Affiliated parties	79,480
	1,346,535
Acceptance liabilities	
Third parties	2,382,592
Affiliated parties	187,034
	2,569,626
Tax Debts	
Corporate income tax	107,641
Other taxes	126,176
	233,817
Issued securities	
Interbank Mudharabah Investment Certificates (SIMA)	50,000
Bond Debts	200,457
Accrued interest expenses	1,514
	251,971
Received loans	
Third parties	10,200,350
Affiliated parties	18,632,641
Unamortized transaction costs	(51,959)
Accrued interest expenses	106,845
	28,887,877
Accrual	414,037
Employee benefits liabilities	370,995
Short-term benefits	133,942

		(in million Rupiah)
		Total
Post-employment benefits and other long-term benefits		504,937
Rental liabilities		303,573
Other liabilities		958,220
Subordinated loans		3,091,000
Accrued interest expenses		11,107
Total Liabilities		144,310,812

Immediate liabilities

		(in million Rupiah)
		September 30, 2023
Rupiah		
Debts to third parties		21,307
Obligation to close savings		13,273
Deposit of securities transactions		7,858
Deposit of deposit profits		3,922
Deposit of notary fees		3,264
Outstanding remittances		1,181
Deposit of pension funds		1,113
Miscellaneous others		5,974
		57,892
Foreign Currencies		
Outstanding remittances		948
Deposit of securities transactions		152
		58,992

The deposit of securities transactions is a pool of money from unsettled sales of securities. The deposit of pension funds is

a pool of money for customers' pension payments which will be paid into the customers' accounts.

Customer deposits

	(in million Rupiah)
	September 30, 2023
Third parties:	
Giro	21,011,821
Savings	13,286,488
Term deposits	46,197,522
On call deposits	16,943,890
	97,439,721
Affiliated parties:	
Giro	85,318
Savings	69,224
Term deposits	126,817
On call deposits	354,438
	635,797
	98,075,518
Accrued interest expenses	172,549
	98,248,067

Based on currencies:

	(in million Rupiah)
	September 30, 2023
Customer deposits:	
Rupiah	69,382,605
United States Dollar	25,813,914
Japanese Yen	2,440,871
Other foreign currencies	438,128
	98,075,518
Accrued interest expenses	172,549
	98,248,067

a. Giro

Based on currencies:

<i>(in million Rupiah)</i>	
	September 30, 2023
Rupiah	9,462,665
United States Dollar	9,366,685
Japanese Yen	2,155,797
Other foreign currencies	111,992
	<hr/> 21,097,139
Accrued interest expenses	970
	<hr/> 21,098,109

The Wadiah Giro managed by the Subsidiary is in the amount of IDR28,524 million on September 30, 2023.

Average annual interest rate

	September 30, 2023
Rupiah	1.42%
Foreign currencies	1.69%

The blocked giro balance amounted to IDR258,721 million on September 30, 2023. The blocking of the giro was largely due to the giro being designated as pool accounts for loan installments and as collaterals for the loans provided.

b. Savings

Based on types:

<i>(in million Rupiah)</i>	
	September 30, 2023
"Jenius" Savings	7,961,398
"Citra Pensiun" Savings	2,196,297
"Tepat Tabungan Kelompok Syariah" Savings	2,147,392
"Se To" Savings	809,098
"Pasti" Savings	162,286
"Tepat Tabungan" Savings	69,644
Miscellaneous others	9,597
	<hr/> 13,355,712
Accrued interest expenses	1,180
	<hr/> 13,356,892

Based on currencies:

<i>(in million Rupiah)</i>	
	September 30, 2023
Rupiah	12,327,995
United States Dollar	534,547
Japanese Yen	219,809
Other foreign currencies	273,361
	<hr/> 13,355,712
Accrued interest expenses	1,180
	<hr/> 13,356,892

Average annual interest rate

	September 30, 2023
Rupiah	1.75%
Foreign currencies	1.31%

The blocked savings balance amounted to IDR1,319,596 million on September 30, 2023. The blocking of the savings was largely due to the savings being designated as customer funds that cannot be withdrawn until the specified maturity date.

c. Term deposits

Based on currencies:

(in million Rupiah)

	September 30, 2023
Rupiah	37,675,924
United States Dollar	8,564,969
Japanese Yen	52,775
Other foreign currencies	30,671
	<hr/> 46,324,339
Accrued interest expenses	140,967
	<hr/> 46,465,306

Based on terms:

(in million Rupiah)

	September 30, 2023
Up to 1 month	28,361,700

<i>(in million Rupiah)</i>	
September 30, 2023	
Longer than 1 month to 3 months	12,166,799
Longer than 3 months to 6 months	3,160,349
Longer than 6 months to 12 months	2,621,252
Longer than 1 year	14,239
	<hr/> 46,324,339
Accrued interest expenses	140,967
	<hr/> 46,465,306

Based on interest rate:

<i>(in million Rupiah)</i>	
September 30, 2023	
Up to 3%	654,426
Higher than 3 to 5%	35,922,086
Higher than 5 to 7%	9,747,827
	<hr/> 46,324,339
Accrued interest expenses	140,967
	<hr/> 46,465,306

Average annual interest rate

September 30, 2023	
Rupiah	4.74%
Foreign currencies	3.87%

The term deposits balances which were blocked or made as credit guarantees amounted to IDR282,364 million on September

30, 2023. The blocking of the term deposits was largely due to the term deposits being designated as loan collaterals provided and as pool accounts for the loan installments provided.

d. On call deposits

Based on currencies:

	<i>(in million Rupiah)</i>
	September 30, 2023
Rupiah	9,916,021
United States Dollar	7,347,713
Japanese Yen	34,594
	<hr/> 17,298,328
Accrued interest expenses	29,342
	<hr/> 17,327,760

Average annual interest rate

	September 30, 2023
Rupiah	4.57%
Foreign currencies	4.20%

Savings from other banks

	<i>(in million Rupiah)</i>
	September 30, 2023
Third parties	2,557,784
Affiliated parties	<hr/> 4,848,579

	(in million Rupiah)
	September 30, 2023
	7,406,363
Deposit of securities transactions	4,067
	7,410,430

No saving balances from other banks were blocked or made as guarantees on September 30, 2023.

Based on types

	(in million Rupiah)
	September 30, 2023
Call money	7,181,500
Giro	222,863
Term deposits	2,000
	7,406,363
Accrued interest expenses	4,067
	7,410,430

Based on currencies

	(in million Rupiah)
	September 30, 2023
Rupiah	2,769,863
United States Dollar	4,636,500
	7,406,363
Accrued interest expenses	4,067
	7,410,430

Average annual interest rate

	September 30, 2023
Rupiah	6.08%
Call money	2.46%
Term deposits	0.00%
Giro	
United States of America Dollar	5.95%
Call money	

Term

The term of savings from other banks on September 30, 2023 was shorter than 1 year.

Loans received

The loans received consist of bank loans and non-bank loans made with affiliated parties and third parties.

(in million Rupiah)

	September 30, 2023
Third parties:	
Bank loans:	
PT Bank Central Asia Tbk.	3,500,000
Non-bank loans:	
International Finance Corporation	6,700,350
Related parties:	
Bank loans:	
SMBC	18,632,641
	<hr/>
	28,832,991

	<i>(in million Rupiah)</i>
	September 30, 2023
Deducted by:	
Unamortized transaction costs	(51,959)
Added with:	
Accrued interest expenses	106,845
	<hr/> 28,887,877

Bank loans

Principal amount of loans based on terms:

	<i>(in million Rupiah)</i>
	September 30, 2023
Longer than 1 year to 2 years	3,500,000
Longer than 2 years to 3 years	163,916
Longer than 3 years	18,468,725
	<hr/> 22,132,641
Added with:	
Accrued interest expenses	45,571
	<hr/> 22,178,212

Bilateral Loans of PT Bank Central Asia Tbk.

The Company has 5 Bilateral Loan facilities from PT Bank Central Asia Tbk. signed within the range of period from 2009 to 2023, with the total facilities of IDR6,000,000 million, with details as follows:

1) The Revolving Term Loan Agreement I of IDR500,000 million which was signed on May 15, 2009 and has been extended several times with the latest extension being signed on November 10, 2023.

Based on the facility agreement, the deadline for using the credit facility was up to 18 (eighteen) months from the date of the credit agreement.

The facility must be withdrawn within 18 (eighteen) months from the date of the credit agreement. The interest period was every 3 (three) months based on JIBOR, with the payment of interest being made on every due date. The interest rate for this loan was JIBOR + 0.40%, commencing from May 13, 2022 to the last due date.

By September 30, 2023, this loan facility had not been withdrawn.

2) The Revolving Term Loan Agreement III of IDR1,000,000 million which was signed on April 1, 2015 and has been extended several times with the latest extension being signed on September 27, 2023.

Based on the facility agreement, the deadline for using the credit facility was up to 6 (six) months from the date of the credit agreement.

The loan term was 18 (eighteen) months from the date of the Credit Agreement. The interest period was every 3 (three) months based on JIBOR, with the payment of interest being made on every due date. The interest rate for this loan was JIBOR + 0.40%, commencing from October 1, 2023 up to the last due date.

On April 25, 2022, the Company withdrew an amount of IDR1,000,000 million. This loan was settled on September 29, 2023.

- 3) The Revolving Term Loan Agreement IV of IDR1,000,000 million which was signed on June 10, 2015 and has been extended several times with the latest extension being signed on May 24, 2023.

Based on the last facility agreement, the deadline for using the credit facility was up to 1 (one) month from the date of the credit agreement.

The last due date was November 24, 2023 (18 months). The interest rate for this loan is JIBOR + 0.4%.

By September 30, 2023, this loan facility had not been withdrawn.

- 4) The Revolving Term Loan Agreement II of IDR2,500,000 million which was signed on April 29, 2020 and has been extended

several times with the latest extension being signed on May 4, 2023.

Based on the facility agreement, the deadline for using the credit facility was up to 6 (six) months from the date of the credit agreement.

The interest period was every 3 (three) months, with the payment of interest being made on every due date. The interest rate for this loan was JIBOR + 0.4%.

On May 4, 2022, the Company withdrew an amount of IDR2,500,000 million, with the due date on November 4, 2024.

- 5) The Revolving Term Loan Agreement of IDR1,000,000 million which was signed on November 29, 2022.

Based on the facility agreement, the deadline for using the credit facility was up to 6 (six) months from the date of the credit agreement.

The loan term was 18 (eighteen) months from the date of the Credit Agreement.

The interest period was every 3 (three) months, with the payment of interest being made on every due date. The interest rate for this loan was JIBOR + 0.4%.

On May 29, 2022, the Company withdrew an amount of IDR1,000,000 million, with the due date on May 29, 2024.

By September 30, 2023, the total facility of PT Bank Central Asia Tbk. that had not been used was IDR1,500,000.

On September 30, 2023, no particular restrictions are required.

Bilateral Loans of SMBC Singapore

The Company has revolving long-term borrowings from SMBC Singapore, with the total facility equivalent to USD3,625,000,000 (full amount). This facility could be withdrawn in US Dollar currency or in equivalent amount in other currencies beyond US Dollar and Singaporean Dollar.

The total loan withdrawn from this facility by September 30, 2023 was USD1,195,000,000 (full amount) and EUR10,000,000 (full amount) (December 31, 2022: USD2,372,000,000 (full amount) and EUR20,000,000 (full amount) and December 31, 2021: USD1,957,000,000 (full amount) and EUR20,000,000 (full amount)).

This loan will fall due between October 31, 2024 and March 28, 2025.

The annual contractual interest rate on this long-term loan is the cost of fund plus a certain margin. For position on September 30, 2023, the applied margin was 0.66% (for the total loan of USD995,000,000 (full amount)) and 0.50% (for the total loan of USD200,000,000 (full amount) and EUR10,000,000

(full amount)). For position on December 31, 2022, the applied margin was 0.66% (for the total loan of USD355,000,000 (full amount)) and 0.50% (for the total loan of USD2,017,000,000 (full amount) and EUR20,000,000 (full amount)) and for position on December 31, 2021, the applied margin was 0.50%.

On September 30, 2023, no particular restrictions are required in this long-term loan.

Non-bank loans

Principal amount of loans based on terms:

	<i>(in million Rupiah)</i>
	September 30, 2023
Longer than 3 years	6,700,350
Deducted by:	
Unamortized transaction costs	(51,959)
Added with:	
Accrued interest expenses	61,274
	6,709,665

Non-bank loans are loan facilities with the International Finance Corporation (IFC) and the Government instead of affiliated parties, consisting of several agreements as follows:

1) Loan Agreement 2019

The purpose of the loan is to fund the credit financing of micro, small and medium enterprises owned by females, green loans, and SCF loans. The Company will use its best efforts to ensure that the aggregate amount of the provided disbursement for each loan shall at least be equal to 25% of the maximum amount of the loan.

On December 30, 2019, the Company withdrew an amount of IDR699,250 million, equivalent to USD50,000,000 (full amount) with the interest rate of 7.75% per year and will fall due on December 3, 2024. The payment of the interest shall be made every 6 (six) months starting from June 30, 2021 and will end on December 30, 2024.

On January 28, 2020, the Company withdrew an amount of IDR1,364,600 million, equivalent to USD100,000,000 (full amount) with the interest rate of 7.30% per year and will fall due on January 28, 2025. The payment of the interest shall be made every 6 (six) months starting from July 28, 2021 and will end on January 28, 2025.

By September 30, 2023, the Company had used all available loan facilities.

The loan agreement regulates some restrictions that must be fulfilled by the Company, among others:

-
- It is not allowed to make substantial business changes without written approval of the lender;
 - Not to make merger of business, demerger, or corporate restructuring which may have material harmful impact;
 - Not to issue additional shares and not to transfer shares, making sales, or agreements that may change the SMBC to become non-controlling shareholder in accordance with the Banking or Financial Regulations in Indonesia;

On September 30, 2023, the Company has met all the required restrictions.

2) Loan Agreement 2023

On June 20, 2023, the Company signed a loan Facility agreement in the amount of USD500,000,000 (full amount). The form of this loan is Privately Placed Senior Sustainability Bond. The purpose of the loan is for financing small and medium enterprises that are owned by females, construction of eco-friendly buildings, and Social Bond.

On August 25, 2023, the Company withdrew USD300,000,000 (full amount) with the interest rate based on the reference interest rate 3 months + 0.846%. The payment of interest is made every 3 (three) months, starting from November 27, 2023 and will end on August 25, 2028.

On September 30, 2023, the facility still unused was USD 200,000,000 (full amount).

The loan agreement regulates some restrictions that must be fulfilled by the Company, among others:

- To state or pay any dividends or make any distribution on its share capital (in addition to the dividends or distribution that must be paid in the shares of the Company), except for the payment or distribution that is proposed to be subscribed from the net income of the relevant financial year.
- To make or enable any debts that are guaranteed or of higher or senior ranks than bonds, except for leasing transactions or other transactions that are supported by assets in the banking business operations in general.
- To establish or have any major Subsidiaries (besides BTPN Syariah and BTPN Syariah Ventura).
- Not to fundamentally amend the Articles of Association in any manner that may not be in accordance with the provisions of the agreement.
- Not to make or allow any merger, expansion, fusion or reorganization; or sell, move, lease out or otherwise dispose of all or a substantial part of its assets other than the assets that are taken over in executing the guarantees made for the interest of the Company in its banking business.

On September 30, 2023, the Company has met the requirements related to the first drawdown of the IFC facilities.

Accrual

	(in million Rupiah)
	September 30, 2023
Accrual of operational expenses	312,369
Accrual of promotional expenses	52,914
Accrual of professional services	29,461
Accrual of personnel expenses	19,293
	<u>414,037</u>

Accrual of professional services is the accrual of the fees for the consultants who work with the Company to settle particular projects, including the accrual of the fees for legal consultants, business consultants, public accountants, and the like.

Employee benefits liabilities

The employee benefits liabilities consist of:

	(in million Rupiah)
	September 30, 2023
Short-term employee benefits	
Accrual of employee bonuses, holiday allowances, incidental bonuses, and other short-term liabilities:	

	(in million Rupiah)
	September 30, 2023
The Company	244,832
Subsidiaries	126,163
	370,995
Post-employment benefits and other long-term benefits	
The Company	95,236
Subsidiaries	38,706
	504,937

The Group applies the post-employment benefit program policies in accordance with the Omnibus Law (the "UUJCK") No. 11 of 2020, Government Regulation No. 35 of 2021 and the Cooperation Agreement that is applicable in Group. The basis for calculating this benefit is using the most recent basic salary. This defined benefit pension program is managed by PT Asuransi Allianz Life Indonesia.

This program provides pension benefits that will be paid to eligible employees upon retirement or when they quit in accordance with the applicable regulations. This pension program is funded by the Group by paying an annual fee that at least meets the minimum amount required by the applicable laws and regulations.

The calculation of long-term employee benefits for the Company and Subsidiaries continues to use the results of Actuarial calculations up to September 30, 2023.

On September 30, 2023, the number of the Company's employees who have the right to this benefit is 6,217 employees (unaudited). On September 30, 2023, the number of Subsidiaries' employees who have the right to these benefits is 3,706 employees (unaudited).

In addition to providing the benefits mentioned above, the Company also provides long leave benefits to its employees.

Subordinated loans

Subordinated loans represent the loans from SMBC Singapore a total of USD200,000,000 (full amount), equivalent to IDR3,091,000 million on September 30, 2023, a total of USD200,000,000 (full amount), equivalent to IDR3,113,500 million on December 31, 2022 and a total of USD200,000,000 (full amount), equivalent to IDR 2,850,500 million on December 31, 2021.

Subordinated loans in the amount of USD100,000,000 (full amount) and USD100,000,000 (full amount) were obtained on September 26, 2018 and November 23, 2018, respectively, and will fall due on September 26, 2028 and November 21, 2028, respectively.

For the facility of USD100,000,000 (full amount) which was obtained on September 26, 2018, there is the Additional Agreement which was signed on September 27, 2021, so that the due date has changed from September 26, 2025 to September 26, 2028.

Subordinated loans have earlier payment option with a 20-day notice and upon approval of the creditor.

The range of the interest rate of the subordinated loans is from 6.945% to 7.000% per year. Subordinated loans are used to strengthen the capital structure of the Company as the Supplementary Capital (Tier 2).

In accordance with the OJK Regulation Number 11/POJK.03/2016 on the Obligation for Provision of Minimum Capital of a Commercial Bank and the OJK Circular Letter Number 20/SEOJK.03/2016 on the Conversion Feature into Ordinary Shares or Write Down on the Instrument of Additional Core Capital and Supplementary Capital, the Creditor and the Debtor understand that there are conditions that cause this (trigger events) loan provided in accordance with this Agreement must be converted into ordinary shares or write down being exercised, namely in the event that the viability of the debtor's business has the potential to be disrupted (point of non viability) thereby affecting the debtor's obligations to the creditor, which may be in the form of:

-
- 1) lower Common Equity Tier 1/CET 1 ratio than or equal to 5.125% of the Risk-Weighted Assets both individually and in consolidation with Subsidiaries; and/or
 - 2) there is a plan of the authority to make capital participation to the Debtor whose business viability is deemed to be potentially disrupted; and
 - 3) there is an instruction from the OJK to make conversion into ordinary shares and/or write down.

On September 30, 2023, the Company met all the requirements referred to in the subordinated loan agreement.

Other liabilities

	<i>(in million Rupiah)</i>
	September 30, 2023
Term Deposit DHE	220,234
ATM transactions, transfers, and merchant bills	175,550
Outstanding Standby Letter of Credit expenses	87,836
Deferred income	83,595
Credit insurance premium debt	61,219
Allowance for impairment losses - commitment	56,486
Debts to third parties	40,680
Insurance commission received in advance	16,667
Other insurance premium debts	13,951
Insurance claims	3,744
Miscellaneous others	198,258
	<hr/> 958,220 <hr/>

Term Deposit DHE is an instrument to facilitate the placement of DHE by an exporter at Bank Indonesia, with the mechanism of passing on bank transactions with the customer (exporter) to Bank Indonesia. The bank would record the Term Deposit DHE in the miscellaneous asset accounts and the obligations to the customer (exporter) in the miscellaneous liability accounts in the same value.

ATM transactions, transfers, and merchant bills are debts on ATM transactions and interbank transfers that will be settled on the subsequent business day, and transactions with the merchants through the payment gate.

Deferred income consists of the revenues from the deferred purchase of export bills.

Outstanding standby letter of credit expenses are the expenses that are still to be paid on the standby letter of credit related to the loan provided.

Insurance commission received in advance is the commission received from Allianz on the sales of insurance products to the customers of the Company through all distribution channels of the Company.

Debts to third parties are mostly the debts to the business partners of Subsidiaries, the debts that are related to the information and technology (IT) and the debts to ASABRI.

Credit insurance premium debts consist of insurance premium payments that have been received from the debtors but have not yet paid to the insurance companies.

Other insurance premium debts are premiums payable to the insurance of the Group's employees.

Insurance claims consist of the funds that are received from the proceeds of insurance claims on pension credit customers who die and interim recording of the Company's insurance premium repayment. The funds received will be put in this account until the Company is able to identify the related contract.

Miscellaneous others mainly consist of interim pool accounts on the receipt of advance payments from the debtors, which will be debited upon completion of contract obligations with the debtors in the future.

Commitment and Contingency

(in million Rupiah)

September 30, 2023

Commitment Assets

Loan facilities that have not been withdrawn

Third Parties	4,591,000
Affiliated Parties	37,387,824
	<hr/>
	41,978,824
	<hr/>

	(in million Rupiah)
	September 30, 2023
Contingency Assets	
Interest income on problematic loans	273,023
Received guarantee	29,294,411
	<u>29,567,434</u>
Commitment liabilities	
Credit facilities to customers that have not been used - committed	
Third Parties	14,845,637
Credit facilities to customers that have not been used - uncommitted	
Third Parties	98,905,358
Affiliated Parties	5,446,930
Credit facilities to banks that have not been used - uncommitted - Third Parties	77,036
Letters of credit that cannot be cancelled - Third Parties	852,419
	<u>120,127,380</u>
Contingency liabilities	
Guarantees provided	5,362,499
Third Parties	30,000
Affiliated Parties	<u>5,392,499</u>
<u>Based on collectability:</u>	
	(in million Rupiah)
	September 30, 2023
Current	<u>124,159,824</u>
Under special attention	<u>1,360,055</u>
	<u>125,519,879</u>

Legal cases:

The Company is facing several unresolved lawsuits, administrative proceedings and claims, which are related to the Company's business activities. It is impossible to confirm whether the Company will win or lose in those legal claims or suits. However, the Company's management is confident that the outcome of the decision on those legal matters or lawsuits will not have a significant impact on the business outcome, financial position or liquidity of the Company.

Significant cooperation agreements, contracts, and commitments:

PT Taspen (Persero)

Since 2007, the Company has cooperated with PT Taspen (Persero) where the Company becomes one of the partners for handling the payment of pension money to the retirees of the Government's employees.

PT Pos Indonesia (Persero)

Since March 2012, the Company has cooperated with PT Pos Indonesia (Persero) where PT Pos Indonesia (Persero) assists the Company in withholding pension money of the Government's employees for pension credit installments and marketing the Company's pension credits.

The cooperation agreement between the Company and PT Pos Indonesia (Persero) is renewed periodically and pursuant to the latest agreement, this cooperation will continue up to July 25, 2024. For the period ending on September 30, 2023 related to this cooperation, the Company paid commissions to PT Pos Indonesia (Persero) in the amount of IDR49,656 million.

Joint financing agreement

PT KB Finansia Multi Finance

In October 2022, the Company entered into a joint financing cooperation (without joint liability) with PT KB Finansia Multi Finance ("FMF"). In this cooperation, the portions of the financing facility shall be maximum 90% from the Bank and minimum 10% from FMF. The maximum financing facility shall be IDR300,000 million. The term of the agreement is 3 (three) years effective from October 28, 2022 to October 28, 2025. Pursuant to the amendment in August 2023, the maximum facility is changed to be IDR600,000 million.

PT Home Credit Indonesia

On June 23, 2014, through the Cooperation Agreement No. PKS.087/DIR/TFI/VI/2014, the Company entered into a joint financing without recourse Cooperation Agreement with PT Home Credit Indonesia ("HCI"). In this Cooperation Agreement, the portions of the financing facility to be provided to the

debtors shall be maximum 90% from the Company and minimum 10% from HCI.

On March 8, 2023, through the Cooperation Agreement No. PKS.015/RLBJF/III/2023 the joint financing facility was increased to IDR4,200,000 million and the terms of the agreement was extended to March 8, 2026.

Bancassurance Cooperation Agreement

In August 2014, the Company entered into a bancassurance cooperation with PT Asuransi Allianz Life Indonesia ("Allianz"). The Company will distribute the products of life insurance from Allianz to the Company's customers through all distribution channels of the Company. This agreement is valid for 10 years.

Other significant commitments

The Company rents offices with non-revocable rental agreements. The rental period is between 5-11 years with the majority of service agreements can be renewed at the end of the period at market rates. The Company is required to notify six months earlier when intending to terminate the rental agreement.

The following are the parties that enter into a rental agreement with the Company:

Parties in the agreement	Rented item	Agreement term
PT Bumi Serpong Damai	Office Room	February 1, 2020 - September 2023
PT Bahana Semesta Citra Nusantara	Office Room	October 5, 2015 - March 14, 2027

The minimum future rental payment in a non-revocable rental agreement is as follows:

	September 30, 2023
Up to 1 year	14,274
Longer than 1 year to 5 years	266,388
Longer than 5 years	-
	280,662

ALL THE LIABILITIES OF THE COMPANY ON SEPTEMBER 30, 2023 HAVE BEEN DISCLOSED IN THIS PROSPECTUS. BY THE DATE OF ISSUANCE OF THIS PROSPECTUS, THE GROUP HAS SETTLED ALL OF ITS OBLIGATIONS THAT HAVE FALLEN DUE.

AFTER SEPTEMBER 30, 2023 UNTIL THE DATE OF THE INDEPENDENT AUDITOR'S REPORT AND AFTER THE DATE OF THE INDEPENDENT AUDITOR'S REPORT UNTIL THE REGISTRATION STATEMENT BECOMES EFFECTIVE, THERE ARE NO MATERIAL FACTS THAT CAN RESULT IN SIGNIFICANT CHANGES IN THE COMPANY'S LIABILITIES AND/OR COMMITMENTS, BESIDES THOSE WHICH HAVE BEEN DISCLOSED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP AND THIS PROSPECTUS.

WITH THE SYSTEMATIC MANAGEMENT OF ASSETS AND LIABILITIES AS WELL AS INCREASING OPERATIONAL OUTCOME IN THE FUTURE, THE MANAGEMENT STATES ITS ABILITY TO SETTLE ALL OF ITS LIABILITIES THAT HAVE BEEN DISCLOSED IN THIS PROSPECTUS.

THE COMPANY HAS MET ALL THE FINANCIAL RATIOS REQUIRED IN THE COMPANY'S DEBT AGREEMENTS AS AT SEPTEMBER 30, 2023.

THE COMPANY STATES THAT THERE ARE NO VIOLATION OF REQUIREMENTS IN THE CREDIT AGREEMENTS ENTERED INTO BY THE COMPANY OR SUBSIDIARIES IN THE COMPANY'S BUSINESS GROUP WITH MATERIAL IMPACTS ON THE SUSTAINABILITY OF THE COMPANY'S BUSINESS.

AFTER THE DATE OF THE LAST FINANCIAL STATEMENTS UNTIL THE DATE OF THE REGISTRATION STATEMENT BECOMES EFFECTIVE, THE COMPANY STATES THERE ARE NO DEFAULTS MADE BY THE COMPANY OR SUBSIDIARIES IN THE COMPANY'S BUSINESS GROUP ON THE PAYMENT OF LOAN PRINCIPLES AND/OR INTERESTS.

UNTIL THE DATE OF ISSUANCE OF THIS PROSPECTUS, THERE ARE NO NEGATIVE COVENANTS THAT WILL HARM THE RIGHTS OF THE PUBLIC SHAREHOLDERS.

IV. SUMMARY OF IMPORTANT FINANCIAL DATA

The figures in the summary of important financial data below come from and/or are calculated based on the Group's consolidated financial statements on and for the periods of nine months ending on September 30, 2023 and 2022 and years ending on December 31, 2022 and 2021 which have been audited as per the report contained in this Prospectus.

The Group's consolidated financial statements on and for a period of nine months ending on September 30, 2023 as well as on and for the year ending on December 31, 2022 were prepared by the management of the Company in accordance with the Financial Accounting Standards in Indonesia ("SAK") and have been audited by the KAP Siddharta Widjaja & Rekan, based on the audit standards established by the IAPI and signed by Novie, S.E., CPA (Public Accountant Registration No. AP.1212) with unqualified opinion as contained in the relevant independent auditor's report dated December 7, 2023, reissued on January 8, 2024.

The Group's consolidated financial statements on and for the year ending on December 31, 2021 were prepared by the management of the Company in accordance with the SAK and have been audited by the KAP Siddharta Widjaja & Rekan, based on the audit standards established by the IAPI and signed by Liana Lim, S.E., CPA (Public Accountant Registration No.

AP.0851) with unqualified opinion as contained in the relevant independent auditor's report dated February 23, 2022, reissued on January 8, 2024.

The financial information in this Prospectus also presents consolidated financial information for a period of nine months ending on September 30, 2022 taken from the statements of profit and loss and other consolidated comprehensive incomes and the consolidated cash flow report of the Group. The Group's consolidated financial information for a period of nine months ending on September 30, 2022 is also presented as comparative information in the consolidated financial statements on and for a period of nine months ending on September 30, 2023. In connection with the financial information, KAP Siddharta Widjaja & Rekan has neither audited nor reviewed nor stated any opinion or conclusion on the interim consolidated financial information which was neither audited nor reviewed.

The Group's business outcome for the interim period may not reflect and cannot be made as a reference to the Group's business outcome for a full year or for another period.

A. REPORT ON CONSOLIDATED FINANCIAL POSITION

	<i>(in millions Rupiah)</i>		
	September 30	December 31	
	2023	2022	2021
ASSETS			
Cash	1,432,764	1,747,461	1,884,858

(in millions Rupiah)			
	September 30	December 31	
	2023	2022	2021
Giro in Bank Indonesia	9,762,159	10,215,350	5,602,993
Giro in other banks			
Third parties	435,113	1,549,854	1,102,091
Affiliated parties	462,361	639,707	655,876
Deducted by: Allowance for impairment losses	(148)	(415)	(460)
	897,326	2,189,146	1,757,507
Deposit in Bank Indonesia and other banks	6,799,355	21,885,214	20,655,248
Income of interest/margin to be received	1,734	2,851	8,615
Deducted by: Allowance for impairment losses	-	(171)	(206)
	6,801,089	21,887,894	20,663,657
Securities			
Third parties	18,051,136	18,650,367	21,105,227
Affiliated parties	-	185,510	170,562
Income of interest/margin to be received	119,762	214,812	202,793
Deducted by: Allowance for impairment losses	(720)	(999)	(483)
	18,170,178	19,049,690	21,478,099
Derivative bills			
Third parties	833,426	1,131,664	484,487
Affiliated parties	727,909	615,160	84,212
	1,561,335	1,746,824	568,699
Acceptance bills	3,514,380	3,069,854	1,762,562
Deducted by: Allowance for impairment losses	(2,363)	(4,495)	(5,633)
	3,512,017	3,065,359	1,756,929
Loans provided			
Third parties	135,851,443	132,208,660	124,303,837
Affiliated parties	3,055,035	2,387,393	851,468
Sharia financing/receivables			
Third parties	11,936,149	11,527,463	10,443,469
Income of interest/margin to be received	935,733	878,534	581,581
Deducted by: Allowance for impairment losses	(4,069,942)	(3,579,119)	(3,953,699)
	147,708,418	143,422,931	132,226,656
Share participation			
Third parties	80,388	80,973	22
Affiliated parties	22,500	22,500	22,500
	102,888	103,473	22,522

	<i>(in millions Rupiah)</i>		
	September 30	December 31	
	2023	2022	2021
Expenses paid in advance	1,366,844	1,465,142	1,613,090
Taxes paid in advance	50,566	50,357	33,339
Deferred tax assets	605,843	545,029	514,578
Fixed assets	5,083,566	5,109,182	5,153,001
Deducted by: Accumulated depreciation	(3,059,403)	(2,990,677)	(2,909,211)
	2,024,163	2,118,505	2,243,790
Intangible assets and goodwill	3,449,015	3,237,937	2,846,766
Deducted by: Accumulated amortization	(2,374,139)	(2,161,199)	(1,810,085)
	1,074,876	1,076,738	1,036,681
Other assets	845,497	538,312	515,118
Deducted by: Allowance for impairment losses	(72,327)	(52,507)	(722)
	773,170	485,805	514,396
TOTAL ASSETS	195,843,636	209,169,704	191,917,794
LIABILITIES, TEMPORARY SYIRKAH FUNDS, AND LIABILITY EQUITIES			
Immediate Liability	58,992	59,045	33,255
Undistributed profits	20,623	18,996	13,757
Customer deposits			
Third parties	97,439,721	103,942,403	96,226,638
Affiliated parties	635,797	1,080,884	4,247,589
Accrued interest expenses	172,549	145,624	138,495
	98,248,067	105,168,911	100,612,722
Deposits from other banks			
Third parties	2,557,784	18,779	20,079
Affiliated parties	4,848,579	147,352	3,857,772
Accrued interest expenses	4,067	-	241
	7,410,430	166,131	3,878,092
Derivative liabilities			
Third parties	1,267,055	1,323,645	467,119
Affiliated parties	79,480	124,091	35,372
	1,346,535	1,447,736	502,491
Acceptance liabilities			
Third parties	2,382,592	2,157,596	711,629
Affiliated parties	187,034	199,232	248,579
	2,569,626	2,356,828	960,208

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<i>(in millions Rupiah)</i>			
	September 30	December 31	
	2023	2022	2021
Affiliated parties	31,579	36,535	42,562
	9,756,275	9,079,595	8,168,312
TOTAL TEMPORARY SYIRKAH FUNDS	10,508,266	9,843,261	8,905,903

EQUITIES

Share capital

Authorized capital IDR300,000 consisting of
15,000,000,000 shares with the nominal value of IDR20
(full amount) per share

Issued and fully paid-up capital of 8,149,106,869 shares	162,982	162,982	162,982
Additional paid-in capital	11,162,236	11,160,647	11,158,962
Fixed asset revaluation reserve	954,174	874,452	874,452
Fair value reserve - net	3,075	(7,704)	117,867
Transactions with non-controlling interests	(24,267)	(24,267)	(24,267)
Retained earnings			
- Reserved	32,596	32,596	81,596
- Not yet reserved	26,133,110	24,702,316	21,588,017
Other equity components	260,801	260,801	260,801
Treasury shares	(254,755)	(255,147)	(255,147)
	38,429,952	36,906,676	33,965,263
Non-controlling interests	2,594,606	2,506,348	2,113,664
TOTAL EQUITIES	41,024,558	39,413,024	36,078,927
TOTAL LIABILITIES, TEMPORARY SYIRKAH FUNDS, AND EQUITIES	195,843,636	209,169,704	191,917,794

B. REPORT ON CONSOLIDATED COMPREHENSIVE PROFIT AND LOSS

<i>(in million Rupiah)</i>			
	For a period of nine months ending on September 30		For the year ending on December 31
	2023	2022	2022 2021
OPERATIONAL INCOME AND EXPENSES			
Interest income	9,740,137	7,475,751	10,525,856 10,074,762
Sharia income	4,308,418	3,955,779	5,373,790 4,673,842

(in million Rupiah)

	For a period of nine months ending on September 30		For the year ending on December 31	
	2023	2022	2022	2021
	14,048,555	11,431,530	15,899,646	14,748,604
Interest expenses	(4,690,182)	(2,517,102)	(3,876,891)	(3,210,932)
Sharia expenses	(362,231)	(247,005)	(344,440)	(394,632)
	(5,052,413)	(2,764,107)	(4,221,331)	(3,605,564)
NET INTEREST AND SHARIA INCOME	8,996,142	8,667,423	11,678,315	11,143,040
Other operational income:				
Other operational income	948,545	929,581	1,228,130	1,196,649
Profits from foreign exchange differences and net derivative transactions	547,428	599,731	784,485	763,135
	1,495,973	1,529,312	2,012,615	1,959,784
Other operational expenses:				
Personnel expenses	(2,791,236)	(2,555,018)	(3,403,319)	(3,364,534)
General and administrative expenses	(2,362,034)	(2,356,968)	(3,272,015)	(3,065,316)
Allowance for impairment losses	(1,092,450)	(1,294,081)	(1,840,167)	(2,111,776)
Other operational expenses	(363,702)	(372,846)	(517,753)	(553,020)
	(7,419,422)	(6,578,913)	(9,033,254)	(9,094,646)
NET OPERATIONAL INCOME	3,072,693	3,617,822	4,657,676	4,008,178
NON-OPERATIONAL INCOME (EXPENSES)				
Non-operational income	6,879	5,923	10,020	10,377
Non-operational expenses	(12,341)	(4,786)	(10,377)	(11,383)
	(5,462)	1,137	(357)	(1,006)
PROFIT BEFORE INCOME TAX	3,067,231	3,618,959	4,657,319	4,007,172
INCOME TAX EXPENSES	(671,967)	(802,818)	(1,027,755)	(902,957)
NET PROFIT	2,395,264	2,816,141	3,629,564	3,104,215
OTHER COMPREHENSIVE INCOME:				
Posts that cannot be reclassified into profit and loss				
Fixed asset revaluation profit	79,722	-	-	72,899
Re-measurement of employee benefits liabilities	(55,569)	-	(37,209)	(13,994)
Income tax related to the posts that cannot be reclassified into profit and loss	12,131	-	8,186	3,079
	36,284	-	(29,023)	61,984

<i>(in million Rupiah)</i>				
	For a period of nine months ending on September 30		For the year ending on December 31	
	2023	2022	2022	2021
Posts that will be reclassified into profit and loss				
Unrealized profit (loss) from changes in the fair value of securities measured at fair value through other comprehensive income	13,845	(200,334)	(160,999)	21,307
Income tax related to the posts that will be reclassified into profit and loss	(3,045)	44,074	35,420	(4,687)
	10,800	(156,260)	(125,579)	16,620
OTHER COMPREHENSIVE INCOME OF THE CURRENT YEAR, AFTER INCOME TAX	47,084	(156,260)	(154,602)	78,604
TOTAL COMPREHENSIVE PROFIT OF THE CURRENT YEAR, AFTER TAX	2,442,348	2,659,881	3,474,962	3,182,819
NET PROFIT ATTRIBUTED TO				
Holding entity owner	2,093,737	2,417,841	3,095,701	2,664,714
Non-controlling interest	301,527	398,300	533,863	439,501
	2,395,264	2,816,141	3,629,564	3,104,215
TOTAL COMPREHENSIVE PROFIT ATTRIBUTED TO				
Holding entity owner	2,140,435	2,261,594	2,939,728	2,742,035
Non-controlling interest	301,913	398,287	535,234	440,784
	2,442,348	2,659,881	3,474,962	3,182,819
NET PROFIT PER SHARE (FULL AMOUNT)				
Base	260	300	384	331
Diluted	260	300	384	331
DIVIDEND PER SHARE	-	-	76.8	-

C. FINANCIAL RATIOS

<i>(in millions Rupiah)</i>			
	September 30	December 31	
	2023	2022	2021
CAPITAL			
CAR in consideration of credit and operational risks	30.28%	27.42%	26.31%
CAR in consideration of credit, operational and market risks	29.78%	27.29%	26.17%

QUALITY OF ASSETS

Problematic productive assets to total productive assets	0.71%	0.68%	1.26%
Problematic productive assets and problematic non-productive assets to total productive assets and non-productive assets	0.71%	0.68%	0.78%
CKPN of financial assets to productive assets	2.24%	1.85%	2.18%

RENTABILITY

ROA	2.05%	2.36%	2.23%
ROE	7.78%	9.15%	8.57%
NIM	6.44%	6.32%	6.56%
Total liabilities to total equities (x)	3.77	4.31	4.32
Total liabilities to total assets (x)	0.79	0.81	0.81

EFFICIENCY LEVEL

BOPO	80.33%	75.05%	80.47%
CIR	49.28%	49.79%	63.23%

QUALITY OF CREDIT

NPL - gross	1.47%	1.43%	1.68%
NPL - net	0.50%	0.44%	0.37%

LIQUIDITY

LDR	137.91%	126.66%	123.10%
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COMPLIANCE

Percentage of violation of BMPK	0.00%	0.00%	0.00%
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GWM of the Company

Rupiah

Primary GWM	7.89%	8.20%	3.65%
PLM GWM	9.94%	10.91%	15.20%

Foreign Currencies

Foreign Currency GWM	4.02%	4.02%	4.04%
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GWM of Subsidiaries

Rupiah

Total GWM	6.45%	5.77%	3.80%
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PDN	0.87%	0.33%	0.14%
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**D. FINANCIAL RATIOS OF CREDIT AGREEMENTS OR OTHER OBLIGATIONS
AND THE FULFILLMENT THEREOF**

On September 30, 2023, the Company fulfilled the financial ratio restrictions as required in the debt agreements held by the Company.

**THE COMPANY HAS FULFILLED ALL FINANCIAL RATIOS REQUIRED IN
THE COMPANY'S DEBT AGREEMENTS AS AT THE ISSUANCE DATE OF THIS
PROSPECTUS.**

V. ANALYSIS AND DISCUSSION BY THE MANAGEMENT

The analysis and discussion of the financial condition and the Group's operational outcome in this chapter should be read together with the Chapter "Summary of Important Financial Data" and the Group's consolidated financial statements as well as the notes on the consolidated financial statements not contained in this Prospectus.

The Group's consolidated financial statements on and for a period of nine months ending on September 30, 2023 as well as on and for the year ending on December 31, 2022 were prepared by the management of the Company in accordance with the SAK and have been audited by the KAP Siddharta Widjaja & Rekan, based on the audit standards established by the IAPI and signed by Novie, S.E., CPA (Public Accountant Registration No. AP.1212) with unqualified opinion as contained in the relevant independent auditor's report dated December 7, 2023, reissued on January 8, 2024.

The Group's consolidated financial statements on and for the year ending on December 31, 2021 were prepared by the management of the Company in accordance with the SAK and have been audited by the KAP Siddharta Widjaja & Rekan, based on the audit standards established by the IAPI and signed by Liana Lim, S.E., CPA (Public Accountant Registration No. AP.0851) with unqualified opinion as contained in the relevant

independent auditor's report dated February 23, 2022, reissued on January 8, 2024.

The financial information in this Prospectus also presents consolidated financial information for a period of nine months ending on September 30, 2022 taken from the statements of profit and loss and other consolidated comprehensive incomes and the consolidated cash flow report of the Group. The Group's consolidated financial information for a period of nine months ending on September 30, 2022 is also presented as comparative information in the consolidated financial statements on and for a period of nine months ending on September 30, 2023. In connection with the financial information, KAP Siddharta Widjaja & Rekan has neither audited nor reviewed nor stated any opinion or conclusion on the interim consolidated financial information which was neither audited nor reviewed.

The discussion in this chapter may contain forward looking statements and reflect the management's current view relating to the financial events and performance in the future, the actual outcome of which may differs materially as the result of the factors that have been described in Chapter VI about Risk Factors.

As the consequence of rounding, the presentation of some figures in the following financial information may be a little different from those of arithmetic addition.

A. Significant Factors that Affect Financial Outcome and Group's Operation

The main factors that affect the Group's financial condition and operational outcome cover the following:

General Economic Condition

According to the Organization for Economic Co-operation and Development ("OECD"), the full impact on the output of tightening rapid and synchronized monetary policy since the beginning of 2022 is most likely to occur in 2023 and 2024, especially in private investment. With inflation remaining high, interest rates are expected to remain constantly high, as well as the position of various countries to maintain a tight fiscal stance to ease the debt burden caused by the COVID-19 pandemic. Therefore, the OECD projects global growth to be at 3.0% in 2023 and will continue to decline to 2.7% in 2024, due to core inflation which is still high while the risks of decline will continue. This weak global recovery reflects the assumed decline in energy prices, as well as growth originating from emerging market countries and the economy of the People's Republic of China (PRC).

The global economy itself has improved, where lower energy prices have lowered general inflation in many countries and reduced the burden on household budgets. As a result, business and consumer sentiment began to improve. Likewise, with pressure on the supply chain, high demand is also seen as a trigger of high inflation. However, for some time, underlying inflation has been consistently higher and harder to get off than expected. This causes difficulty in assessing when inflationary pressures may return to the targeted levels. With such developments, inflation is expected to gradually slow down in 2023 and 2024, and is expected to remain above central bank targets in most countries.

In the face of the inflation which remains high, many countries keep applying a tight monetary policy hoping that the tightening of policy will enable the core inflation to gradually return to the targeted level. Therefore, the monetary policy is predicted to remain restrictive until there are underlying clear signs and the inflation pressure has been lowered to the appropriate level. In 2023, the interest rate policy seemed to be in or approaching the peak in most countries, including the United States of America and European region, with the further policy wisdom highly dependent upon economic data just released at the appropriate level on ad-hoc basis. This involves such data as the Purchase Managers Index

(the “**PMI**”) and new orders in the manufacturing sector, as well as the labor market, rate of unemployment, etcetera.

Although the situation is relatively controlled, there are still downside risks, because uncertainty about strength and impact of the monetary policy, as well as the remaining stable inflation, still making it as the main concern. The inflation persistence requires the tightening of additional policies which may show financial vulnerability through sudden reassessment of the risks of liquidity, period, and credit. The global political tensions and interstate conflicts have also influenced the supply and price of commodities in 2023. Continual global political situation may also be potential to affect the Indonesia’s economy in 2024. This results in worries that those conflicts may have further impacts to various other countries. Although currently the escalation is seen from the support of other countries all over the world such as the United States of America and Europe, there is also the risk of involvement of other Middle East countries with the potency of retriggering inflation pressures and affecting the global energy market.

The Federal Reserve of the United States of America keeps maintaining their position to increase the interest rate aggressively to reduce inflation. So far, they have increased the interest rate of the Federal Funds 1% in 2023. Although this increase was not as aggressive as that previously in

2022, the interest rate of the Federal Funds kept increasing from the range of 4.25% - 4.50% to 5.25% - 5.50% in 2023. It is believed that the reference interest rate of the Federal Reserve of the United States of America could be increased once again in 2023 to the highest level at 5.50% - 5.75%. However, with the economy of the United States of America kept growing at the trend level which was predicted around 1.80%, even in the circle of policy makers of the Federal Reserve of the United States of America, the estimated Gross Domestic Income ("PDB") averagely for the year 2023 is 2.10%, the Federal Funds Rate is predicted to decline to 5.1% at the end of 2024 and 3.9% at the end of 2025. The main measure of the central bank's inflation is also projected to decline to 3.3% at the end of 2023, 2.5% in 2024 and 2.2% at the end of 2025. Following this calculation, the Federal Reserve of the United States of America predicts that inflation will be back to the target of 2% in 2026.

According to the Asian Development Bank (the "ADB"), Indonesia's economy is expected to grow 5.0% in 2023 and will remain at 5.0% in 2024. This is mostly because Indonesia is seen to have proper fiscal and monetary policies, and maintains a stabile financial sector, as well as a strong external position. Although banking activities and trading balance have declined due to the declining prices of commodities and declining export of goods, the foreign

exchange reserves and the exchange rates of Rupiah are expected to remain stable. Domestic demand also drives and supports the growth of PDB. Moreover, the inflation subsides faster than expected, with the average inflation rate of Indonesia is expected to be at 3.6% in 2023 and 3% in 2024. This fast declining inflation rate is also reflected in the most current data of inflation showing in September 2023 that Indonesia recorded an annual inflation rate of 2.28% Year on Year ("YoY") basis, which is still in the targeted range of Bank Indonesia, i.e. from 2% to 4%. The fiscal deficit is also predicted to remain below the upper limit in 2023 and 2024, which is projected by the ADB to reach 2.30% of the PDB in 2023, and 2.29% of the PDB in 2024. Although the interest rate has increased globally, Bank Indonesia has maintained a policy interest rate at 5.75% for the most part of 2023, although Bank Indonesia has also decided to increase the reference interest rate to 6% in October 2023 to maintain the stability of Rupiah's exchange rate, and gives the signal to make further tightening if necessary. Nonetheless, the inflation has been suppressed by maintaining the economic stability. In this condition, the negative risks for Indonesia are mostly originating from external factors, with impact from such events as the increasing interest rate of the United States of America and the weakening demand from PRC which is likely making Indonesian vulnerable to external shocks; although the chances and risks resulting from the coming presidential

election also exist in 2024. However, the Indonesia's diversification strategy with the focus on the downstream activities of raw commodities such as nickel, and the strong Indonesia's domestic demand keep supporting the economic growth and stability in Indonesia.

Healthy Condition of Banks

Capital Adequacy Ratio (CAR)

The Group recorded the Capital Adequacy Ratio at a strong level. The positions of the Group's capital adequacy ratio on September 30, 2023, December 31 2022 and 2021 were at 29.78%, 27.29%, and 26.17%, respectively. The position of the Group's CAR was above the condition stipulated by the OJK, i.e. 9%-10% in accordance with the Group's risk profile.

Quality of Assets

The Group is always committed to maintain the quality of credits. On September 30, 2023, December 31, 2022 and 2021, the NPL ratios - gross were 1.47%, 1.42%, and 1.68%, respectively, relatively lower than the recorded average industry of 2.50% at the end of August 2023.

Rentability

As at September 30, 2023, the Group recorded a positive growth with an increasing interest income that grew 23% YoY, whereas the net interest income was recorded in the amount of IDR9.00

trillion, or 4% increase, in the midst of the increasing interest rate.

The Group decided to add credit reserve in 2023 as part of the Group's anticipation relating to the restructuring process of the corporate customers and as part of the mitigation efforts and ending of the COVID-19 stimulus policy from the Government. Due to this addition of reserve, the credit costs have increased by IDR608 billion which then affected the net profit after the Group's taxes. The net profit after tax which was attributed to the holding entity owner was recorded at the level of IDR2.09 trillion during January-September 2023, 13% lower YoY.

The Net Interest Margin (NIM) is the income of net interest divided by the average balance of productive assets, resulting in interest earning assets. The net interest margin on September 30, 2023, December 31, 2022 and 2021 was 6.44%, 6.32%, and 6.56%, respectively.

Return on Assets (ROA) is used to measure the ability of the Group to gain profit before tax of the assets owned. The return on assets on September 30, 2023, December 31, 2022 and 2021 was 2.05%, 2.36%, and 2.23%, respectively.

The Return on Equity (ROE) is used to measure the ability of the Group to gain profit before tax of the equities owned. The

return on equity on September 30, 2023, December 31, 2022 and 2021 was 7.78%, 9.15%, and 8.57%, respectively.

The ratio of operational expenses to the operational income (BOPO) is the ratio for measuring the efficiency level of the Group. The BOPO ratio on September 30, 2023, December 31, 2022 and 2021 was 80.33%, 75.05%, and 80.47%, respectively. The Company keeps using efforts to strive for efficiency in all fields, so that the investment was intended to improve productivity and efficiency of the business process.

B. Important Changes in Accounting Policy during the Last Two Years

The following are the standards and standard interpretation effective from January 1, 2022, having impact on the Group's consolidated financial statements, and will likely need retrospective application as regulated in the PSAK 25, "Accounting Policy, Change of Accounting Estimation, and Mistakes":

- Amendment of PSAK 22 "Business Combination: Reference to the Conceptual Frame"
- Amendment of PSAK 57 "Provision, Contingency Liabilities, and Contingency Assets: Aggravating Contracts - Costs of Meeting Contracts"
- Amendment of PSAK 16 "Fixed Assets: Results before the Intended Use"

-
- Annual Adjustment 2020 (PSAK 69, PSAK 71, and PSAK 73)

The following are the standards and standard interpretation effective from January 1, 2023, having impact on the Group's consolidated financial statements, and will likely need retrospective application as regulated in the PSAK 25, "Accounting Policy, Change of Accounting Estimation, and Mistakes":

- Amendment PSAK 1 "Presentation of Financial Statements: Disclosure of Accounting Policy"
- Amendment of PSAK 25 "Accounting Policy, Change of Accounting Estimation, and Mistakes" related to: Definition of Accounting Estimation"
- Amendment of PSAK 46 "Income Tax on: Deferred Tax: Assets and Liabilities Arising from Single Transaction"

The application of the accounting standards referred to above has no significant impact on the consolidated financial statements.

C. Group's Operational Segment

The operational segment is reported in accordance with the internal report prepared for the Company's Board of Directors, who acts as the operational decision maker, with the responsibility to allocate resources to segments and assess the performance. All operational segments used by the Group

have met the reporting criteria based on SAK 5: Operational Segment. The Group has 5 (five) segment reporting, based on the business products, as presented below.

1. **Retail.** Consisting of the loans provided to retired customers and other individual customers.

2. **Credits for Micro, Small & Medium Enterprises (UMKM).**

Consisting of the loans that are provided to the customers of micro, small and medium enterprises to be used for business activities.

3. **Collection of funds and treasuries.** Consisting of activities for collection of funds from third parties and other banks as well as treasury activities, including the loans received and the securities issued. The collection of funds and treasuries is under the same directorate.

4. **Corporation.** Consisting of loans and services provided by corporate customers to be used for business activities.

5. **Sharia.** Constitutes a line of operational segment on Subsidiaries starting from the date of effective operation as a sharia commercial bank. Consisting of sharia financing and funds of third parties from sharia customers to be used for business activities. In allocating the operational expenses, the management attributed several items of operational expenses in accordance with the Group's internal reporting policy.

(in million Rupiah)

For a nine months' period ending on September 30, 2023

	Retail	MSME	Funding and treasury	Corporate	Sharia	Adjustment and elimination	Consolidated
Operational income and expenses							
Interest and sharia income from external parties	2,890,553	871,973	895,562	5,082,049	4,308,418	-	14,048,555
Intersegment interest income	(1,471,793)	(507,250)	5,889,646	(3,910,603)	-	-	-
Intersegment interest expenses	74,644	25,828	(2,618,085)	2,517,613	-	-	-
Sharia interest and profit expenses	(7,362)	(8,064)	(3,085,507)	(1,589,249)	(362,231)	-	(5,052,413)
Reported segment interest and sharia income - net	1,486,042	382,487	1,081,616	2,099,810	3,946,187	-	8,996,142
Other operational income:							
Other operational income	145,990	160,123	893,908	194,697	52,642	(498,815)	948,545
Profit from differences of foreign exchange rates and derivative transactions - net	-	222	94,186	453,608	(588)	-	547,428
Other operational income	145,990	160,345	988,094	648,305	52,054	(498,815)	1,495,973
Other operational expenses:							
Other operational expenses	(1,211,090)	(528,972)	(1,411,179)	(849,392)	(1,516,339)	-	(5,516,972)
Allowance for impairment losses	(195,752)	34,580	(94)	(543,296)	(1,197,888)	-	(1,902,450)
Other operational expenses	(1,406,842)	(494,392)	(1,411,273)	(1,392,688)	(2,714,227)	-	(7,419,422)
Other operational income - net	(1,260,853)	(334,047)	(423,179)	(744,383)	(2,662,173)	(498,815)	(5,923,449)
Non-operational income (expenses)	655	2,028	(8,450)	(14)	319	-	(5,462)
Segment profit (loss) before income tax	225,845	50,468	649,987	1,355,413	1,284,333	(498,815)	3,067,231
Income tax expenses	(38,879)	(8,688)	(111,894)	(233,331)	(279,175)	-	(671,967)
Net profit (loss)	186,966	41,780	538,093	1,122,082	1,005,158	(498,815)	2,395,264

(in million Rupiah)

For a nine months' period ending on September 30, 2022

	Retail	UMKM	Funding and treasury	Corporate	Sharia	Adjustment and elimination	Consolidated
Operational income and expenses							
Interest and sharia income from external parties	3,237,504	724,458	671,411	2,843,650	3,955,779	-	11,432,802
Intersegment interest income	(1,714,987)	(221,916)	3,477,556	(1,540,653)	-	-	-
Intersegment interest expenses	69,116	14,821	(1,581,314)	1,497,377	-	-	-
Sharia interest and profit expenses	(11,902)	(8,244)	(1,642,225)	(854,731)	(247,005)	-	(2,764,107)
Reported segment interest and sharia income - net	1,579,731	509,119	925,428	1,945,643	3,708,774	-	8,668,695
Other operational income:							
Other operational income	120,103	171,461	723,904	200,800	45,033	(332,992)	928,309
Profit from differences of foreign exchange rates and derivative transactions - net	-	232	130,556	466,823	2,120	-	599,731
Other operational income	120,103	171,693	854,460	667,623	47,153	(332,992)	1,528,040
Other operational expenses:							
Other operational expenses	(1,159,518)	(648,991)	(1,366,287)	(689,929)	(1,420,107)	-	(5,284,832)
Allowance for impairment losses	(160,865)	(247,364)	805	(252,142)	(1634,515)	-	(1,294,081)
Other operational expenses	(1,320,383)	(896,355)	(1,411,273)	(942,071)	(2,054,622)	-	(6,578,913)
Other operational income - net	(1,200,280)	(724,662)	(511,022)	(274,448)	(2,007,469)	(332,992)	(5,050,873)
Non-operational income (expenses)	1,143	327	(420)	(9)	96	-	1,137
Segment profit (loss) before income tax	380,594	(215,216)	413,986	1,671,186	1,701,401	(332,992)	3,618,959
Income tax expenses	(72,567)	41,035	(78,934)	(318,642)	(373,710)	-	(802,818)
Net profit (loss)	308,027	(174,181)	335,052	1,352,544	1,327,691	(332,992)	2,816,141

(in million Rupiah)

For the year ending on December 31, 2022							
	Retail	UMKM	Funding and treasury	Corporate	Sharia	Adjustment and elimination	Consolidated
Operational income and expenses							
Interest and sharia income from external parties	4,265,547	981,674	960,274	4,318,361	5,373,790	-	15,899,646
Intersegment interest income	(2,259,272)	(351,222)	5,192,551	(2,582,057)	-	-	-
Intersegment interest expenses	91,090	20,948	(2,320,670)	2,208,632	-	-	-
Sharia interest and profit expenses	(21,769)	(4,349)	(2,577,615)	(1,273,158)	(344,440)	-	(4,221,331)
Reported segment interest and sharia income - net	2,075,596	647,051	1,254,540	2,761,778	5,029,350	-	11,678,315
Other operational income:							
Other operational income	160,206	218,666	840,897	279,535	61,818	(332,992)	1,228,130
Profit from differences of foreign exchange rates and derivative transactions - net	-	286	189,913	590,458	3,828	-	784,485
Other operational income	160,206	218,952	1,030,810	869,993	65,646	(332,992)	2,012,615
Other operational expenses:							
Other operational expenses	(1,587,330)	(881,123)	(1,904,827)	(950,315)	(1,869,492)	-	(7,193,087)
Allowance for impairment losses	(234,311)	(269,769)	482	(391,517)	(945,052)	-	(1,840,167)
Other operational expenses	(1,821,641)	(1,150,892)	(1,904,345)	(1,341,832)	(2,814,544)	-	(9,033,254)
Other operational income - net	(1,661,435)	(931,940)	(873,535)	(471,839)	(2,748,898)	(332,992)	(7,020,639)
Non-operational income (expenses)	1,516	698	(4,502)	(11)	1,942	-	(357)
Segment profit (loss) before income tax	415,677	(284,191)	376,503	2,199,928	2,282,394	(332,992)	4,657,319
Income tax expenses	(80,581)	55,092	(72,987)	(426,465)	(502,814)	-	(1,027,755)
Net profit (loss)	335,096	(229,099)	303,516	1,773,463	1,779,580	(332,992)	3,629,564

(in million Rupiah)

For the year ending on December 31, 2021							
	Retail	UMKM	Funding and treasury	Corporate	Sharia	Adjustment and elimination	Consolidated
Operational income and expenses							
Interest and sharia income from external parties	4,981,637	1,095,290	933,644	3,064,191	4,673,842	-	14,748,604
Intersegment interest income	(2,609,326)	(358,231)	4,386,148	(1,418,591)	-	-	-
Intersegment interest expenses	92,810	18,972	(2,064,519)	1,952,737	-	-	-
Sharia interest and profit expenses	(18,395)	(14,677)	(1,796,430)	(1,381,430)	(394,632)	-	(3,605,564)
Reported segment interest and sharia income - net	2,446,726	741,354	1,458,843	2,216,907	4,279,210	-	11,143,040
Other operational income:							
Other operational income	168,292	195,383	728,490	260,107	22,332	(177,965)	1,196,649
Profit from differences of foreign exchange rates and derivative transactions - net	-	263	213,068	549,804	-	-	763,135
Other operational income	168,292	195,646	941,558	809,911	22,332	(177,955)	1,959,784
Other operational expenses:							
Other operational expenses	(1,484,048)	(955,348)	(1,943,457)	(906,725)	(1,693,292)	-	(6,982,870)
Allowance for impairment losses	(218,394)	(258,668)	116	(906,378)	(728,220)	-	(2,111,776)
Other operational expenses	(1,702,442)	(1,214,016)	(1,943,573)	(1,813,103)	(2,421,512)	-	(9,094,646)
Other operational income - net	(1,534,150)	(1,018,370)	(1,002,015)	(1,003,192)	(2,399,180)	(177,955)	(7,134,862)
Non-operational income (expenses)	1,604	1,034	(1,075)	(12)	(2,557)	-	(1,006)
Segment profit (loss) before income tax	914,180	(275,982)	455,753	1,213,703	1,877,473	(177,955)	4,007,172
Income tax expenses	(194,309)	58,660	(96,869)	(257,971)	(412,468)	-	(902,957)
Net profit (loss)	719,871	(217,322)	358,884	955,732	005	(177,955)	3,104,215

D. Outcome of Business Activities

The nine months' period ending on September 30, 2023 compared to the nine months' period ending on September 30, 2022

The outcome of the Group's business activities was heavily influenced by the increasing interest rate and the requirement for a higher credit reserves. However, the Group was able to manage the liquidity and funding properly, support the credit growth, and maintain the NUM at 6.44%. The operational costs could be managed properly and the gross NPL ratio was maintained at the level of 1.47%.

In the nine months' period ending on September 30, 2023, the Group booked a higher allowance for impairment losses compared to the same period in 2022, particularly in connection with credit restructuring in the corporate and Sharia segments (with the existing COVID-19 post-pandemic condition which still posed a heavy challenge for the economy of ultra-micro customers served by Subsidiaries).

Interest and Sharia Income. The Group recorded an increase of interest and sharia income of IDR2,615,753 million or 22.88% to IDR14,048,555 million from previously IDR11,431,530 million. This increase was particularly caused by an increase in interest income from third parties which was dominated by a loan of IDR1,897,823 million and deposit at Bank Indonesia of IDR274,570 million as well as an increase of sharia income

from a loan which was provided amounting to IDR352,639 million or 8.91%. The increase of the interest income from the provided loan was contributed to the increase of the average balance of the loan in Rupiah currency of IDR6,937,291 million or 7.94%, which was offset by the decline of average balance of the loan in foreign currencies of IDR2,089,465 million or 4.55%. In addition to the increase in the average balance of the loan, the increase in the interest income of the loan was also contributed by the increase of the interest rate which was caused by the increase of the reference interest rate of Bank Indonesia and the Federal Reserve of the United States of America. Meanwhile, the increase of interest rate from the deposit at Bank Indonesia was particularly caused by an increase of average balance of the deposit of liquidity in foreign currencies of 253.55%. Moreover, the interest rate of deposit at Bank Indonesia also increased by 3.5% due to an increase of the reference interest rate of the Federal Reserve of the United States of America. The increase of the sharia income from the provided loan was caused by the increase of the average balance of sharia financing amounting to IDR932,498 million or 8.42%.

Interest and Sharia Expenses. The Group recorded an increase of interest and sharia income of IDR2,288,306 million or 82.79% to IDR5,052,413 million from previously IDR2,764,107 million. This increase was particularly caused by an increase

in interest income from third parties of IDR1,299,556 million or 65.52% and the loan received, the subordinated loan as well as savings from other Banks of IDR898,500 million or 182.95%. The sharia expenses had an increase of IDR115,226 million or 46.65%. The increase of the interest expenses on the savings of third parties was particularly caused by the increase of interest expenses of term deposits as the impact of the increase in the reference interest rate of Bank Indonesia and the Federal Reserve of the United States of America as well as the increase of average balance of term deposits in foreign currencies of 206.48% or IDR7,803,993 million, whereas the received loan and the subordinated loan experienced a little decline of 1.17% or IDR638,706 million. Meanwhile, the received loan and the subordinated loan were dominated by foreign currencies, thereby undergoing the increase of interest expenses as the result of the increasing reference interest rate of the Federal Reserve of the United States of America. The increase of the sharia expenses was caused by the increase of the average balance of third parties' sharia funds amounting to IDR996,638 million or 8.79% and also the increase of the sharia fund expenses of 35.78%.

Interest and Sharia Income - Net. The Group was successful in recording an increase of net interest and sharia income of IDR328,719 million or 3.79% in line with an increase of

interest and sharia income higher than the interest and sharia expenses.

Operational Income - Net. The Group recorded a decrease of operational income - net amounting to IDR545,129 million or 15.07% to IDR3,072,693 million from previousl IDR3,617,822 million. This decrease was caused by the increasing allowance for impairment losses, particularly from the sharia payment due to the decreasing quality of the credits amounting to IDR608,369 million or 47.01%. The allowance for impairment losses on the sharia payment increased by IDR563,373 million or 88.78% because the Covid-19 post-pandemic condition was still a heavy challenging impact on the economy of ultra-micro customers served by Subsidiaries. However, the interest and sharia income - net had an increase of IDR327,447 million or 3.78%. Moreover, there was an increase in the personnel expenses amounting to IDR236,218 million or 9.25%. The increase of the personnel expenses was caused by the rising inflation and adjustment of the employees' income.

Net Profit of Current Period/Year. The Group recorded a decrease in the net profit of the current year amounting to IDR420,877 million or 14.95% to IDR2,395,264 million from previously IDR2,816,141 million. This was in line with the declining operational income - net due to the increase of the operational expenses, particularly the allowance for impairment losses.

Comprehensive Profit of Current Period/Year after Tax. The Group recorded a declining after tax comprehensive profit of the current year of 8.18% to IDR2,442,348 million from previously IDR2,659,881 million. This was because of the decrease in the net profit of the current year which was set off by the increase of other comprehensive income after tax amounting to IDR203,344 million or 130.13%.

The year ending on December 31, 2022 compared to the year ending on December 31, 2021

The Group recorded a strong performance in 2022 by the growth of net income of 16.17% and recorded net profit after tax that was attributed to the holding entity owner to IDR3.10 trillion for the year ending on December 31, 2022 from IDR2.67 trillion for the same period in the previous year.

Interest and Sharia Income. The Group recorded an increase in the interest and sharia income of IDR1,151,042 million or 7.80% to IDR15,899,646 million from previously IDR14,748,604 million. This increase was caused by the increase of interest income from third parties which was dominated by the provided loans amounting to IDR377,155 million as well as the increase of sharia income from the provided loans amounting to IDR699,948 million or 14.98%, caused by the increase of the average balance of sharia payment of IDR1,052,745 million or 10.36%. The increase of the credit balance was in line with

the strategy of the Group and in line with the momentum of the economic growth. The credit growth was particularly contributed by the corporate segment and sharia financing.

Interest and Sharia Expenses. The Group recorded an increase of interest and sharia expenses amounting to IDR615,767 million or 17.08% to IDR4,221,331 million from previous IDR3,605,564 million. This was particularly caused by an increase in the Interest Expenses on the savings of third parties amounting to IDR14,281 million or 0.51% and the received loans as well as the subordinated loan amounting to IDR709,168 million or 105.61%. The increase of the interest expenses was caused by the increasing funding costs in line with the trend of increasing interest rate and the increasing balance of the received loans and the customers' deposits. However, the sharia expenses decreased by IDR50,192 million or 12.72%, due to the decreasing sharia funding costs of 20.94%, despite the increasing average of third parties' sharia funds of IDR958,477 million or 9.12%.

Interest and Sharia Income - Net. The Group was successful to record an increase of net interest and sharia income amounting to IDR535,275 million or 4.80% in line with an increase in the interest and sharia income that was higher than the interest and sharia expenses as a form of efficiency in credit costs.

Operational Income - Net. The Group recorded an increase of operational income - net amounting to IDR649,498 million or 16.20% to IDR4,657,676 million from previously IDR4,008,178 million. This increase was particularly caused by an increase in the interest and sharia income - net amounting to IDR535,275 million or 4.80% and an increase in the operational income which was dominated by the income from retail and corporate segments as well as the recovery of written-off credits, fines for early and late repayment and other commission income. The credit cost was lower by 13% yoy. In addition, the Group made efficiency in the operational expenses of Rp. 61,392 million or 0.68%.

Net Profit of Current Period/Year. The Group recorded an increase in the net profit of the current year amounting to IDR525,349 million or 16.92% to IDR3,629,564 million from previously IDR3,104,215 million. This was in line with the growth of the interest and sharia income, operational income, declining credit cost as well as operational expense efficiency.

Comprehensive Profit of Current Period/Year after Tax. The Group recorded an increase in the after tax comprehensive profit of the current year of 9.18% to IDR3,474,962 million from previously IDR3,182,819 million. The increase was due to the increase in the net profit of the current year which was

set off by the significant decrease of other comprehensive income after tax amounting to IDR233,206 million or 296.68%.

E. Assets, Liabilities, and Equities

The loans provided for the position on September 30, 2023 increased by 3.22% compared to the position on 31 December 2022. Excluding Pension loans, the loans provided grew by 5.16%, mainly contributed by the Corporate segment by 2.92%, Retail by 12.49% and UMKM by 14.42%. The nominal increase in loans provided by the Group is still dominated by the Corporate segment because the ticket size for each loan is relatively large. The Group remains committed to growing loans provided across all segments.

In the midst of increasing interest rates, in the 9 months' period ending on September 30, 2023, the Group optimized the amount and diversification of funding sources while still paying attention to the amount needed to support the growth of loans provided. The lower total amount of funding (deposits from customers and other third parties) and the number of liquidity placements explain the lower total assets of the Group. However, the Group's NIM ratio increased from 6.32% for the period ending on December 31, 2022 to 6.44% for the period ending on September 30, 2023. Liquidity and funding ratios remained at a healthy level with the Liquidity Coverage Ratio

(LCR) reached 210.80% and Net Stable Funding Ratio (NSFR) at 120.31% on September 30, 2023.

Assets

Position on September 30, 2023 compared to the position on December 31, 2022

On September 30, 2023, total assets amounted to IDR195,843,636 million, a decrease of IDR13,326,068 million or 6.37% compared to the position on December 31, 2022 of IDR209,169,704 million. The lower Group's assets were mainly caused by adjustments in the total amount of funding (customer deposits and loans received, especially long-term loans) in line with the growth in softer loans during the nine months' period of 2023, thereby reducing the number of placements with Bank Indonesia and other banks amounting to IDR15,085,859 million or 68.93%. Total loans provided to third parties, affiliated parties and sharia financing increased by IDR4,719,111 million or 3.23%. This is in line with the Group's strategy of optimizing profitability by reducing the relatively higher cost of funds originating from loans received, especially from long-term loans, but the Group continues to maintain healthy liquidity and funding conditions. Loans and sharia financing contributed 77.0% to total assets, an increase compared to the position on December 31, 2022 which was 69.9%.

Position on December 31, 2022 compared to the position on December 31, 2021

On December 31, 2022, the total assets were IDR209,169,704 million, an increase of IDR17,251,910 million or 8.99% compared to the position on December 31, 2021 amounting to IDR191,917,794 million. The increase was particularly caused by the increasing loans provided to third parties and affiliated parties amounting to IDR9,440,748 million or 7.54%, mainly contributed by the Corporate segment and sharia financing. The loans provided and the sharia financing contributed 69.9% to the total assets. On the other hand, the increase in the deposit with Bank Indonesia and other banks of IDR1,229,966 million or 5.95% also contributed to the increasing Group's assets.

Liabilities

Position on September 30, 2023 compared to the position on December 31, 2022

On September 30, 2023, total liabilities amounted to IDR144,310,812 million, a decrease of IDR15,602,607 million or 9.76% compared to the position on December 31, 2022 of IDR159,913,419 million. The decrease was mainly caused by the loans received - net, decreasing by IDR16,179,531 million or 35.90% on September 30, 2023 compared to December 31, 2022, which is in line with the Group's strategy of optimizing

profitability by reducing the relatively higher cost of funds originating from loans received, especially from long-term loans, but the Group continues to maintain healthy liquidity and funding conditions.

Position on December 31, 2022 compared to the position on December 31, 2021

On December 31, 2022, the total liquidities were IDR159,913,419 million, an increase of IDR12,980,455 million or 8.83% compared to the position on December 31, 2021 amounting to IDR146,932,964 million. The increase was particularly caused by the increasing customer deposits - net amounting to IDR4,556,189 million or 4.53%. In addition, the loans received - net increased by IDR10,223,538 million or 29.34% on December 31, 2022 compared to December 31, 2021. The increase of the customer deposits and the loans received is used to support the growth of the Company's credits and maintain healthy liquidity and funding conditions.

Equities

Position on September 30, 2023 compared to the position on December 31, 2022

On September 30, 2023, the total equities were IDR41,024,558 million, increasing by IDR1,611,534 million or 4.09% compared to the position on December 31, 2022 amounting to

IDR39,413,024 million. The increase was mainly caused by an increase in the profit balance of IDR1,430,794 million or 5.79% to IDR26,133,110 million compared to December 31, 2022 amounting to IDR24,702,316 million.

Position on December 31, 2022 compared to the position on December 31, 2021

On December 31, 2022, the total equities were IDR39,413,024 million, increasing by IDR3,334,097 million or 9.24% compared to the position on December 31, 2021 amounting to IDR36,078,927 million. The increase was mainly caused by an increase in the profit balance of IDR3,114,299 million or 14.43% to IDR24,702,316 million compared to December 31, 2021 amounting to IDR21,588,017 million.

F. Liquidities and Funding Sources

In carrying out its business activities, the Group obtains liquidities from a variety of sources. The internal liquidity sources of the Group originate among others from the internal cash gained from operational activities and liquidity reserves in the form of financial instruments issued by Bank Indonesia and the Government's bonds as well as deposits in other banks. Meanwhile, external sources originate from customer deposits, loans from the main shareholder (SMBC) both long term and short term, bilateral loans with banking and other financial

institutions, namely IFC, BCA and UOB as well as the issued securities.

On September 30, 2023, the Group had undrawn debt facilities amounting to IDR41,978,824 million. In consideration of the Group's financial resources from those sources, the Group believes that it has adequate liquidities to meet the need for working and operational capital and the capital budget of the Group. However, if the stressful conditions such as stated by the Group in the Action Plan Document that has been approved by the Shareholders, the following several steps may be taken, i.e. to utilize funding from the SMBC Group, stop the search for credits, collect funding from third parties, issue debt instruments, etcetera.

Cash Flow

The following table explains the summary of cash flow for each period:

Cash flow of operational activities

	<i>(in million Rupiah)</i>			
	September 30		December 31	
	2023	2022	2022	2021
Net cash flow (used for) obtained from operational activities	(1,141,442)	(19,895,962)	(4,416,068)	13,150,455
Net cash flow obtained from (used for) investment activities	1,703,298	4,592,898	3,151,992	(7,001,869)
Net cash flow obtained from funding activities	(16,323,860)	8,064,803	9,056,776	223,345

(in million Rupiah)

	September 30		December 31	
	2023	2022	2022	2021
Net increase in cash and cash equivalent	(15,762,004)	(7,238,261)	7,792,700	6,371,931
Impact of Changes in Exchange Rate Differences on Cash and Cash Equivalent	17,335	45,239	3,376	(17,885)
Balance of Cash and Cash Equivalent at the Beginning of the Period/Year	39,377,753	31,581,677	31,581,677	25,227,631
Balance of Cash and Cash Equivalent at the End of the Period/Year	23,633,084	24,388,655	39,377,753	31,581,677

Cash Flow from operational activities

The net cash flow used from operational activities decreased by 94.26% to IDR1,141,442 million on September 30, 2023 from previously IDR19,895,962 million on September 30, 2022, mainly caused by the lower cash flow used for the loans provided.

The net cash flow from operational activities decreased by IDR17,566,523 million to IDR4,416,068 million on December 31, 2022 compared to the net cash flow obtained from operational activities of IDR13,150,455 million on December 31, 2021, mainly caused by the increase of the cash flow used for the loans provided.

The cash flow pattern of the Company from operational activities was mostly influenced by the receipt of interest and sharia income and changes in operational assets and

liabilities, namely the loans provided, customer deposits, and deposits from other banks.

Cash flow from investment activities

The net cash flow obtained from investment activities decreased by 62.91% to IDR1,703,298 million on September 30, 2023 from previously IDR4,592,898 million on September 30, 2022, mainly caused by the decreasing placements in securities.

The net cash flow from investment activities increased by IDR10,153,861 million to IDR3,151,992 million on December 31, 2022 compared to the net cash flow used for investment activities of IDR7,001,869 million on December 31, 2021, mainly caused by net changes in securities.

The cash flow pattern of the Company from investment activities was mostly influenced by net changes in securities.

Cash flow from funding activities

The Company recorded cash flow from funding activities amounting to IDR16,323,860 million on September 2023 from previously IDR8,064,803 million on September 30, 2022, mainly originating from the payment of installments and the settlement of the loans received.

The Company recorded cash flow from funding activities amounting to IDR9,056,776 million on December 31, 2022 from

previously IDR223,345 million on December 31, 2021, mainly originating from the receipt of the loans received.

The cash flow pattern of the Company from investment activities was mostly influenced by the payment of installments and the settlement of the loans received, receipt of the loans received, and payment of dividends.

G. Capital Expenditure

The capital expenditure of the Group in the past was mostly consisting of fixed assets and intangible assets. The following table presents the historical capital expenditure in detail for each period:

(in million Rupiah)

	September 30		December 31	
	2023	2022	2022	2021
Fixed assets	168,022	126,238	207,746	238,019
Intangible assets	331,937	309,074	433,840	346,228
Total	499,959	435,312	641,586	584,247

The funding sources for the purchase of capital goods were generally from the profit gained from the operational activities of the Company. The cost effects that might arise from the outgoing cash flow due to the purchase of capital goods could be managed well by the Company so that the performance of the Company is still able to show sustainable improvement.

The purchase of capital goods was in the limit according to the ability and cash flow of the Company so as not to disrupt the financial performance of the Company.

The purpose of the investment in capital goods was to improve the performance of the Group, so that gained income will also rise as the result of the investment in those capital goods.

The Company did not invest in capital goods in the framework of meeting regulatory requirements and environmental issues.

Capital Expenditure Commitment

By the issuance date of this Prospectus, the Company has no material capital expenditure commitment.

H. Restriction to the Ability of Subsidiaries to Transfer Funds to the Company

By the date of this Prospectus, Subsidiaries have no other obligations or rules that restrict Subsidiaries to transfer funds to the Company.

I. Financial Risks

The Company has exposure to financial risks, among others:

Risk of foreign currencies

The risk of foreign currencies arises from the position of the balance sheet and the commitment and contingency (off-balance

sheet) both on the sides of assets and liabilities that arise through foreign currency transactions.

The Company measured the risk of exchange rates to the impact of changes in exchange rates on the Company's income and capital. In order to manage and mitigate the risk of exchange rates, internal position limits are set far below the net foreign exchange position limit set by the regulator. The Company also monitored the stop loss limits to maintain the level of losses resulting from the market value movements not to exceed a predetermined range.

Interest rate risk

The income of the Company and Subsidiaries coming from various conventional activities constitutes the difference between the interest gained from the asset side and the interest paid to the funds of third parties. Unanticipated changes of interest rate may result in declining income of the Company and Subsidiaries.

The interest rate risk has impact on the fluctuation of cash flow in the future, both on assets and liabilities. This may affect the interest income of the Company as well as reasonable values of the financial instruments owned by the Company and Subsidiaries.

VI. RISK FACTORS

Investment in the Company's shares carries risks. Shareholders must pay careful attention to the information contained in this explanation on business risks, particularly information on the following business risks, before deciding to invest in the Company's shares. Risks that are not yet known to the Company or that are considered immaterial may also affect the business activities, cash flow, operational performance, financial performance or business prospects. Market price of the Company's shares may experience a decline due to the following risks and the investors may experience a loss on all or part of their investment. This explanation of business risks contains forward looking statements relating to events that contain risk and uncertainty elements. The risks disclosed below are not the only ones that affect the Company.

The following are material risks arranged based on the risk weights and starting from the main risks faced by the Company in carrying out its business activities that may affect the Company's performance and share price either directly or indirectly:

A. MAIN RISKS THAT HAVE A SIGNIFICANT EFFECT ON THE COMPANY'S BUSINESS CONTINUITY

Credit Risk

Credit risk in the Company is a risk arising from the failure of other parties to fulfill their obligations to the Company, including credit risk due to debtor failure, credit concentration risk, counterparty credit risk and settlement risk.

Risks arising are as a result of debtors' failure in the corporate and pension segments in fulfilling their obligations. If the amount of non-repayable credit is material, it can lower the Company's performance which in turn can reduce the Company's health and revenue levels. The largest credit groups that receive credit distribution from the Company by the economic sector are the processing industry and households.

The Company's credit risk for the corporate segment was primarily caused by the potential decline in debtor performance resulting from, among other things, macroeconomic condition and as a residual impact of the pandemic, meanwhile the credit risk for the Pension segment was primarily caused by the hindrances in the distribution of monthly pension benefits received by the debtors as the main source of installment payments so that resulting in delinquent credits.

B. MATERIAL BUSINESS RISKS THAT, DIRECTLY OR INDIRECTLY, MAY AFFECT THE COMPANY'S BUSINESS RESULTS AND FINANCIAL CONDITION RELATED TO THE COMPANY'S BUSINESS ACTIVITIES

Market Risk

Market risk is the potential for losses in book value or cash flows resulting from changes in interest rates or exchange rates.

The Company's revenues mainly come from interest income derived from the difference between the interest generated from its assets and the interest costs to third party funds. Changes in the banking rates can have adverse effect on the Company as a result of the asset-liability gap. Furthermore, with the increase in credit interest rates, it will result in the decreased ability of debtors to repay loans and pay interest, thereby affecting the Company's performance.

Liquidity Risk

Liquidity risk is a risk that can occur if the funding gap increases, or if the Company is unable to meet its payment obligations when they are due, including withdrawals of customer deposits from cash flow funding sources and/or from high quality liquid assets that can be pledged/sold, without disrupting its activities and financial condition.

Liquidity risk arises from the gap between funding sources, which are typically short term, which primarily come from Third Party Funds while the credits provided typically have a relatively longer term. In addition, dependence on large

depositors, which are significant in number, will affect the Company's ability to fulfill its obligations when they fall due. In general, the banking industry is quite vulnerable to negative issues which will result in mass withdrawal of public funds in a short period of time (rush) thus threatening the Company's operational activities.

Operational Risk

Operational risk is the potential risk resulting from inadequacy or malfunction in internal processes, human error, system failure, or external events that affect operational activities of the bank.

Operational risks can result in direct and indirect financial losses to the Company and potential losses in the form of loss of opportunity to gain profits. If operational risks are not managed properly, deviations will occur which may disrupt operational smoothness and disrupt services to the customers. This can reduce the customer's trust in the Company which ultimately disrupts the Company's business continuity.

Legal Risk

Legal Risk is the risk arising from legal claims and/or weaknesses in juridical aspects, resulting from, among other things, legal claims, absence of supporting legislation, or

weaknesses of agreement such as non-fulfillment of the validity requirement of the contract.

Potential legal cases arising from the legal risks are, among other things, as follows:

- Criminal cases, all legal cases related to criminal law are due to internal fraud which is processed by the Company to enforce the prevailing provisions.
- Civil cases, all of existing civil law cases related to problems with customers.

Reputation Risk

Reputation Risk is the risk resulting from a decline in the stakeholder trust level due to negative perceptions of the Company. Considering that reputation and trust are important foundations in the banking industry, the loss of customer trust can directly lead to a decrease in the number of customers and income, as well as an increase in costs for public relations activities.

Strategy Risk

Strategy Risk is the risk resulting from inaccuracy in making and/or implementing a strategic decision as well as a failure to anticipate changes in the business environment.

If these events occur, they can have an adverse effect on the Company's financial condition, liquidity, and operating results.

As long as the Company develops its business by relying solely on pensioner credits as its sole business engine. The Company has taken strategic steps to diversify its business engine by entering the SME credit business. Furthermore, if this step does not proceed in accordance with the Company's business plan, it will impact the Company's business continuity.

Compliance Risk

Compliance Risk is the risk that arises if the Company does not comply with and/or does not implement the prevailing laws and regulations in carrying out its business activities.

If a violation of one of the statutory regulations or other applicable provisions occurs, then, the risk that possibly occur is sanctions on the Company in the form of administrative sanction, namely a fine or other administrative sanctions in the form of written warning, prohibition from issuing new products, freezing of certain business activities, prohibition from expanding business activities, prohibition from carrying out new business activities, lowering of the governance factor assessment in the assessment of the bank's soundness level and prohibition from being the main party in accordance with the Financial Services Authority Regulation

regarding reassessment for the main parties of financial service institutions. This has the potential to lower the assessment of the bank governance, including the Company's non-financial performance.

C. GENERAL RISKS

Macro and global economic conditions

Economic condition affects the performance of various companies in Indonesia, including the Company. Strengthening or weakening of economy in a country will directly affect the demand and supply that occurs in a country and will indirectly affect the countries that have cooperative relations with the country that is experiencing a change in economic condition. In this case, if a change in economic condition occurs in Indonesia and in other countries that have cooperative relation with Indonesia, then this may affect the Company's business performance.

Change in foreign exchange rate

Exchange rate risk is a business risk that occurs as a result of fluctuating exchange rate. The Company as a Foreign Exchange Bank has assets and liabilities in foreign currencies that are affected by the changes in foreign exchange. An exchange rate fluctuation that does not comply with the gap between assets and liabilities in foreign currencies of the

Company has an impact on the risk of loss faced by the Company. Good management of the gap between the asset and liability positions in foreign currencies of the Company will be able to minimize such a potential loss.

Compliance with the prevailing laws and regulations related to the business sector of public companies

In carrying out its business activities, the Company is obliged to comply with and believes that it has complied with all of the relevant applicable licenses and/or applicable laws and regulations, if a change in the regulations and laws in force in Indonesia can present the risks to the Company, particularly if the Company does not understand or cannot adapt with such a change, it may affect the Company's business continuity and performance.

Claims or Lawsuits

Until the date of issue of this Prospectus, the Company is not being related and/or involved in any legal cases or disputes, nor is it avoiding legal claims and lawsuits. In carrying out the company's business, there is no guarantee that in the future the Company will be able to avoid legal claims and lawsuits aimed at the Company. If in the decision thereof, the Company is found guilty in its claim and lawsuit, it will have adverse effects on the Company.

Government Policy

The Government is the regulator of every industry in Indonesia. Any policy changes made by the Government may have direct or indirect impacts on the Company's business activities and income. The Company's inability to adapt with any policy changes will affect the Company's business continuity and performance.

Provisions of other countries or international regulations

Risk of regulations of other countries or international regulations arises when there is a change in policies of other countries or regulations issued by an international institution that may affect the Company's business strategies and activities. This includes and not limited to changes in interest rate policies at central banks in other countries, development in geopolitical situation and policies on international trade activities and other factors that may directly or indirectly affect the Company.

D. RISKS RELATED TO INVESTMENT IN THE COMPANY'S SHARES

The trading price of the Company's shares may fluctuate.

The trading price of the Company's shares may fluctuate continuously. The price of the Company's shares, including New Shares, may increase or decrease in response to a number of events and factors, including perceptions on the Company's

business prospect, the Company's business result, factors affecting the Indonesian aviation industry in general or the Company in particular, Government regulations, economic conditions in Indonesia, changes in the accounting policies and other factors discussed in this Prospectus.

The Company's ability to pay dividends in the future will depend on the future profits, financial condition, cash flow and working capital requirements.

The amount of the Company's dividend payments in the future, if any, will depend on the future retained earnings, financial condition, cash flow and working capital requirements as well as the Company's capital expenditure and contractual commitments. The Company cannot ensure that the Company will be able to pay dividends or that the Board of Directors of the Company will declare dividend distribution. The Company may also enter into contractual commitments in the future, which may limit the Company's ability to pay dividends.

<p>THE COMPANY'S MANAGEMENT STATES THAT ALL MATERIAL RISKS THAT THE COMPANY FACES IN CARRYING OUT BUSINESS ACTIVITIES HAVE BEEN DISCLOSED. THE BUSINESS RISKS AND GENERAL RISKS ABOVE HAVE BEEN PREPARED BASED ON THE WEIGHT OF EACH RISK'S EFFECT ON THE COMPANY'S FINANCIAL PERFORMANCE.</p>

VII. IMPORTANT EVENTS AFTER THE DATE OF THE INDEPENDENT AUDITOR'S REPORT

The Company's management stated that there were no important events that had a material effect on the financial condition and the operating result of the Group that occurred after the date of the Independent Auditor's Report that was reissued dated 8 January 2024 on the Group's consolidated financial statements as at and for nine months period ended as at 30 September 2023 until the Effective date of the Registration Statement, in addition to the coming into effect of the withdrawal of the Company's treasury shares based on Deed of Minutes of Extraordinary General Meeting of Shareholders of the Company No. 07 dated 7 December 2023, drawn-up before Ashoya Ratam, S.H., M.Kn., Notary Public in Jakarta, as has obtained approval from the Minister of Law and Human Rights based on Letter Number AHU 0082757.AH.01.02. Year 2023 dated 7 February 2024. As to the structure the Company's capital after the Withdrawal of Treasury Shares is as follows:

	Before Withdrawal of Treasury Shares		After Withdrawal of Treasury Shares	
	Share capital with a nominal value of Rp20 per share			
	Number of Shares	Nominal Value (IDR)	Number of Shares	Nominal Value (IDR)
Authorized Capital	15,000,000,000	300.000.000.000	15,000,000,000	300.000.000.000
Total Issued and Fully Paid Capital	8,149,106,869	162.982.137.380	8,056,814,671	161.136.293.420
Total Shares in Portfolio	6,850,893,131	137.017.862.620	6,943,185,329	138.863.706.580

**VIII. INFORMATION ON THE COMPANY AND THE SUBSIDIARIES, BUSINESS
ACTIVITIES AND BUSINESS TRENDS AND PROSPECTS**

A. INFORMATION ON THE COMPANY

1. Brief History

The Company having its domicile in South Jakarta, previously bearing the name PT Bank Tabungan Pensiunan Nasional, was established based on Deed No. 31 dated 16 February 1985 drawn-up before Komar Andasasmita, S.H., Notary Public in Bandung. This deed of establishment has been amended by Deed No. 12 dated 13 July 1985 drawn-up before Dedeh Ramdah Sukarna, S.H., substitute notary public of Komar Andasasmita, S.H., Notary Public in Bandung, and has received a legalization from the Minister of Justice of the Republic of Indonesia by virtue of Decree No. C2-4583HT01.01TH.85 dated 25 July 1985, and has been registered in the register book of the Registrar's Office of District Court in Bandung under No. 458 and No. 459 dated 16 August 1985, and has been announced in the Official Gazette of the Republic of Indonesia No. 76 dated 20 September 1985, Supplement No. 1148 ("**Deed of Establishment of the Company**").

Based on Letter of the Minister of Finance of the Republic of Indonesia No. S-625/MK.11/1985 dated 30 December 1985 and Decree of the Minister of Finance of the Republic of Indonesia No. Kep-135/KM.11/1986 dated 2 December 1986 regarding the Granting of Business License to PT Bank Tabungan Pensiunan

Nasional in Bandung, along with its 26 (twenty-six) branch offices in Indonesia, the Company was licensed to carry out a savings banking business as a continuation of business of Bapemil that has been operating since 1959.

Based on Decree of the Finance Minister No. KEP-055/KM.17/1993 dated 22 March 1993 regarding Business License of PT Bank Tabungan Pensiunan Nasional in Bandung, the Minister of Finance of the Republic of Indonesia granted a business license to the Company having its domicile at Jl. Otto Iskandardinata No. 392, Bandung 40242 along with its 26 branch offices in Indonesia to carry out business activities as a commercial bank. With the issuance of such a decree, the Decree of Finance Minister No. KEP-135/MK.11/1986 dated 2 December 1986 regarding the Granting of Business License to the Company was revoked and declared null and void.

Based on Deed of Minutes of Extraordinary General Meeting of Shareholders of the Company No. 22 dated 21 January 2019, drawn-up before Ashoya Ratam, S.H., M.Kn., Notary Public in Jakarta, the Company's shareholders have approved, among other things (i) the merger with SMBCI by which SMBCI acted as the merging party and the Company acted as the acquiring party, (ii) change of the Company's name to become PT BANK BTPN Tbk, which has been notified to the Minister of Law and Human Rights based on Receipt of Notification on Merger No. AHU-AH.01.10-0006176 dated 22 January 2019, and (iii) Decree of

the Minister of Law and Human Rights No. AHU-0006169.AH.01.10.Year 2019 dated January 22 2019.

The Company's articles of association have been amended several times and most recently amended as stated in the Company Deed No. 28/2023.

(The Company's articles of association as contained in the Deed of Establishment of the Company until lastly amended by the Company Deed No. 28/2023 are hereinafter referred to as the **"Company's Articles of Association"**).

In accordance with Article 3 of the Company's Articles of Association, the aim and objective of the Company is to carry on businesses in the commercial banking sector. To achieve the aforesaid aim and objective, the Company may carry out the following business activities:

1) Main business activities, namely:

- To gather funds from the public in the form of deposits, such as, current accounts, time deposits, certificates of deposit, savings and/or other equivalent forms, both in Rupiah and foreign currencies;
- To distribute the funds gathered from the public in the form of credits, whether long-term, medium-term or short-term, or loans in other forms that are usually provided

in the banking world, both in Rupiah and foreign currencies.

2) Supporting business activities, namely:

- To issue acknowledgment of indebtedness;
- To buy, sell, or guarantee at its own risk or on order of the customers:
 - Bills of exchange, including bills of exchange accepted by the bank whose validity period is not more than those normally practiced in the relevant commercial transaction;
 - acknowledgment of indebtedness and other commercial papers whose validity period is not more than those normally practiced in the relevant commercial transaction;
 - State treasury papers and Government guarantee letters;
 - Certificates of Bank Indonesia (SBI);
 - Bonds;
 - Commercial papers and/or promissory notes with a maturity of up to 1 (one) year;
 - Other securities instruments with a maturity of up to 1 (one) year.
- To transfer moneys, either for its own interest or for the customer's interest;

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- To place funds with, borrow funds from, or lend funds to, another bank, whether by using letters, telecommunication facilities, or bearer money orders, checks, or other means;
 - To receive payments from bills on securities and to carry out calculations with or between third parties;
 - To provide a place to store goods and securities;
 - To carry out custody activities for the benefit of other parties based on a contract and/or agreement;
 - To place funds from customers to other customers in the form of securities, whether listed and unlisted on the Stock Exchange;
 - To buy collaterals through auctions or otherwise, either in whole or in part, in the event that the debtor fails to meet his obligations to the Company, provided that such collaterals purchased must be disbursed as soon as possible;
 - To carry out factoring activities, credit card business and trustee activities;
 - To invest capitals in banks that carry out business activities based on sharia principles, in accordance with the provisions stipulated by the competent authorities in the banking sector;

-
- To carry out activities in foreign currencies by fulfilling the provisions set by the competent authorities;
 - To carry out capital investment activities in banks (including sharia banks) or other companies in the financial sector, such as leasing, venture capital, Securities Companies, insurance, and clearing settlement and custodian institution, by fulfilling the provisions stipulated by the competent authorities;
 - To carry out temporary capital investment activities to overcome the consequences of credit failure and/or other financing failures, provided that it must withdraw its investment in accordance with the provisions stipulated by the OJK;
 - To act as a founder of pension fund and an administrator of pension fund in accordance with the provisions in the laws and regulations;
 - To issue letters of credit in various forms and bank guarantees;
 - To carry out other activities as normally practiced by the Company to the extent not conflicting with the statutory regulations.

The Company has licenses that are obliged to be fulfilled in relation to the Company's business activities, namely:

-
- a. Commercial Bank License, based on Decree of the Finance Minister No. KEP-055/KM.17/1993 dated 22 March 1993 regarding Business License for PT Bank Tabungan Pensiunan Nasional in Bandung
 - b. Mutual Fund Securities Selling Agent (*Agen Penjual Efek Reksa Dana*/APERD) License, based on Certificate of Registration as Mutual Fund Securities Selling Agent No. 02/PM.2/STTD/APERD/2016 dated 29 June 2016.
 - c. Permit to carry out business activities in foreign currencies, based on a Copy of Decree of the Members of Board of Commissioners of the Financial Services Authority no. KEP-80/D.03/2015 regarding the Granting of Permit to Carry Out Business Activities in Foreign Currencies for PT Bank Tabungan Pensiunan Nasional Tbk.
 - d. Payment Service Provider License, Permit Category 1, based on Bank Indonesia Letter No. 23/680/DKSP/Srt/B dated 1 July 2021 regarding Conversion of Payment System Service Provider Licenses After the Enactment of BI Regulation No. 22/23/PBI/2020 regarding Payment Systems

2. Latest Share Ownership and Capital Structure of the Company

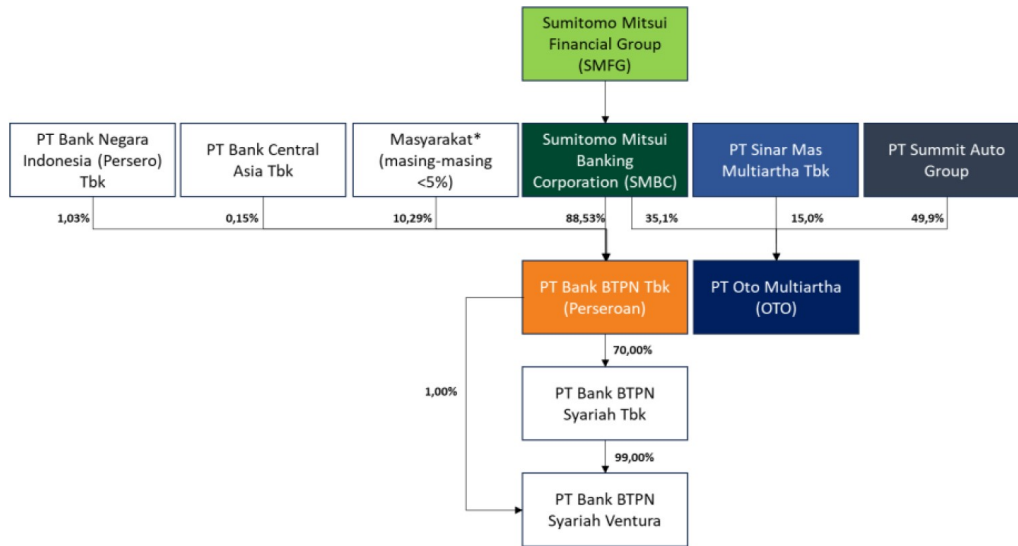
Based on the Company Deed No. 07/2023 and the DPS dated 31 January 2024, the latest capital structure and the composition of shareholders of the Company are as follows:

	Share capital with a nominal value of Rp20 per share		
	Number of Shares	Nominal Value (IDR))	%
Authorized Capital	15,000,000,000	300.000.000.000	
Issued and Fully Paid Capital			
SMBC	7,132,311,297	142.646.225.940	88.53%
PT Bank Central Asia Tbk	83,052,408	1.661.048.160	1.03%
PT Bank Negara Indonesia (Persero) Tbk	12,007,137	240.142.740	0.15%
Ongki Wanadjati Dana	860,804	17.216.080	0.01%
Merisa Darwis	222,358	4.447.160	0.00%
Henoch Munandar	173,756	3.475.120	0.00%
Hanna Tantani	148,154	2.963.080	0.00%
Dini Herdini	118,572	2.371.440	0.00%
Darmadi Sutanto	89,120	1.782.400	0.00%
Kaoru Furuya	3,000	60.000	0.00%
Public (each <5%)	827,828,065	16.556.561.300	10.27%
Total Issued and Fully Paid Capital	8,056,814,671	161.136.293.420	100.00%
Total Shares in Portfolio	6,943,185,329	138.863.706.580	

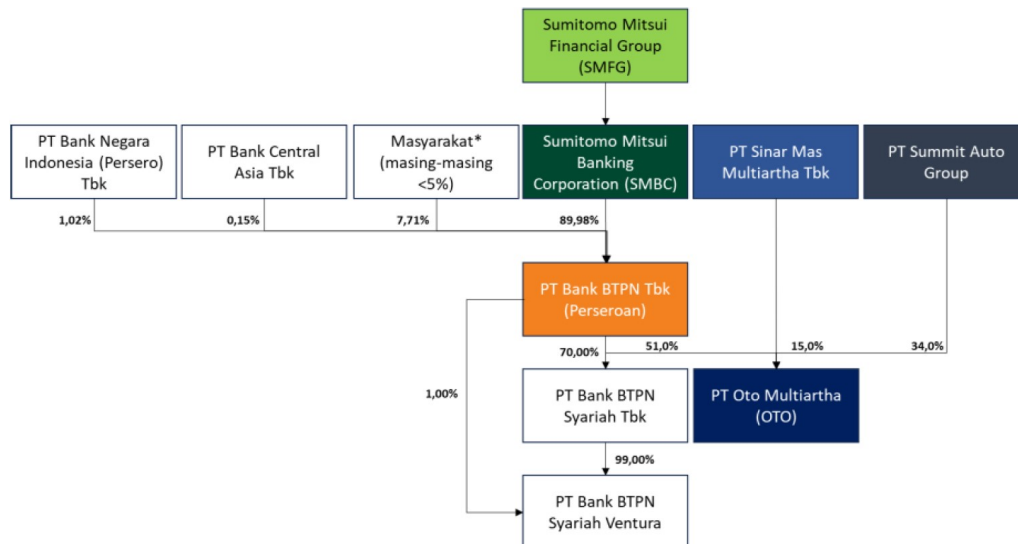
3. Group Ownership Diagram

Below is an ownership diagram that shows the Company's ownership structure and shows the position of OTO and SOF in the SMFG group:

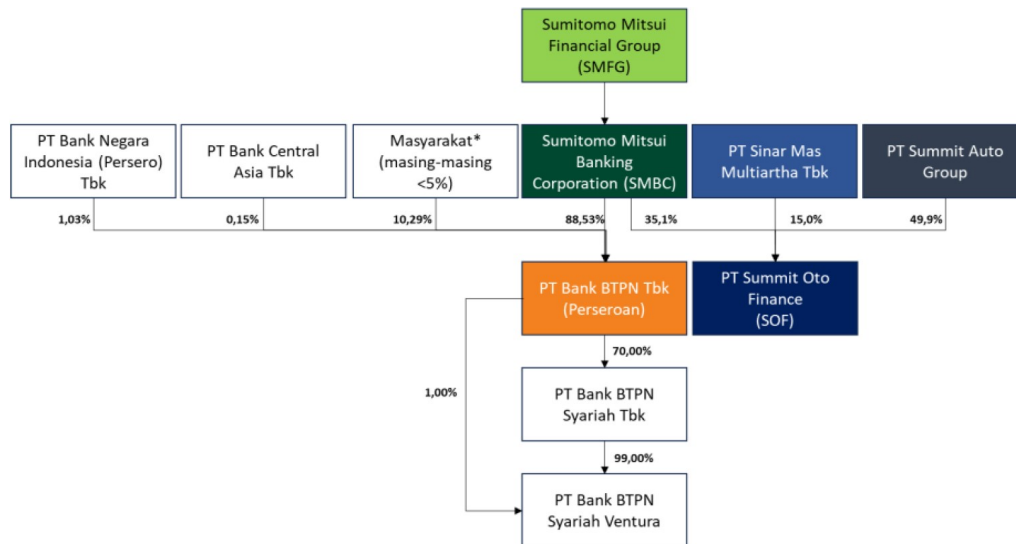
a) Ownership Diagram of the Company and OTO before the acquisition



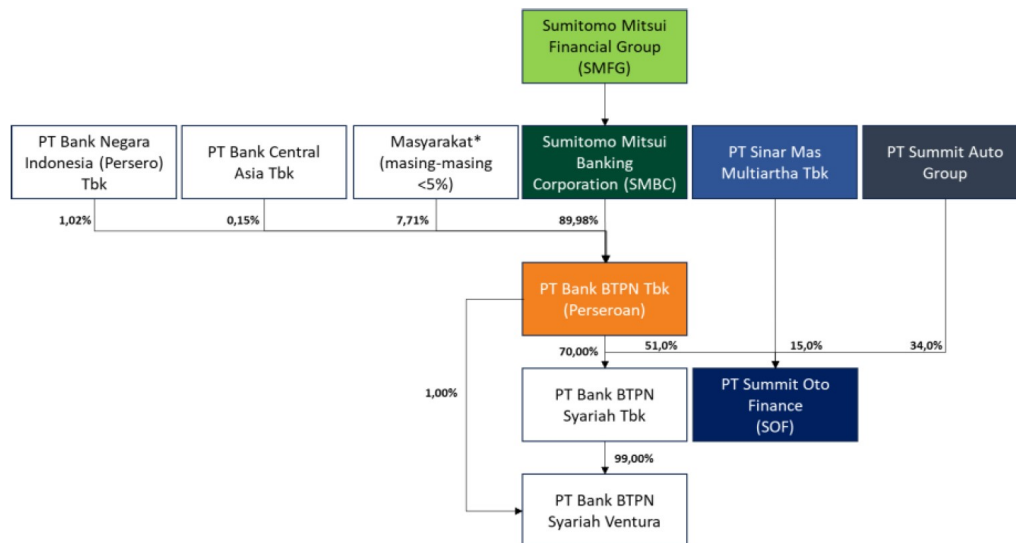
b) Ownership Diagram of the Company and OTO after the acquisition



c) Ownership Diagram of the Company and SOF before the acquisition



d) Ownership Diagram of the Company and SOF after the acquisition



**Note: Including ownership of members of the Company's Board of Commissioners and Board of Directors*

The Company has determined the beneficiary of the Company as required by Article 3 of Presidential Regulation 13/2018 and has submitted it to the Minister of Law and Human Rights on 14 April 2023, in which the beneficiary who has been determined and reported by the Company is Tetsuro Imaeda who was appointed by Sumitomo Mitsui Financial Group which is the owner of 100% shares in Sumitomo Mitsui Banking Corporation, who is the Controlling Shareholder of the Company.

The selling shareholders of OTO and SOF are Sumitomo Mitsui Banking Corporation and PT Summit Auto Group. As to the affiliation relationship between Tetsuro Imaeda and the selling shareholders of OTO and SOF is as follows:

- Tetsuro Imaeda is an official of Sumitomo Mitsui Financial Group who is the owner of 100% shares in Sumitomo Mitsui Banking Corporation, who is Controlling Shareholder of the Company.
- Tetsuro Imaeda has no affiliation relationship with PT Summit Auto Group.

The affiliation relationship between Sumitomo Mitsui Financial Group and the selling shareholders of OTO and SOF is as follows:

- Sumitomo Mitsui Financial Group is the owner of 100% shares in Sumitomo Mitsui Banking Corporation

-
- Sumitomo Mitsui Financial Group has no affiliation relationship with PT Summit Auto Group.

The affiliation relationship between the Company and the selling shareholders of OTO is as follows:

- The Company is a subsidiary of Sumitomo Mitsui Banking Corporation with share ownership of 89.98%.
- The Company has no affiliation relationship with PT Summit Auto Group.

The affiliation relationship between the Company and the selling shareholders of SOF is as follows:

- The Company is a subsidiary of Sumitomo Mitsui Banking Corporation with share ownership of 89.98%.
- The Company has no affiliation with PT Summit Auto Group.

4. Management and Supervision

Based on (i) Deed No. 46 dated 21 April 2022, drawn-up before Ashoya Ratam, S.H., M.Kn., Notary Public in South Jakarta Administrative City which has been notified to the Minister of Law and Human Rights as evidenced by a Receipt of Notification No. AHU-AH.01.09-0009927, (ii) Deed No. 78 dated 29 September 2022 drawn-up before Ashoya Ratam S.H., M.Kn., Notary Public in South Jakarta, which has been notified to the Minister of Law and Human Rights as evidenced by a Receipt of Notification No. AHU-AH.01.09-0061871 dated 4 October 2022, (iii) Deed No.

25 dated 10 May 2023, drawn-up before Ashoya Ratam, S.H., M.Kn., Notary Public in South Jakarta Administrative City, by Letter that has been notified to the Minister of Law and Human Rights as evidenced by a Receipt of Notification No. AHU-AH.01.09-0116937 dated 11 May 2023, (iv) Deed No. 40 dated 16 May 2023, drawn-up before Ashoya Ratam, S.H., M.Kn., Notary Public in South Jakarta Administrative City, which has been notified to the Minister of Law and Human Rights as evidenced by a Receipt of Notification No. AHU-AH.01.09-0118315 dated 17 May 2023, and (v) Deed No. 58 dated 27 July 2023, drawn-up before Yumna Shabrina, S.H., MKn, as Substitute Notary Public of Ashoya Ratam, S.H., M.Kn., Notary Public in South Jakarta Administrative City which has been notified to the Minister of Law and Human Rights as evidenced by a Receipt of Notification No. AHU-AH.01.09-0145163 dated 27 July 2023, the latest composition of the Board of Commissioners and the Board of Directors of the Company as of the issue date of this Prospectus is as follows:

Board of Commissioners

President Commissioner : Chow Ying Hoong

Commissioner : Takeshi Kimoto

Independent Commissioner : Ninik Herlani Masli Ridhwan

Independent Commissioner : Onny Widjanarko

Independent Commissioner : Edmund Tondobala

Commissioner : Ongki Wanadjati Dana

Board of Directors

President Director : Henoeh Munandar

Deputy President Director: Kaoru Furuya

Deputy President Director: Darmadi Sutanto

Director of Compliance : Dini Herdini

Director : Atsushi Hino

Director : Keishi Kobata

Director : Merisa Darwis

Director : Hanna Tantani

Below is a brief history of each member of the Board of Commissioners and the Board of Directors of the Company.

BOARD OF COMMISSIONERS



Chow Ying Hoong

President Commissioner

A Singaporean Citizen, born in 1960, 63 years old. Served as President Commissioner of the Company since 2020.

He started his career at United Overseas Bank in 1984-1987 as a Bank Officer, ABN Bank 1987-1989 as an Account Manager, Sanwa Bank 1989-1993 with the last position as a Senior Manager, and then returned back to his career at ABN Amro

Bank in 1993-1997 with the last position as Group Vice President, later, at Societe Generale in 1997-2000 as the Head of Labuan Branch. He, later, joined SMBC Singapore in 2000 until now. He was later assigned as a Commissioner of the Company since 2015, and then appointed to be Deputy President Commissioner in 2019-2020. Effective as of 2020 he served as President Commissioner and has been reappointed through an Annual GMS of the Company on 21 April 2022.

He received Business Administration degree in Finance from the National University of Singapore in 1984.



Takeshi Kimoto

Commissioner

A Japanese Citizen, born in 1970, 53 years old. Served as a Commissioner of the Company since 2019.

He started his career at The Sumitomo Bank, Ltd in 1993-2001, he occupied a number of positions, most recently serving

as Vice President - International Finance Department, subsequently at SMBC in 2001 until now, where he served as Executive Office & General Manager - Asia Growing Market Department since 2021. He has ever served as a Commissioner at PT Oto Multiartha and PT Summit Oto Finance. He joined the Company as a Commissioner in 2019 and was reappointed through an Annual GMS of the Company on 21 April 2022.

He received Bachelor of Arts degree in Business and Commerce from KEIO University in 1993.



Ninik Herlani Masli Ridhwan

Independent Commissioner

An Indonesian Citizen, born in 1957, 66 years old. Served as an Independent Commissioner of the Company since 2019.

She started her career as a Senior Auditor at Kantor Akuntan Utomo (SGV - Utomo) 1981-1985. Later, she joined PT Bank Central Asia in 1985-1999 and 2000-2012 with the last position as the Head of

Quality Control and Audit Development. In 2013-2019 she served as Independent Commissioner of SMBCI, and then joined the Company as an Independent Commissioner of the Company since 2019 and was reappointed through an Annual GMS of the Company on 21 April 2022.

She received Bachelor of Economics degree from Trisakti University in 1983 and the Postgraduate degree in Finance from University of Indonesia in 2008.



Onny Widjanarko

Independent Commissioner

An Indonesian Citizen, born in 1964, 59 years old. Served as an Independent Commissioner of the Company since 2023.

Started his career at Komatsu Indonesia or PT United Tractors in 1989-1990 as a Management Trainee and Finance Staff. Subsequently, in 1992, he continued his career at Bank Indonesia until 2022 with the last position as the Head of Representative of BI Jakarta. In addition,

since 2020-2023 he has served as the President Commissioner at PT. Artajasa Pembayaran Elektronik. Later, since 2023 he joined the Company as an Independent Commissioner.

He received Bachelor's degree in Financial Management from STIE Malangkececwara in 1989 and the Master of Management degree from the Asian Institute of Management in 1999.



Edmund Tondobala

Independent Commissioner

An Indonesian Citizen, born in 1965, 58 years old. Served as an Independent Commissioner of the Company since 2020.

He started his career as a Research Assistant at Security Pacific Bank Arizona in 1988. Subsequently he joined PT Bank Central Asia Tbk. ("BCA") in 1990 until his retirement in 2020. During at BCA he was also assigned as a Commissioner (non-Executive Director) at BCA Remittance Sdn Bhd, Malaysia in 2009-2011 and as a

Commissioner (non-Executive Director) at BCA Finance Hong Kong in 2002-2004 and 2011-2020. Later, he joined the Company as an Independent Commissioner in 2020 and was reappointed through an Annual GMS of the Company on 21 April 2022.

He received Bachelor's degree in Economics from Drake University, Moines, Iowa, United States in 1987 and the Master of International Management degree from the American Graduate School of International Management, Thunderbird, Glendale, Arizona in 1990.



Ongki Wanadjati Dana

Commissioner

An Indonesian Citizen, born in 1957, 66 years old. Served as a Commissioner of the Company since 2022.

He started his career as an Executive Development Program Trainee at Citibank, NA in 1982-1983, and then he worked for Citicorp Leasing Indonesia in 1984-1986 as a Lease Officer and then he returned back

to work with Citibank, NA in 1986-1990 with the last position as a Credit Cycle Manager-Consumer Banking. Thereafter, he pursued his career at several well-known banks in Indonesia, such as PT Bank Subentra 1990-1999 as a Credit Director and then as President Director, Bank Universal 1999-2002 with the last position as Deputy President Director and PT Bank Permata Tbk as a Wholesale Banking Director in 2002-2008. Subsequently he joined the Company as the Deputy President Director in 2008-2019. He has served as the President Director in 2019-2022. Later, through an Annual GMS of the Company on 21 April 2022, he was appointed and officially served as a Commissioner of the Company.

He received Bachelor's degree in Mechanical Engineering from the Bandung Institute of Technology (ITB) in 1981.

BOARD OF DIRECTORS



Henoch Munandar

President Director

An Indonesian Citizen, born in 1966, 57 years old. Served as the President Director of the Company since 2022.

He started his career at PT Indomarco in 1989-1991 as a Management Trainee and then joined several companies, such as, Bank Susila Bakti in 1991-1993 as a Sub Branch Manager, PT BII in 1993-1994 as an Assistant Manager, Panin Bank in 1994 - 1995 as an Account Manager, PT Bogor Multifinance in 1995 as an Account Manager, Sanwa Bank Indonesia/Bank United Financial of Japan (UFJ) in 1995-2006 as Local Corporate Head-Senior Manager, Bank of Tokyo Mitsubishi UFJ in 2006 as a Co-Dept Head of Corporate Banking, PT Bank Danamon Indonesia Tbk in 2006-2010 as Deputy SMEC Risk & Remedial Head (Executive Vice President), PT Bank DBS Indonesia in 2010-2013 as Deputy Head of Credit/Credit Risk Management Head SMEC

(Senior Vice President). Subsequently, he pursued his career as a Director of SMBCI in 2014-2019, and then served in the Company as a Director in 2019 and was appointed to be the President Director of the Company in 2022.

He received Bachelor's degree in Economics from Atma Jaya University, Jakarta, Indonesia in 1989.



Kaoru Furuya

Deputy President Director

A Japanese Citizen, born in 1965, 58 years old. Served as the Deputy President Director of the Company since 2020.

He joined The Sumitomo Bank Limited-Machida Branch in 1989 as a Retail Banking Officer. Since then, he has been entrusted with various responsibilities in the SMFG group in London, Hong Kong, Manila, New York, and Singapore Branch Offices, with his last position at SMBC Singapore as a Senior General Manager of Asia Growing Market Department. Subsequently, he joined

the Company and served as the Deputy President Director since 2021 and was reappointed through an Annual GMS of the Company on 21 April 2022.

He received Bachelor of Laws degree from Hosei University, Tokyo, Japan in 1989.



Darmadi Sutanto

Deputy President Director

An Indonesian Citizen, born in 1964, 59 years old. Served as the Deputy President Director of the Company since 2020.

He started his career at Citibank in 1991-2000 as a National Sales Manager, and then at Standard Chartered Bank in 2000-2006 as the EVP Sales and Distribution, PT Bank Permata Tbk in 2007 as the SVP Distribution, ABN amor in 2007-2010 as a Consumer Banking Director, PT Bank Negara Indonesia (Persero) Tbk in 2010-2015 as a Consumer Banking Director, and in 2015-2018 served at PT CT Corpora Bank Mega as the Group Director and at PT Bank Mega Tbk, PT Trans Ice, and PT Metro Retailmart

as a Commissioner. He played a role as a Technical Advisor of the Company in 2018-2020, before joining the Company as the Deputy President Director in 2020 and was reappointed through an Annual GMS of the Company on 21 April 2022.

He received Bachelor's degree in Civil Engineering from Trisakti University, Jakarta in 1988 and the Master of Business Administration from University of Western Illinois, Macomb, United States in 1991.



Dini Herdini

Director of Compliance

An Indonesian Citizen, born in 1965, 58 years old. Served as a Director of Compliance of the Company since 2019.

She started her career as a Voluntary Lawyer at a Jakarta Legal Aid Institution in 1988-1989, and then joined PT Bank Sumitomo Niaga since its establishment in 1989-1993 as a Legal Officer, then served at a number of banks in Indonesia, such as, PT ING Bank in 1993-1996 as Legal

Manager, PT Bank PDFCI Tbk in 1996-1999 as a Legal Division Head, PT Bank Danamon Indonesia Tbk in 1999-2000 as a Legal Merger Coordinator & In-house Counsel. She established Herdini & Partners, a law firm, in 2000 and served as a Partner until 2004, before rejoining PT Bank Danamon Indonesia Tbk in 2004 where she served as a General Counsel & Corporate Secretary until 2014. She joined SMBCI in 2014 as the Corporate Legal Head and was appointed to be a Director in charge of the compliance function and served as a Director of Compliance since 2019 and has been reappointed through an Annual GMS on 21 April 2022.

She received Bachelor of Laws degree from Trisakti University, Jakarta, Indonesia in 1987.



Atsushi Hino

Director

A Japanese Citizen, born in 1976, 47 years old. Served as a Director of the Company since 2023.

He started his career at SMBC Omiya Branch in 1999 as a Junior Staff, and then served in a number of Branch Offices in Japan until 2009 where he lastly served as the Vice President in 2006 before serving at Hong Kong Branch Office in 2009-2014 as a Vice President /Senior Vice President. He joined SMBCI in 2014 and served as the Head of Corporate Banking Dept. until 2018, and then served as the Group Head/Joint General Manager of the Asia Growing Markets Department at SMBC Singapore in 2018-2023, before joining the Company in 2023 as a Director of Corporate Banking Japanese.

He received Bachelor of Business and Commerce degree from Keio University, Tokyo, Japan in 1999.



Keishi Kobata

Director

A Japanese Citizen, born in 1973, 50 years old. Served as a Director of the Company since 2023.

He started his career at SMFG group in

SMBC (formerly Sumitomo Bank, Tokyo) in 1998 and then held a number of positions until most recently serving as the Head of Money Market & Fixed Income Group, International Treasury Department in 2015-2016 and continued with serving at Sumitomo Mitsui Banking Corporation, Hong Kong in 2016-2019 with the last position as Senior Vice President. Subsequently he pursued his career at the Company starting by serving as a Technical Advisor of Treasury Directorate of the Company in 2019-2022, as Treasury ALM & Planning Head in 2022-2023 and was appointed to be a Director in 2023.

He received Bachelor of Architecture degree in 1996 and the Master of Information Engineering degree in 1998 from University of Tokyo, Japan.



Merisa Darwis

Director

An Indonesian Citizen, born in 1967, 56 years old. Served as a Director of the Company since 2019.

She started her career as a Software

Engineer at WIN, Bandung in 1991-1992, and then served as a Programmer/Analyst at USI/IBM in 1992-1993, then she worked as an Indonesian language teacher at Berlitz, Japan in 1994-1996, before pursuing her career at Citibank N.A. Indonesia from 1996-2009 with the last position as the Control & Reporting Head. Thereafter, she served at Bank Barclays Indonesia from 2009-2011 with the last position as HR & Internal Control Director, then she joined the Company as the Head of Internal Audit Unit in 2011-2016, Head of Operations in 2017-2019 and, later, she was appointed to be an Operation Director since 2019 and has been reappointed through an Annual GMS of the Company on 21 April 2022.

She received Bachelor of Informatics Engineering degree from Bandung Institute of Technology, Bandung, Indonesia in 1991.



Hanna Tantani

Director

An Indonesian Citizen, born in 1967, 56 years old. Served as a Director of the Company since 2019.

She started her career at HSBC in 1990 as a Staff, Credit Operations & Trade Services and held a number of positions during at HSBC with the last position as a VP Area Finance in 2004, then served at a number of banks, including at American Express Bank as a Market Controller and Finance Director & Market Controller in 2004-2008, Standard Chartered Bank as a Financial Controller in 2008-2009, before returning back to HSBC in 2009 and in office until 2018 with the last position as a Finance Director since 2014. She joined the Company in 2018 and in 2019 she was appointed to be a Director of Finance & Planning and was reappointed through an Annual GMS of the Company on 21 April 2022.

She received Bachelor of Economics in Accounting degree from Airlangga University in 1990 and the Master of Business Administration degree from the Australian Graduate School of Management, University of New South Wales, Australia in 1993.

The appointment of all members of the Board of Commissioners and the Board of Directors of the Company was in conformity with the provisions in the Company's Articles of Association and the prevailing laws and regulations, including POJK No. 33/2014.

There is no familial relationship among members of the Board of Commissioners, the Board of Directors, and Shareholders of the Company.

5. Good Corporate Governance (GCG)

The Company continues to improve the implementation and quality of corporate governance implementation in various aspects, including reviewing the Corporate Governance Manual which is equipped with a key management process as a guide for the management related to the overall governance and organizational structure of the Company, updating the Guidelines and Work Rules for Committees at the Board of Commissioners and the Board of Directors level, reviewing the Code of Ethics, and implementing e-Refreshment of the Code of Ethics as well as improving the transparency aspects on the Company's website in accordance with the applicable regulations of the Financial Services Authority.

The Company is fully committed to implementing the GCG at all levels and phases of the organization by relying on various

provisions and requirements related to the implementation of GCG which is manifested in:

- 1) Implementation of the duties, responsibilities, and authorities of the Board of Directors;
- 2) Implementation of the duties, responsibilities, and authorities of the Board of Commissioners;
- 3) Completeness and implementation of duties of the committees;
- 4) Handling of conflicts of interest;
- 5) Implementation of the compliance function;
- 6) Implementation of the internal audit function;
- 7) Implementation of the external audit function;
- 8) Implementation of the risk management including the internal control system;
- 9) Provision of remunerations;
- 10) Provision of funds to related parties and provision of large funds;
- 11) Integrity of reporting and information technology system;
- 12) Bank strategic plan;
- 13) Shareholder aspect;
- 14) Implementation of anti-fraud strategies, including anti-bribery;

-
- 15) Implementation of sustainable finance, including implementation of social and environmental responsibility; and
 - 16) Implementation of governance within the Bank's business group.

a. Board of Commissioners

The Board of Commissioners is a Company organ that is responsible for supervising the Company's policies and providing advices to the Board of Directors. The duties, responsibilities, and other authorities of the Board of Commissioners are regulated by the prevailing statutory regulations, including the POJK No. 33/2014 and the UUPT.

The Board of Commissioners is appointed and dismissed by the GMS based on recommendations of the Remuneration and Nomination Committee. It comes to effect as from the date as determined in the GMS that appoints such members of the Board of Commissioners and ends upon the closing of the 3rd (third) Annual GMS after the appointment date. Determination of the composition of the Board of Commissioners is carried out by considering the needs and complexity of the Company. Composition of the Board of Commissioners is based on expertise, professional experience, and background.

Duties and Responsibilities

The Board of Commissioners has, among other things, the following duties and responsibilities:

- 1) Ensuring the implementation of Good Corporate Governance in every business of the Company at all levels or phases of the organization.
- 2) Carrying out supervision on the implementation of the duties and responsibilities of the Board of Directors, as well as providing advices to the Board of Directors.
- 3) Directing, monitoring, and evaluating the Company's strategic policies.
- 4) Providing sufficient time to carry out their duties and responsibilities optimally.
- 5) Ensuring that the Board of Directors has followed up on audit findings and recommendations from the Company's internal audit work unit, external auditors, results of supervision by the Financial Services Authority and/or results of supervision by other authority bodies.
- 6) In carrying out the supervision as referred to in point 2 above, the Board of Commissioners is prohibited from being involved in making decisions on operational activities of the Company, except:
 - Provision of funds to the relevant parties as specified in the provisions of the Financial

Services Authority regarding the Maximum Limit for Credit Provision of Commercial Banks; and

- Other matters as specified in the Company's Articles of Association or the prevailing laws and regulations.

7) Duty of care

The Board of Commissioners is responsible for carrying out their duties and responsibilities in good faith and based on the principle of prudence and on a professional basis. In this matter, the Board of Commissioners is obliged to, among other things:

- Always act honestly and in good faith
- Always use the principle of prudence in any decision making
- Not to cause the Company violates the prevailing provisions
- Attend and be actively involved in any meetings of the Board of Commissioners
- Ensure the implementation of the internal control system efficiently and effectively

8) Duty of loyalty

In making decisions, the Board of Commissioners is obliged to do for the best interests of the Company, in this case it is obliged to put aside its personal or group interests above the interests of the company. In

this matter, the Board of Commissioners is not allowed to:

- Have any transactions with the Company directly or indirectly, without first making disclosing its relationship and obtaining the approval from the Board of Commissioners and/or the GMS
 - Utilize of the Company including but not limited to using the Company's assets and facilities for their personal, family's and/or other party's benefits that may harm or reduce the profits of the Company
 - Convey any information that is not a public information to third parties
 - Take and/or receive personal benefits from the Company other than remuneration and other facilities as determined by the GMS
 - Use internal information for personal gain
- 9) Evaluating, directing, and monitoring the Information Technology (IT) strategic plans; and
- 10) Evaluating, directing, and monitoring the implementation of IT Governance.

Authorities

- 1) The Board of Commissioners has the authority to ask for explanations from the Board of Directors regarding all matters pertaining to the Company when necessary

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- 2) The Board of Commissioners has the authority to access the Company's documents, data, and information as they deem necessary
 - 3) In the event that the Board of Commissioners is of the opinion that an independent review of a significant problem occurring in the Company is necessary, then, the Board of Commissioners has the right to ask the Board of Directors to appoint an independent party with the terms and conditions as determined by the Board of Commissioners.
 - 4) The Board of Commissioners, based on resolutions adopted at the Meeting of the Board of Commissioners, has the right to decide the temporary dismiss of one or more members of the Board of Directors, if such member(s) of the Board of Directors act contrary to the Articles of Association and/or the applicable regulations or are detrimental to the aims and objectives of the Company or neglect any of their obligations. In this matter, the Board of Commissioners may ask for assistance of the Audit Committee or other third parties to provide advices and inputs to the Board of Commissioners
 - 5) The aforesaid temporary suspension accompanied with the reasons thereof, must be notified in writing to the relevant member of the Board of Directors

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- 6) Within 90 (ninety) days as of such a temporary suspension, the Board of Commissioners is obliged to hold an EGMS which will decide whether the relevant member of the Board of Directors will be permanently dismissed or returned to his/he original position. At such an EGMS, the member(s) of the Board of Directors who is/are temporarily dismissed must be given with the opportunity to attend to defend themselves.

Work Activities

During the nine months period ending as at 30 September 2023, the Board of Commissioners has carried out the following work activities:

- 1) Approval of the granting, extension, change in condition, and addition of facilities to the Company's related parties
- 2) Determination of time and setting of agenda of AGMS and EGMS
- 3) Approval of the extension of long-term foreign loan facility of the Company
- 4) Approval of the write-off
- 5) Determination of the use of the Company's net profit, approval of the annual report, governance implementation report, Board of Commissioners

supervision report, annual financial report and sustainability report

- 6) Change in composition of the Board of Directors, the Board of Commissioners and committees under the Board of Commissioners
- 7) Amendment to the articles of association
- 8) Proposing to the AGMS regarding the determination of remuneration for members of the Board of Commissioners
- 9) Approval of the determination of remuneration for members of the Board of Directors
- 10) Appointment of Public Accountant
- 11) Approval of corporate action plans
- 12) The Company's business plan, revision of the Company's business plan, implementation plans for the Company's products and change in corporate plans

Frequency and Attendance Level at the Meeting of the Board of Commissioners

Attendance of members of the Board of Commissioners at meetings held during the nine months period ending up to 30 September 2023 is as follows:

<u>Name</u>	<u>Number of Meetings</u>	<u>Attendance Level</u>	<u>Percentage (%)</u>
Chow Ying Hoong	5	5	100%
Takeshi Kimoto	5	4	80%

Name	Number of Meetings	Attendance Level	Percentage (%)
Ninik Herlani Masli Ridhwan	5	5	100%
Onny Widjanarko	3	3	100%
Edmund Tondobala	5	5	100%
Ongki Wanadjati Dana	5	5	100%

Training Program of the Board of Commissioners

Members of the Board of Commissioners are always given with an opportunity to improve their competency through training programs/seminars/workshops held internally and externally. During the nine months period ending up to 30 September 2023, participation of members of the Board of Commissioners in the training programs/seminars/workshops is as follows:

No.	Name	Training	Time
1	Chow Ying Hoong – President Commissioner	Economic Outlook Update by Raden Pardede	6 June 2023
		Executive Risk Management Certification Refresher	26 July 2023
2	Takeshi Kimoto – Commissioner	Economic Outlook Update by Raden Pardede	6 June 2023
		Executive Risk Management Certification Refresher	26 July 2023
3	Ninik Herlani Masli Ridhwan–Independent Commissioner	Leadership Series : Creating Strategy to Connect The Generation Gap	4 March 2023
		Economic Outlook Update by Raden Pardede	6 June 2023
		Executive Risk Management Certification Refresher	26 July 2023
4	Onny Widjanarko – Independent Commissioner	Risk Management Certification Training (Training Sertifikasi Manajemen Risiko) Level 2	12 Jan 2023
		Induction 2022: BTPN Overview	5 June 2023

No.	Name	Training	Time
		Economic Outlook Update by Raden Pardede	6 June 2023
		Induction 2022 : Compliance	17 June 2023
5	Edmund Tondobala – Independent Commissioner	Leadership Series : Creating Strategy to Connect The Generation Gap	4 March 2023
		Economic Outlook Update by Raden Pardede	6 June 2023
		Leadership Series : Managing Global Business Risk	14 June 2023
		Executive Risk Management Certification Refresher	26 July 2023
6	Ongki Wanadjati Dana-Commissioner	Leadership Series : Creating Strategy to Connect The Generation Gap	4 March 2023
		Economic Outlook Update by Raden Pardede	6 June 2023
		Leadership Series : Managing Global Business Risk	14 June 2023
		Executive Risk Management Certification Refresher	26 July 2023

Procedure for Determination of Remuneration for the Board of Commissioners

Remuneration for the Board of Commissioners is determined by considering:

- 1) External competitiveness, namely comparison with the market/peer group. Peer group means banks that are considered as competitors, which are determined by the Remuneration and Nomination Committee by considering the following matters: The Company's Vision which reflects the Company's long-term direction, the

Company's complexity as reflected from the product, technology, and service innovations and very extensive and far-reaching services and significant number of labors.

2) Internal Equity, namely equity in the weight of work responsibilities. The Company divides the categories of commissioners based on the work weight as follows:

- President Commissioner
- Commissioner

3) The Company's performance, which is measured based on the achievement of the Bank Business Plan (RBB).

4) Individual performance, which is measured based on the result of annual performance assessment which is prepared based on the duties and responsibilities that have been determined as a benchmark/measurement criterion.

5) Remuneration, namely salaries and routine allowances, bonuses, and other facilities received by the board of commissioners for each of years 2021 and 2022 and for the nine months period ending as at 30 September 2023, respectively, amounted to Rp. 7,953 million, Rp. 11,522 million and Rp. 13,915 million.

b. Board of Directors

The Board of Directors is an important organ in the corporate governance, which has full responsibility for the management of the Company, in accordance with the aims and objectives of the Company. This authority is used for the interest and the achievement of the Company's objectives. This is in line with the authority as prescribed by the regulation that the Board of Directors may represent the Company, both inside and outside the court in accordance with the provisions of the Company's Articles of Association.

Each member of the Board of Directors shall perform their duties in accordance with their division of duties and authorities. The aim is to achieve the management effectiveness and to achieve maximum results. The Board of Directors of BTPN always upholds a professional, objective, strategic-minded attitude and prioritizes the best interests of the Bank

Duties and Responsibilities

The Board of Directors has, among other things, the following duties and responsibilities:

- 1) To manage the Company in accordance with the authorities and responsibilities as specified in the

Articles of Association and the prevailing laws and regulations by applying the GCG principles in every activity at all levels or phases of the organization;

- 2) To follow up on any and all of audit findings and recommendations from the Internal Audit Work Unit, the external auditors, the OJK supervision results and/or supervision results of other authorities;
- 3) In order to ensure the implementation of GCG principles, it is mandatory to establish an Internal Audit Work Unit, Risk Management Work Unit. and Risk Management Committee as well as a Compliance Work Unit;
- 4) To ensure the availability of accurate, relevant and timely data and information to the Board of Commissioners.
- 5) To ensure transparency of material information related to the Company's business conditions;
- 6) Duty of care

The Board of Directors is responsible for carrying out its duties and responsibilities in good faith and based on the principle of prudence and on a professional basis. In this matter, the Board of Directors is obliged to, among other things:

- Always act honestly and in good faith

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- Always use the principle of prudence in any decision making
 - Not to cause the Company violates the prevailing provisions
 - Attend and be actively involved in any meetings of the Board of Directors
 - Ensure the implementation of the internal control system efficiently and effectively

7) Duty of loyalty

In making decisions, the Board of Directors is obliged to do for the best interests of the Company, in this case it is obliged to put aside its personal or group interests above the interests of the company. In this matter, the Board of Directors is not allowed to:

- Have any transactions with the Company directly or indirectly, without first making disclosing its relationship and obtaining the approval from the Board of Commissioners and/or the GMS
- Utilize of the Company including but not limited to using the Company's assets and facilities for their personal, family's and/or other party's benefits that may harm or reduce the profits of the Company
- Convey any information that is not a public information to third parties

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- Take and/or receive personal benefits from the Company other than remuneration and other facilities as determined by the GMS
 - Use internal information for personal gain
- 8) To establish an IT strategic plan;
 - 9) To establish policies, standards, and procedures related to the implementation and use of adequate IT and to communicate them effectively, both to the organizing work unit and the IT users; and
 - 10) To Evaluate the strategic objectives, to direct the Company's executive officers and to monitor all of IT implementation activities.

Work Activities

During the nine months period ending as at 30 September 2023, the Board of Directors has carried out the following work activities:

- 1) Determining the time of and setting the agenda of GMS and EGMS
- 2) Approval of the extension of long-term foreign loan facility of the Company
- 3) Approval of the annual report, governance implementation report, Board of Commissioners supervision report, annual financial report, and sustainability report

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- 4) Approval of issuance of Environmentally Friendly Bonds and Social Bonds
 - 5) Change in the division of duties and authorities of members of the Board of Directors
 - 6) Amendment to the articles of association
 - 7) Approval of corporate action plans
 - 8) The Company's business plan, revision of the Company's business plan, implementation plans for the Company's products and change in corporate plans
 - 9) Approval of sustainable financial action plan
 - 10) Approval of determination of bancassurance partner

Frequency and Attendance Level at the Meetings of the Board of Directors

Attendance of members of the Board of Directors at meetings held during the nine months period ending as at 30 September 2023 is as follows:

<u>Name</u>	<u>Number of Meetings</u>	<u>Attendance Level</u>	<u>Percentage (%)</u>
Henoch Munandar	32	29	91%
Kaoru Furuya	32	27	84%
Darmadi Sutanto	32	29	91%
Dini Herdini	32	31	97%
Atsushi Hino	16	14	88%
Keishi Kobata	10	8	80%
Merisa Darwis	32	32	100%
Hanna Tantani	32	30	94%

Training Program of the Board of Directors

The Company gives the members of the Board of Directors on opportunity to participate in various trainings, certifications, workshops, and conferences to develop the competency, professionalism and insight on a sustainable basis. During the nine months period ending as at 30 September 2023, members of the Board of Directors have attended the trainings, certifications, workshops and conferences as follows:

No.	Name	Training	Time
1	Hench Munandar- President Director	Thriving in the age of Analytics with Digital Mindset	18 Jan 2023
		Leadership Series : Creating Strategy to Connect The Generation Gap	14 March 2023
		Media Training	6 July 2023
		Sustainable Finance Seminar	11 August 2023
2	Kaoru Furuya—Deputy President Director	Leadership Series : Creating Strategy to Connect The Generation Gap	14 March 2023
		BTPN Leaders' Onboarding Program: Indonesia Professional Etiquette and HR Practices	26 May 2023
		Economic Outlook Update by Raden Pardede	6 June 2023
		X-Talk Leadership Series : "Managing Global Business Risks: A Proactive Approach" by Tantowi Yahya	14 June 2023
		BTPN Supply Chain Approach Workshop	27 June 2023
		Media Training	6 July 2023
		Sustainable Finance Seminar	11 August 2023

No.	Name	Training	Time
3	Darmadi Sutanto – Vice President Director	Leading in Digital Era	16-21 April 2023
		Economic Outlook Update by Raden Pardede	6 June 2023
		Media Training	6 July 2023
		Sustainable Finance Seminar	11 August 2023
4	Dini Herdini – Director of Compliance	Thriving in the age of Analytics with Digital Mindset	18 Jan 2023
		Leadership Series : Creating Strategy to Connect The Generation Gap	14 March 2023
		Seminar HKHPM "Undang-Undang Perkembangan dan Penguatan Sektor Jasa Keuangan di Indonesia: Implikasi Pada Sektor Pasar Modal" (<i>"Law on Development and Strengthening of the Financial Services Sector in Indonesia: An Implication In the Capital Market Sector"</i>)	20 March 2023
		Webinar ICSA-OJK : Pendalaman POJK No.14/POJK.04/2019-Penambahan Modal Perusahaan Terbuka dgn memberikan Hak Memesan Efek terlebih dahulu (<i>Deepening on POJK No.14/POJK.04/2019 - Increase in Capital of Public Listed Companies by giving the pre-emptive rights</i>)	8 June 2023
		Media Training	6 July 2023
		Sustainable Finance Seminar	11 August 2023
5	Atsushi Hino – Director	Economic Outlook Update by Raden Pardede	6 June 2023
		Media Training	6 July 2023
		Sustainable Finance Seminar	11 August 2023
6	Merisa Darwis-Director	Leadership Series : Creating Strategy to Connect The Generation Gap	14 March 2023
		Economic Outlook Update by Raden Pardede	6 June 2023

No.	Name	Training	Time
		IMD-Individual Learning Development-Orchestrating Winning Performance	26-30 June 2023
		Media Training	6 July 2023
		Sustainable Finance Seminar	11 August 2023
7	Keishi Kobata-Director	Sustainable Finance Seminar	11 August 2023
8	Hanna Tantani-Director	OJK Webinar-Tren Perbankan di Tahun 2023 (<i>Banking Trend in 2023</i>)	17 Jan 2023
		Thriving in the age of Analytics with Digital Mindset	18 Jan 2023
		OJK Webinar-Implementasi Artificial Intelligence di Industri Jasa Keuangan (<i>Implementation of Artificial Intelligence in the Financial Services Industry</i>)	2 Feb 2023
		OJK Webinar-The Role of GRC in Supporting Financial Sector Performance	23 Feb 2023
		Webinar-PwC Indonesia Economic Update Q1 – 2023	9 March 2023
		Harvard Driving Digital Strategy	12-17 March 2023
		Leadership Series : Creating Strategy to Connect The Generation Gap	14 March 2023
		McKinsey session with BTPN on "AI-enabled customer service"	16 March 2023
		BCG and AC Ventures' report launch: Shaping the Future of Fintech in Indonesia	29 March 2023
		Economic Outlook Update by Raden Pardede	6 June 2023
		Empowering Women <IDX>	8 June 2023
		Media Training	6 July 2023
		Sustainable Finance Seminar	11 August 2023

Procedure for Determining Remuneration for the Board of Directors

Remuneration for the Board of Directors is determined by considering:

- 1) External competitiveness, namely comparison with the market/peer group. Peer group means banks that are considered as competitors, which are determined by the Remuneration and Nomination Committee by considering the following matters: The Company's Vision which reflects the Company's long-term direction, the Company's complexity as reflected from the product, technology, and service innovations and very extensive and far-reaching services and significant number of labors.
- 2) Internal Equity, namely equity in the weight of work responsibilities. The Company divides the categories of directors based on the work weight as follows:
 - President Director
 - Deputy President Director
 - Director
- 3) The Company's performance, which is measured based on the achievement of the Bank Business Plan (RBB).
- 4) Individual performance, which is measured based on the result of annual performance assessment which is

prepared based on the duties and responsibilities that have been determined as a benchmark/measurement criteria, particularly for the Board of Directors.

- 5) Remuneration, namely salaries and routine allowances, bonuses, and other facilities received by the board of directors for each of years 2021 and 2022 and for the nine months period ending as at 30 September 2023, respectively, amounted to Rp. 105,260 million, Rp. 109,944 million and Rp. 71,266 million.

c. Audit Committee

The Company has established an Audit Committee as required by the POJK No. 55/2015 based on the Circular Resolution of the Board of Commissioners in lieu of Meeting of the Board of Commissioners of the Company No. PS/BOC/021/III/2022 dated 29 March 2022 regarding Change in Composition of Committees of the Board of Commissioners of the Company.

The Audit Committee was established in order to support the implementation of the duties and responsibilities of the Board of Commissioners in the following matters:

- 1) Assisting the Board of Commissioners in monitoring:
 - The correctness of the financial statements preparation process, the internal control system, and the accuracy of the Company's financial statements

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- Performance of the Company's Internal Audit function
 - The Company compliance with the prevailing laws and regulations
- 2) Providing recommendations in appointment, compensation, and supervision of Public Accounting Firms and Public Accountants appointed by the Company in the context of preparation or making of Audit reports or other related works

Duties and Responsibilities of the Audit Committee

The Committee has the following main duties and responsibilities:

- Monitoring and evaluating the planning and implementation of internal and external audits as well as monitoring the follow-up on the audit results in order to assess the adequacy of internal control, including the adequacy of the financial reporting process.
- Providing independent professional opinions on reports or matters submitted by the Board of Directors to the Board of Commissioners and identifying matters that need attention of the Board of Commissioners.

Further, the Audit Committee has the task to provide independent professional opinions to the Board of Commissioners on reports or matters submitted by the Board of Directors to the Board of Commissioners as well as to

identify matters that need attention of the Board of Commissioners, including, among other things:

- 1) To prepare an annual activity plan for approval of the Board of Commissioners.
- 2) To monitor and study and review the effectiveness of audit implementation by the Company's internal auditor, as well as to monitor the follow-up of the audit in order to assess adequacy of the internal control, including adequacy of the financial reporting process.
- 3) To monitor and evaluate performance of the Internal Audit Work Unit (SKAI)
- 4) To monitor and evaluate the conformity of audit implementation by the public accounting firm with the audit standards.
- 5) To monitor and evaluate the conformity of financial reports with the financial accounting standards.
- 6) To ensure that SKAI communicates with the Board of Directors, the Board of Commissioners, the external auditors and the OJK.
- 7) To ensure that SKAI works independently.
- 8) To give recommendations to the Board of Commissioners and give approval in relation to preparation of the audit plan, the scope, and the budget of SKAI.

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- 9) To review audit reports and to ensure that the Board of Directors takes necessary corrective actions quickly to overcome the control weaknesses, frauds, problems with compliance with policies, laws and regulations, or other problems that are identified and reported by SKAI including giving approval if there is a change in corrective actions and change in targeted completion date of improvement as agreed upon in the relevant Audit Result Report for findings related to the Information Technology.
 - 10) To give recommendations to the Board of Commissioners in relation to the granting of overall annual remuneration and performance award to SKAI.
 - 11) To ensure that SKAI upholds the integrity in performing its duties.
 - 12) To review complaints related to the Company's accounting and financial reporting processes.
 - 13) To review financial information to be released by the Company, such as, financial statements, projections, and financial information of the Company.
 - 14) To review the Company's compliance with laws and regulations relating to the Company's business activities, namely in the banking sector, capital markets, and other applicable laws and regulations.

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- 15) To give independent opinions in the event of any difference of opinion between the management and public accountants on the services they provide.
- 16) To give recommendations to the Board of Commissioners regarding the appointment of AP and/or KAP to the Board of Commissioners for submission to the GMS. Preparation of this recommendation is based on independence, scope of assignment, and service fee. In the event that an AP and/or KAP decided by the GMS is unable to complete the provision of audit services of annual historical financial information during the Professional Assignment period, the Committee is obliged to give a recommendation on the appointment of a replacement AP and/or KAP which is submitted to the Board of Commissioners. The Committee's recommendation shall be given by considering, at least:
- a. Independence of AP, KAP, and people in the KAP;
 - b. Scope of the audit;
 - c. Audit service fee;
 - d. Expertise and experience of AP, KAP, and Audit Team of KAP;
 - e. Audit methodology, techniques, and tools used by KAP;

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- f. Benefits of the fresh eye perspective that will be obtained through replacing the AP, KAP, and the Audit Team from KAP;
 - g. Potential risk of using audit services by the same KAP consecutively for a considerable long period of time; and/or
 - h. Results of evaluation on the implementation of audit services on the annual historical financial information by AP and KAP in the previous period, if any.
- 17) To analyze the adequacy of examination carried out by AP and/or KAP to ensure that all of important risks have been considered.
- 18) To evaluate the implementation of audit service rendition of annual historical financial information by AP and/or KAP. This evaluation is carried out at least through:
- a. conformity of audit implementation by AP and/or KAP with the applicable audit standards;
 - b. adequacy of field work time;
 - c. assessment of the scope of services provided and the adequacy of sampling tests; and
 - d. recommendations on improvement provided by AP and/or KAP

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- 19) To review and report to the Board of Commissioners on claims arising related to the Company.
 - 20) To conduct and have the authority to carry out investigations within their scope of duties, if necessary.
 - 21) To review and give advices to the Board of Commissioners in relation to potential conflicts of interest of the Company.
 - 22) To review any complaints received through the whistleblowing channel, and the Committee may ask for and/or directly receive reports, determine or carry out investigations and other actions in relation to complaints it receives, particularly if the complaints received are alleged to involve any member(s) of the Board of Directors or the Board of Management.
 - 23) To ensure that the Company has internal audit guidelines which also include audit of the implementation of Information Technology, as well as to ensure the implementation of reviews of the internal audit functions including audit of the implementation of Information Technology, by engaging an independent external party, and within the time period as determined by the OJK.

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- 24) To keep confidentiality of all of Company documents, data, and information in their possession.

The Audit Committee has the following authorities:

- 1) The Audit Committee has the authority to obtain full, free, and unlimited access to information of employees, funds, assets and other Company's resources related to the implementation of their duties, including exercising other authorities given by the Board of Commissioners.
- 2) In exercising their authorities, the Audit Committee will cooperate with the Internal Audit and other units as they consider necessary.
- 3) To involve independent parties outside the Audit Committee members as needed to assist in performing their duties (if necessary).
- 4) To cooperate with external consultants, accountants, or other external parties who give advices to the Committee or to give directions in connection with investigations, to seek various relevant information from employees and the employees are asked to cooperate to fulfill the Audit Committee's requests.

Structure and Membership of the Audit Committee

The Audit Committee has 4 (four) members, consisting of 2 (two) Independent Commissioners and 2 (two) Independent

Parties. The Audit Committee is chaired by an Independent Commissioner, namely Ninik Herlani Masli Ridhwan. Structure and membership of the Audit Committee has complied with the applicable regulations.

Legal Basis of Appointment

Circular Resolution of the Board of Commissioners in Lieu of Resolution Adopted at a Meeting of the Board of Commissioners No. PS/BOC/021/III/2022 dated 29 March 2022 regarding Change In Composition of the Committee of PT BANK BTPN Tbk and Decree of the Board of Directors of PT BANK BTPN Tbk No. SK/003/DIR/CCS/IV/2022 dated 22 April 2022 regarding the Composition of Members of Audit Committee of PT BANK BTPN Tbk.

Composition of Members of the Audit Committee

In accordance with the POJK No. 17 of 2023 dated 14 September 2023 regarding Implementation of Governance for Commercial Banks and the POJK No. 55/POJK.04/2015 regarding the Establishment and Work Implementation Guidelines for the Audit Committee, the Company has established an Audit Committee with the latest composition of members as specified in the Circular Resolution of the Board of Commissioners in Lieu of Resolution Adopted at a Meeting of the Board of Commissioners No. PS/BOC/021/III/2022 dated 29 March 2022 regarding Change In Composition of the Committee

of PT BANK BTPN Tbk and Decree of the Board of Directors of PT BANK BTPN Tbk No. SK/003/DIR/CCS/IV/2022 dated 22 April 2022 regarding the Composition of Members of Audit Committee of PT BANK BTPN Tbk. that comes to effect as of 21 April 2022, as follows:

Chairperson : Ninik Herlani Masli Ridhwan

Member : Edmund Tondobala

Member : Aria Kanaka

Member : Ivan Purnama Sanoesi

Below is a brief description of each member of the Company's Audit Committee who is not a member of the Board of Commissioners:

Aria Kanaka

Member

An Indonesian Citizen, 48 years old. He received Bachelor of Economics degree in Accounting from University of Indonesia in 1997 and the Master of Accounting degree from University of Indonesia in 2010. He joined the Company's Audit Committee since 2022.

Other positions he is currently holding:

- Independent Commissioner of PT Gihon Telekomunikasi Indonesia Tbk
- Member of Audit Committee of PT Merdeka Copper Gold Tbk

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- Member of Audit Committee of PT Saratoga Investama Sedaya Tbk
 - Member of Audit Committee of PT Kawasan Industri Jababeka Tbk
 - Member of Audit Committee of PT Sreeya Sewu Indonesia Tbk
 - Member of Audit Committee of PT Sentul City Tbk
 - Chairman of Certification Board of Institut Akuntan Publik Indonesia (IAPI)

Positions he has ever held include:

- Partner in KAP Aria Kanaka & Rekan (member firm Mazars SCRL) 2013-now
- Lecturer at the Faculty of Economics and Business, University of Indonesia 2000-now
- Partner in several KAPs 2003-2013
- Auditor in KAP Prasetio, Sarwoko & Sandjaja (member firm Ernst & Young) - 2002
- Auditor in KAP Prasetio Utomo & Co (member firm Andersen Worldwide) 1997-2002

Ivan Purnama Sanoesi

Member

An Indonesian Citizen, 61 years old. He received Bachelor of Economics degree in Accounting from Tarumanegara University in 1988 and the Master of Financial Management degree from Sekolah Tinggi Manajemen PPM in 2004. He served on the SMBCI

Audit Committee since June 2018 and became the Company's Audit Committee after the merger in 2019.

Other positions he is currently holding:

- Member of Audit Committee of PT Bank Mega Tbk.
- Member of Risk Monitoring Committee of PT Bank Ina Perdana Tbk.
- Member of Risk Monitoring Committee of PT Bank Mayora.

Positions he has ever held include:

- Member of Audit Committee of SMBCI (July 2018-February 2019).
- Advisor of PT Central Santosa Finance (September 2016-August 2018).
- Deputy Head of Audit Division of PT Bank Central Asia, Tbk (1999-May 2016).
- Head of Audit Bureau of PT Bank Central Asia, Tbk (1992-1999).
- Head of Audit Department/Affairs of PT Bank Central Asia, Tbk (1989-1992).
- Audit Division Staff of PT Bank Central Asia, Tbk (1986-1989).

Frequency and Attendance Level of Audit Committee Meetings

During the nine months period ending as at 30 September 2023, the Audit Committee has held 16 Audit Committee meetings at the Company's head office.

Name	Number of Meetings	Attendance Level	Percentage (%)
Ninik Herlani Masli Ridhwan	16	16	100%
Edmund Tondobala	16	16	100%
Ivan Purnama Sanoesi	16	16	100%
Aria Kanaka	16	16	100%

d. Risk Monitoring Committee

The Committee's main task is to assist the Board of Commissioners in performing their duties and responsibilities in carrying out active supervision of the Company's risk management, through recommendations to the Board of Commissioners as follows:

- Assessing consistency between the policies and the implementation of risk management.
- Monitoring and assessing the implementation of duties of the Risk Management Committee and the Risk Management Department.
- Assessing the effectiveness of the Company's risk management framework.

In line with the above functions, the Committee must always monitor the continuous improvement process of the Company's risk management policies, regulations, and implementation, to ensure that the Company's risk management framework has been implemented properly and is running effectively in

achieving the Company's risk management implementation objectives.

Duties and Responsibilities of the Risk Monitoring Committee

The Committee has the task to give independent professional opinions to the Board of Commissioners on reports or matters submitted by the Board of Directors to the Board of Commissioners as well as to identify matters that need attention of the Board of Commissioners, including, among other things:

- 1) To prepare the Committee's annual activity plan and send it to the Board of Commissioners for approval.
- 2) To provide independent professional opinions to the Board of Commissioners on reports or matters related to the risk management submitted by the Board of Directors to the Board of Commissioners and to identify matters that need attention of the Board of Commissioners.
- 3) To evaluate the conformity of between the Company's risk management policies and their implementation in order to give recommendations to the Board of Commissioners.
- 4) To monitor and evaluate the implementation of duties of the Risk Management Committee and the Risk Management work unit in order to give recommendations to the Board of Commissioners.

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- 5) To conduct investigations into matters related to the duties and responsibilities of the Committee, as well as with consultants, public accountants, or other external parties appointed by the Company in order to obtain information as a basis for recommendation to the Board of Commissioners.
 - 6) If requested by the Board of Commissioners, the Committee may perform the tasks other than those specified in in the Committee Charter, which are in accordance with the functions and roles as well as the duties of the Committee according to the need of the Board of Commissioners from time to time.
 - 7) To keep confidentiality of all of the Company's documents, data and information.

Authorities of the Risk Monitoring Committee

The Risk Monitoring Committee has the following authorities:

- 1) The Committee has the authority to obtain full, free, and unlimited access to information of employees, funds, assets and other bank's resources related to the implementation of their duties.
- 2) In exercising their authorities, the Committee is obliged to cooperate with the Risk Management and other units as they consider necessary.

Composition of Members of the Risk Monitoring Committee

In accordance with the POJK No. 17 2023, the Company has established a Risk Monitoring Committee with the latest composition of members as specified in in the Circular Resolution of the Board of Commissioners in Lieu of Resolution adopted at a Meeting of the Board of Commissioners No. PS/BOC/048/IX/2023 dated 29 September 2023 regarding Change In Composition of the Risk Monitoring Committee of PT BANK BTPN Tbk and Decree of the Board of Directors of PT BANK BTPN Tbk No. SK/009/DIR/CCS/X/2023 dated 4 October 2023 regarding the Composition of Members of the Risk Monitoring Committee of PT BANK BTPN Tbk., that comes to effect as of 13 September 2023, as follows:

Chairperson : Onny Widjanarko
Member : Takeshi Kimoto
Member : Edmund Tondobala
Member : Ongki Wanadjati Dana
Member : Ivan Purnama Sanoesi
Member : Sofyan Rambey

Work history of the risk monitoring committee members is as follows:

Sofyan Rambey

Member

An Indonesian Citizen. he received MBA in Finance from John. M. Olin School of Business, Washington University, St.

Louis, USA in 1993 and a professional title Financial Risk Manager (FRM®) from the Global Association of Risk Professional ("GARP"). He served his first position as Member of Risk Monitoring Committee (Independent Party) since 1 February 2019.

Positions he has ever held include:

- Director Regional GARP (2005)
- EVP PT Mandiri Sekuritas (2003-2005)
- Group Head PT Bank Mandiri (2001-2003)
- Commissioner PT Exim Securities (1998-2001)
- Bureau Head PT Bank Exim (1998-2000)
- Bureau Head PT Bank Exim (1994-1998)
- Section Head PT Bank Exim (1988-1991)
- Account Officer PT Bank Exim (1984-1987)

Work history of Onny Widjanarko, Takeshi Kimoto, Ongki Wanadjati Dana, and Edmund Tondobala can be seen in Chapter VIII of this Prospectus, under Management and Supervision Sub-chapter.

Legal Basis of Appointment

Circular Resolution of the Board of Commissioners in Lieu of resolution Adopted at a Meeting of the Board of Commissioners No. PS/BOC/048/IX/2023 dated 29 September 2023 regarding Change In Composition of the Risk Monitoring Committee of PT BANK BTPN Tbk and Decree of the Board of

Directors of PT BANK BTPN Tbk No. SK/009/DIR/CCS/X/2023 dated 4 October 2023 regarding the Composition of Members of the Risk Monitoring Committee of PT BANK BTPN Tbk.

Frequency and Attendance Level of Risk Monitoring Committee Meetings

The Risk Monitoring Committee reports their activities and recommendations to the Board of Commissioners periodically. During the nine months period ending as at 30 September 2023, the Company's Risk Monitoring Committee has held 11 Risk Monitoring Committee meetings with the following attendance levels:

Name	Number of Meetings	Attendance Level	Percentage (%)
Irwan M Habsjah	2	2	100%
Takeshi Kimoto	10	6	60%
Ongki Wandjati Dana	10	10	100%
Edmund Tondobala	10	10	100%
Onny Wldjarnako	6	4	66%
Sofyan Rambey	10	10	100%
Yosef A.B. Badilangoe	10	8	80%
Ivan Purnama Sanoesi	-	-	-

e. Remuneration and Nomination Committee

The Company has established a Nomination and Remuneration Committee as required by the POJK No. 34/2014 based on Circular Resolution of the Board of Commissioners in Lieu of

the Company's Board of Commissioners Meeting No. PS/BOC/021/III/2022 dated 29 March 2022 regarding Change In Composition of the Company's Board of Commissioners Committees.

Remuneration and Nomination Committee is a committee that assists in implementation of functions and duties of the Board of Commissioners in relation to Remuneration and Nomination of members of the Board of Directors and members of the Board of Commissioners. The Nomination Committee is responsible to the Board of Commissioners.

Duties and Responsibilities of the Remuneration and Nomination Committee

The Committee has the task to give independent professional opinions to the Board of Commissioners on reports or matters submitted by the Board of Directors to the Board of Commissioners as well as to identify matters that need attention of the Board of Commissioners, including, among other things:

1) In relation to the remuneration policy:

- Evaluating the remuneration policies; and
- Giving recommendations to the Board of Commissioners on:
 - i. Remuneration policy, remuneration structure, and amount of remuneration for the Board of

Commissioners and the Board of Directors for submission to the General Meeting of Shareholders or GMS;

ii. Remuneration policy for Executive Officers and employees as a whole for submission to the Board of Directors.

- Ensuring that remuneration policies are at least in line with:

i. Financial performance and fulfillment of reserves as regulated in the prevailing laws;

ii. Individual work performance;

iii. Fairness with the peer group inside and outside the Bank; and

iv. Consideration of the Bank's long-term strategic targets.

2) In relation to nomination policy:

- Giving recommendations to the Commissioners on the composition of members of the Board of Directors and/or the Board of Commissioners

- Preparing and giving recommendations on criteria and procedures for selecting and/or replacing members of the Board of Commissioners and the Board of Directors to the Board of Commissioners for submission to the GMS;

-
- Giving recommendations on prospective members of the Board of Commissioners and/or the Board of Directors to the Board of Commissioners for submission to the GMS; Particularly, for prospective members of the Board of Directors, the Human Capital assist with facilitating through the talent management & succession planning process where an assessment is carried out on the availability of prospective members and their potential development in the future. The implementation of succession is carried out through identification of executive officers who have the potential. Each of members of the Board of Directors submits their replacement candidate who will be evaluated by the Committee;
 - Assisting the Board of Commissioners in assessing the performance of members of the Board of Directors and/or the Board of Commissioners;
 - Preparing the capacity development programs for members of the Board of Directors and/or members of the Board of Commissioners;
 - Giving recommendations on Independent Parties who will become members of the Audit Committee, the Risk Monitoring Committee, and the Integrated Governance Committee to the Board of Commissioners;

3) Assisting the Board of Commissioners in carrying out performance assessment of independent parties by means of:

- Determining the individual performance assessment factors.
- Receiving the results of assessment of members of committees under the Board of Commissioners, obtained from the Chairperson of the relevant Committees,
- The Committee prepares recommendations based on the aforesaid assessment, for submission to the Board of Commissioners, as a basis for reappointing or dismissing the Committee members.

4) Keeping confidentiality of all of Bank's documents, data, and information.

5) Other duties, other than those mentioned above, that are assigned by the Board of Commissioners to the Committee in accordance with their functions and duties from time to time according to the need.

Authorities of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee has the authority to, among other things:

1) The Committee has the authority to obtain full, free, and unlimited access to information on employees, funds,

assets, and other Bank resources related to performance of its duties.

2) In exercising its authority, the Committee is obliged to cooperate with the Human Capital Directorate and other units as it deems necessary.

Composition of Members of the Remuneration and Nomination Committee

Chairperson : Ninik Herlani Masli Ridhwan

Member : Chow Ying Hoong

Member : Mira Fitria

Brief history of the remuneration and nomination committee members is as follows:

Mira Fitria

Member

An Indonesian Citizen, 46 years old. She received Bachelor of Arts degree from University of Indonesia in 2000, the Master of Arts degree from Lancaster University in 2001, and the Post Graduate Research degree from The London School of Economics and Political Science in 2006. She has been being on the Company's Remuneration and Nomination Committee since 2020.

Positions she has ever held include:

-
- VP of Human Resources Danone Waters Indonesia (2019-2020).
 - CHRO-Corporate Affairs & Sustainability, Human Resources, Technology, and Strategy Management The Body Shop Indonesia (2017-2019).
 - Human Resources Director Microsoft Indonesia (2014-2016).
 - Senior HR Business Partner Microsoft Indonesia (2013-2014).
 - HR Generalist for Retail Bank, Consumer Finance, Risk Management and Financial Control CITI Indonesia (2008-2013).
 - Leadership, Talent and Performance Management Head CITI Indonesia (2006-2008).
 - Regional Management Associate: Consumer Bank Training & Development Manager Citibank Asia Pacific Consumer Bank, Singapore (2003-2004).
 - Investment, Treasury and Insurance Compliance Manager Citibank Indonesia (2002-2003).
 - Management Associate Citibank Indonesia (2001-2002)

Currently, Mira Fitria is serving as an Executive Officer-Head of Human Resources PT Bank BTPN Tbk.

Work history of Ninik Herlani Masli Ridhwan and Chow Ying Hong can be seen in Chapter VIII of this Prospectus under Sub-chapter of Management and Supervision.

Legal Basis of Appointment

Circular Resolution of the Board of Commissioners in Lieu of Resolution adopted at a Meeting of the Board of Commissioners No. PS/BOC/021/III/2022 dated 29 March 2022 regarding Change In Composition of the Company's Committees and Decree of the Board of Directors of the Company No. SK/006/DIR/CCS/IV/2022 dated 22 April 2022 regarding the Composition of Members of the Remuneration and Nomination Committee of PT BANK BTPN Tbk.

Frequency and Attendance Level of Remuneration and Nomination Committee Meetings

During the nine months period ending as at 30 September 2023, the Audit Committee held 3 (three) meetings with the following attendance level:

<u>Name</u>	<u>Number of Meetings</u>	<u>Attendance Level</u>	<u>Percentage (%)</u>
Ninik Herlani Masli Ridhwan	3	3	100%
Chow Ying Hoong	3	3	100%
Mira Fitria	3	3	100%

Activities and recommendations from the Remuneration and Nomination Committee are reported periodically to the Board of Commissioners.

f. Corporate Secretary

To comply with the provisions of the Financial Services Authority Regulation Number 35/POJK.04/2014 regarding

Corporate Secretary of issuers or public companies, the Company has appointed Eneng Yulie Andriani to be the Company's Corporate Secretary as of 10 January 2020 as specified in in the Circular Resolution of the Board of Directors In Lieu of Resolution Adopted In a Meeting of the Board of Directors of the Company No. PS/BOD/001/I/2020 dated 10 January 2020.

Below is information on the Company's Corporate Secretary:

Correspondence Address : BTPN Tower, 29th Floor
CBD Mega Kuningan Jl. Dr. Ide
Anak Agung Gde Agung, Kav 5.5 -
5.6, South Jakarta 12950

Telephone : +62 21 30026200

Facsimile : +62 21 30026308

Email : corporate.secretary@btpn.com

Duties and responsibilities of the Company's Corporate Secretary are as specified in in the Financial Services Authority Regulation Number 35/POJK.04/2014 regarding Corporate Secretary of issuers or public companies.

In order to improve the knowledge and understanding in order to assist in the implementation of his/her duties and responsibilities, during 2023, the Corporate Secretary has attended the following trainings/seminars/workshops:

Date	Type of Training/Seminar/Workshop	Organizer
31 Jan 2023	Dissemination of SEOJK Number 33/SEOJK.04/2022 regarding Guidelines for	BTPN Compliance

Date	Type of Training/Seminar/Workshop	Organizer
	Implementation of Securities Offerings other than Public Offering	
2 Feb 2023	Dissemination of Artificial Intelligence in the Financial Services Industry	OJK Institute
3 Feb 2023	Dissemination of Law Number 4 of 2023 regarding Development and Strengthening of Financial Sector	BTPN Legal & Litigation
16 Feb 2023	Business Risk Forum / Training and Development of Effective Collaboration to achieve Common goal by Hingdranata Nikolay	BTPN Risk
22 Feb 2023	Dissemination of General Guidelines for Indonesian Corporate Governance and Implementation of Annual Report Award 2023	National Committee for Governance Policy
28 Feb 2023	Effective Communication Training by Wahyu Wiwoho (Talk Inc)	BTPN Corporate Secretary and BTPN Learning
2 March 2023	CLCS Workshop (BTPN Culture Initiative) Communication Seminar & Gathering	BTPN CLCS Directorate
6 March 2023	Senior Leaders' Briefing Q1 2023	BTPN Corporate Communications
14 March 2023	Leadership Series 1 Creating Strategy to Connect The Generation Gap feat Yoris Sebastian (co founder Inspigo)	BTPN Human Resources
20 March 2023	Webinar of Law on Development and Strengthening of the Financial Services Sector in Indonesia: An Implication In the Capital Market Sector	Association of Capital Market Legal Consultants

Date	Type of Training/Seminar/Workshop	Organizer
11 Apr 2023	Seminar of “P2SK Law as Strengthening of the Financial Sector for Consumers and Financial Industry”	ICSA & Hukumonline
18 May 2023	LDA-Cultural Intelligence Workshop	SMBC Learning Development Asia
22 May 2023	Senior Leaders’ Briefing Q2 2023	BTPN Corporate Communications
25 May 2023	Understanding the Key Elements of Green, Social, and Sustainability Bonds	IDX-UNDP
6 Jun 2023	Economic Outlook Update by Creco (Bapak Raden Pardede)	BTPN Corporate Secretary
8 Jun 2023	Deepening on POJK No.14/POJK.04/2019 - Increase in Capital of Public Listed Companies by giving the pre-emptive rights.	ICSA
8 Jun 2023	Digital Knowledge Sharing (LCAPD-AGMD-BTPN) of Year 2023	LCAPD-AGMD-BTPN
13 Jun 2023	AEI Gathering-Discussion of Strategy and Application of P2SK Law for Public Listed Companies	AEI
14 Jun 2023	Leadership Series on Learning Festival (Offline): “Managing Global Business Risks : A Proactive ft Tantowi Yahya	BTPN Learning
21 Jun 2023	Dissemination of PLPS No. 1 of 2023 regarding the Deposit Guarantee Program	BTPN Compliance
26 Jun 2023	Dissemination of Regulation Number I-L regarding Suspension of Securities, Regulation Number I-X	IDX

Date	Type of Training/Seminar/Workshop	Organizer
	regarding Placement of Equity Securities Listings on the Special Monitoring Board, and Regulation Number II-X regarding Trading in Equity Securities on the Monitoring Board	
27 Jun 2023	Webinar Non Regulatory “Strengthening the Board’s Succession: A Framework for Board Performance & Evaluation”	ICSA
6 Jul 2023	Media Training	BTPN Learning
12 Jul 2023	Dissemination of OJK regulations regarding APU and PPT	BTPN Compliance and BTPN AML CFT
1 Aug 2023	Dissemination of POJK Number 9 of 2023 regarding the Use of Public Accounting Services and Public Accounting Firms in Financial Services Activities	BTPN Compliance
2 Aug 2023	Data Protection Resilience Strategy in Companies	ICSA
11 Aug 2023	Dissemination of Refreshment on OJK BMPK Provisions	BTPN Compliance
16 Aug 2023	Senior Leaders’ Briefing Q3 2023	BTPN Corporate Communications
22 Aug 2023	Compliance Refreshment for Issuers and Public Listed Companies	IDX
24 Aug 2023	Deepening of SEOJK No. 33/SEOJK.04/2022 regarding Implementation Guidelines for Securities Offerings Other Than Public Offerings	ICSA
7 Sep 2023	Dissemination of Bank Sensitive Information Registration	BTPN Cyber Security Risk

Date	Type of Training/Seminar/Workshop	Organizer
14 Sep 2023	AEI Conference and Seminar <ul style="list-style-type: none"> Maximizing the Implementation of Law of Development & Strengthening of the Financial Sector (P2SK) towards the Development of Indonesian Capital Market- IDX Global Economic Dynamics & Its Implications To the National Economy” by the coordinating minister Dynamics of Political Economy & Its Implications for the Business World”	AEI
20-22 Sep 2023	CLCS Workshop and Gathering	BTPN CLCS Directorate
6 Oct 2023	Seminar of Free Float and Use of Form E009 in the SPE Reporting System	IDX and AEI
7 Nov 2023	Sustainability Town Hall	BTPN Corporate Communications and SMBC
9 Nov 2023	ASEAN Corporate Governance Scorecard Revised October 2023	ICSA
10 Nov 2023	Corporate Secretary Workshop and Gathering	BTPN Corporate Secretary
27 Nov 2023	Invitation for Dissemination of Financial Services Authority Regulation (POJK) Number 9 of 2023 regarding the Use of Public Accountant and Public Accounting Firm Services in Financial Services Activities	ICSA
30 Nov 2023	Risk and Governance Summit 2023	OJK

g. Internal Audit Work Unit

The Company has prepared and established an Internal Audit Unit and Internal Audit Unit Charter as provided for in the OJK Regulations No. 30/POJK.05/2014 and No. 56/POJK.04/2015. The Company's Internal Audit Charter was established based on Decree of the Board of Directors of the Company No. SK.011/DIR/IAQA/XII/2022 dated 21 December 2022. This Internal Audit Charter serves as a reference in carrying out all of the internal audit activities. The Company has appointed Nurhajati Soerjo Hadi to be the Head of Internal Audit Unit as of 1 January 2017 with the approval of the Board of Commissioners based on Decree of the Board of Commissioners No. PS/BOC/009/XII/2016, last signed on 27 December 2016.

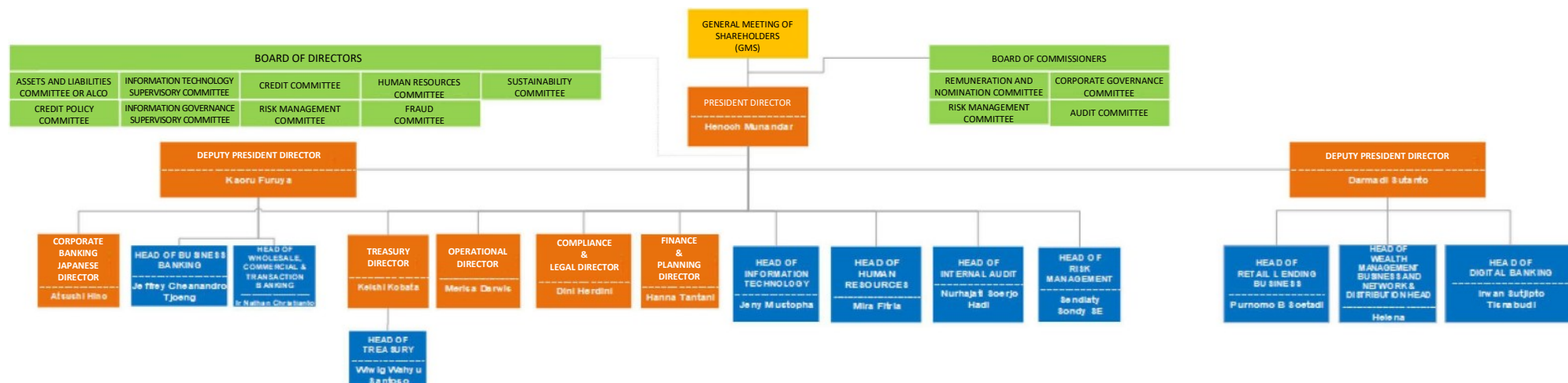
Duties and responsibilities of the Head of Internal Audit Unit are as follows:

- 1) To submit a risk-based annual audit plan for review and for approval of the President Director, the Board of Commissioners and the Audit Committee.
- 2) To communicate to the President Director and the Audit Committee if there is any resource limitation that affects the Internal Audit plan.

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- 3) To develop, review, and adjust the Internal Audit plans, as necessary, in response to the business, risk, operational, program, system and control changes.
 - 4) To communicate to the President Director, the Board of Commissioners, and the Audit Committee of any significant temporary changes in the Internal Audit plan.
 - 5) To ensure that each assignment in the Internal Audit plan has been performed, including the setting of objectives and scope, appropriate assignments and adequate supervision, documentation of work programs and test results, as well as communication related to assignment results accompanied by conclusions and recommendations to the appropriate parties.
 - 6) To report any significant findings to the Board of Directors, the Board of Commissioners, and the Audit Committee.
 - 7) To ensure that the integrity, objectivity/independence, confidentiality, and competency principles are implemented and upheld.
 - 8) To ensure that the Internal Audit organization collectively has or obtains necessary knowledge, skills, and other competencies including participating in the sustainable education programs to fulfill the Internal Audit Charter requirements.

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- 9) To select competent human resources according to the needs in performing the Internal Audit tasks.
 - 10) To ensure that any developments and issues that can affect the Company's sustainability have been appropriately considered and communicated to the President Director and the Audit Committee.
 - 11) To establish policies and procedures designed to become guides for the Internal Audit.
 - 12) To ensure compliance with the Company policies and procedures, unless such policies and procedures conflict with the Internal Audit Charter. Any existing conflicts will be resolved or communicated to the President Director and the Audit Committee.
 - 13) To ensure conformity between the Internal Audit activities and the existing standards.
 - 14) To ensure that the use of external party services does not affect the independence and objectivity of the Internal Audit, complies with the Audit Charter and transfer of knowledge from third parties is carried out adequately.
 - 15) To ensure the supervisory functions related to the Internal Audit in subsidiaries.
 - 16) To prepare and review the Charter, Policies and Procedures of the Internal Audit periodically.

h. Company's Organization Structure



6. Risk Management Initiatives

Credit Risks

Within the framework of supporting the Company's business targets and upholding portfolio quality, the Company formulates credit policies and procedures in accordance with the policy hierarchy. The credit policies serve as guidelines in implementing the credit process, for which reviews and refinements of such policies and procedures shall be periodically effected, particularly in response to the shifting in economic conditions, regulatory amendments, and/or business strategies.

The Company continues to actively manage and supervise the implementation of risk management while effectively refining the risk management policies, improving procedures, and advancing system development.

In addition to establishing the policy formulation and procedures, the Company also sets necessary limits to ensure that credit risk exposure shall remain within the boundaries of the Company's *risk appetite*. These limits include, among others, limitation of the authority of credit decision-makers based on their competencies in making decision, the level of risks and the considerations with regard to zero conflict of interest in the credit approval process for customers. As for

fixing the Legal Lending Limit (BMPK), it shall observe relevant external regulatory stipulations.

The company manages and controls credit risk concentrations wherever these risks are identified, specifically towards individual and group debtors as well as industries and geographical sectors.

Management Information System has been made available and covers a sufficiently detailed level to detect any adverse developments as early as possible, allowing timely actions to be taken to address credit quality deterioration or minimize credit losses.

The company closely monitors the progress of the credit portfolio to give room for taking preventive actions promptly in case of a decline in credit quality. This includes early detection of issues and disciplined monitoring.

Internal Control Systems are implemented to manage risks that may jeopardize the company's business continuity. This involves, among other measures, the effective implementation of procedures for managing troubled credit, with a clear separation of functions between the resolution of problematic credits and the credit decision-making process.

Market Risks

Market risk management is conducted based on the Company's *risk appetite* and *risk tolerance*, manifesting in strategies,

policies, and procedures related to products, services, and activities exposed to market risk. The Company also regulates and implements the principle of *segregation of duties*, involving the independent separation of functions and responsibilities among the *front office unit* (Treasury), *middle office unit* (Risk Management), and *back office unit* (Treasury Operation).

Furthermore, the Company establishes overall (bank-wide) limits, as well as limits per specific activity or product based on positions, sensitivities, and potential losses. This is done to ensure that the risk control process supports business strategies, and business expansion remains optimal, measurable, and allert to anticipate unfavorable market conditions.

The Company also manages market risk in the *banking book* by optimizing the balance sheet structure to achieve maximum returns in line with the Company's acceptable risk levels

For interest rate risk in the *banking book*, measurement and monitoring are carried out based on the *repricing profile* of assets and liabilities that are sensitive to changes in interest rates and can impact future net interest income and cash flow values.

Market risk controls covers a daily revaluation process using market prices, periodic simulation, and *stress testing* for all

possible changes in market risk factors, namely exchange rates and interest rates. Additionally, the Company implements pricing policies based on accurate projections of credit and funding growth to optimize net interest income.

The Management Information System has been made available and sufficiently detailed to detect any potential losses, thereby supporting timely decision-making and internal control systems.

Liquidity Risks

Liquidity risk management is implemented through the formulation of strategies, policies, and procedures by the Company relevant to the business strategy, internal and external funding, and *risk appetite*. Including therein is regulating the level of liquid assets, determining the types of liquid assets, diversifying funding sources, and implementing monitoring and reporting processes for liquidity.

Daily monitoring of the Company's liquidity condition is conducted through cash flow projections, limits, and liquidity risk tolerances, ensuring compliance with relevant regulations and parameters set by the *Assets and Liability Committee* (ALCO), as well as activating early warning indicators to detect potential liquidity crises at an early stage.

The Company closely monitors the evolution of funding needs, manages funding portfolios to avoid reliance on specific funding sources, conducts periodic stress tests, and prepares a *Contingency Funding Plan* in case of a liquidity crisis.

The Management Information System is in place and provides detailed information to detect any potential deterioration in liquidity. This supports timely decision-making processes and the internal control system.

Operational Risks

The Board of Commissioners and the Board of Directors of the Company actively monitor operational risk management through various committees, such as the Risk Monitoring Committee and the Risk Management Committee. Regular monitoring is conducted according to their respective terms of reference to discuss operational risks, including their implementation, authority, and responsibilities.

Internal controls over operational risk are implemented through the application of the three lines of defense model. In the first line of defense, the *Risk Taking Unit* (RTU), assisted by *Business Risk* (Internal Control & Risk - ICR Function), manages day-to-day operational risk. In the second line of defense, the *Operational & Fraud Risk Management Division* (OFRM) within the Risk Management Directorate is responsible for overseeing the implementation of risk

management processes in line with established policies. In the third line of defense, Internal Audit independently ensures that residual risks remain within the tolerable limits set by the Company.

Ongoing coordination among the parties responsible for the Company's internal control practices is achieved through standardized ICR *maturity self-assessment* and forums organized by the OFRM Division to facilitate the *Internal Control & Risk* function.

The operational risk management process, which includes identification, measurement, monitoring, and control of risks, is carried out in a structured and consistent manner. This is based on effective best practices for the Company, encompassing *Business Continuity Management* (BCM).

The stages of the operational risk management process covers identification, measurement, monitoring, and control of operational risks as follows:

1. **Identification:** Operational risk identification is conducted across all processes, products, systems, and the organization. In addition to new products, services, and initiatives, the Company conducts operational risk assessments either for developments or for changes. The process of identifying operational risks is complemented by operational risk management tools, among others the

Risk Grading Matrix (RGM), Process Risk Control (PRC), Key Risk Indicators (KRI), and Risk Acceptance.

2. **Measurement:** The risk measurement process includes periodic *self-assessment* activities through *Key Control Self Assessment (KCSA)*, analysis of operational risk occurrences and losses, audit activities by *Internal Control & Risk (ICR)*, scaling of Key Risk Indicators, and reporting on *Operational Risk Appetite (ORA)* presented monthly in the Risk Management Committee (KMR) meetings.
3. **Monitoring:** Operational risk monitoring is carried out through reporting to senior management and regulators, both regularly and ad-hoc, including reporting significant incidents through the Significant Incident Notification Protocol (SINP). This is implemented to ensure that any issues that arise can be promptly addressed.
4. **Control:** Operational risk control is implemented by applying effective preventive, detective, and corrective control mechanisms and/or providing sufficient insurance to minimize the impact of operational losses for the Company. As part of control measures, the Company has a comprehensive Business Continuity Management guideline.

The Company has made available the *Internal Control & Risk System* (ICRS) to provide accurate, timely, and up-to-date information to facilitate analysis and decision-making.

The calculation of the Minimum Capital Adequacy Provision (KPMM) for operational risk, conducted by the Company, has been utilizing the Standardized Approach since the beginning of 2023, in accordance with the schedule set by the Financial Services Authority (OJK).

The Company has developed comprehensive guidelines and organizational structures for Business Continuity Management (BCM) with the aim of anticipating operational risks that may arise from extreme/critical situations caused by natural disasters such as floods and earthquakes, as well as other factors like fires, system disruptions/power supply interruptions, negative media coverage, and adverse business environments. This ensures the continuity of services to customers can be guaranteed

Legal Risks

Legal risk management is aimed at reducing the likelihood of losses from legal claims or contractual weaknesses, such as non-compliance with contract terms. The Company has implemented several measures in this regard:

1. Forming a specialized legal unit;

-
2. Establishing legal risk control policies, especially those affecting functional activities. The policies are evaluated at least once a year;
 3. Identifying and controlling legal risks inherent in new products and activities before they are introduced to customers;
 4. Identifying legal risks associated with each functional activity;
 5. Quantitatively measuring legal risks.

Reputation Risks

Reputation risk management is intended to reduce the likelihood of losses from negative publications related to the Company's business activities or negative perceptions of the Company. Some efforts made by the Company include the following:

1. Establishing a unit with the authority and responsibility to provide comprehensive information to customers and stakeholders;
2. Setting communication policies to address or prevent negative publications;
3. Identifying reputation risks associated with each functional activity;

-
4. Quantitatively measuring reputation risks.

Strategic risks

Strategic risk management is carried out to reduce the likelihood of losses resulting from the formulation and implementation of inappropriate corporate strategies, inaccurate business decision-making, or the Company's inadequate responsiveness to external changes. Some efforts made by the Company include the following:

1. Developing a corporate plan and a 3-year work plan in line with the Company's approved mission and strategy by the Board of Commissioners and the Board of Directors, considering the impact on capital, and conducting a minimum semi-annual review;
2. Establishing policies that govern the formulation and monitoring of strategy implementation, including corporate plans and business plans.

Compliance Risks

Compliance risk management is aimed at reducing the likelihood of losses due to non-compliance or failure to implement prevailing laws and regulations and other applicable provisions. Some efforts made by the Company include the following:

-
1. Establishing an independent compliance unit within the organizational structure that actively oversees periodic checks on operational units;
 2. Setting up procedures for compliance risk control, policies for assigning responsibilities, and periodic compliance reviews;
 3. Establishing identification and measurement procedures for compliance risk in all functional activities;
 4. Conducting compliance tests on company policies or activities, including proposals for credit approval within specific limits;
 5. Conducting periodic socialization and training regarding provisions issued by regulators;
 6. Having a periodic compliance risk reporting system, at least every month;
 7. Implementing clear functional separation between operational units, risk control units, and risk monitoring units within the organizational structure.

7. Human Resources

As per September 30, 2023, December 31, 2022, and 2021, the total number of permanent employees in the Group is 20,629,

19,740, and 19,334, respectively, distributed across various cities in Indonesia, with the following breakdown:

Table of employee composition based on status

	Per December 31		Per September 30
	2021	2022	2023
Company			
Permanent	6,686	6,584	6,375
Contract	443	388	355
Sub Total	7,129	6,972	6,730

BTPN Syariah

Permanent	4,271	3,896	3,706
Contract	7,934	8,872	10,193
Sub Total	12,205	12,768	13,899
Total	19,334	19,740	20,629

Table of employee composition based on ranks

	Per December 31		Per September 30
	2021	2022	2023
Company			
Board of Management	11	12	12
Top Management	154	171	173
Senior Management	710	718	744
Management	2,831	2,831	2,831
Officer/Supervisor	1,616	1,596	1,618

	Per December 31		Per September 30
	2021	2022	2023
Clerical	1,807	1,556	1,245
Sub Total	7,129	6,972	6,730
BTPN Syariah			
Board of Management	5	5	4
Top Management	10	12	12
Senior Management	140	152	169
Management	463	502	552
Officer/Supervisor	1,110	1,209	1,265
Clerical	10,477	10,888	11,897
Sub Total	12,205	12,768	13,899
Total	19,334	19,740	20,629

Table of employee composition based on formal education status

	Per December 31		Per September 30
	2021	2022	2023
Company			
S2-S3/Master	290	322	332
S1/Bachelor	5,783	5,692	5,528
≤D1-D3/Academy	1,056	958	870
Sub Total	7,129	6,972	6,730
BTPN Syariah			
S2-S3/Master	65	77	79
S1/Bachelor	5,578	5,681	5,812

	Per December 31		Per September 30
	2021	2022	2023
≤D1-D3/Academy	6,562	7,010	8,008
Sub Total	12,205	12,768	13,899
Total	19,334	19,740	20,629

Table of employee composition based on age group

	Per December 31		Per September 30
	2021	2022	2023
Company			
≥ 60 years	0	0	1
55-59 years	22	19	21
50-54 years	388	413	409
45-49 years	570	606	598
40-44 years	1.122	1.204	1.241
35-39 years	1.866	1.756	1.678
30-34 years	1.757	1.621	1.478
25-29 years	1.154	1.079	1.043
<25 years	250	274	261
Sub Total	7,129	6,972	6,730

BTPN Syariah

≥ 60 years	0	0	1
55-59 years	9	13	21
50-54 years	54	62	409
45-49 years	98	101	12
40-44 years	181	215	68

	Per December 31		Per September 30
	2021	2022	2023
35-39 years	481	581	115
30-34 years	1.652	1.756	226
25-29 years	4.308	4.599	664
<25 years	5.422	5.441	1.763
Sub Total	12,205	12,768	13.899
Total	19,334	19,740	20.629

Table of employee composition based on their functions

	Per December 31		Per September 30
	2021	2022	2023
Company			
Business Banking	679	600	567
Corporate Banking – Japanese	98	101	113
Credit Risk	60	71	74
Digital Banking	332	420	460
Executive Secretary to Retail Banking Director	1	-	1
Human Resources	90	106	105
Internal Audit	56	50	56
Kepatuhan & Legal	112	116	118
Kuangan & Perencanaan	79	82	86
Manajemen Risiko	58	51	54
Micro Business	651	553	-
Operations	2.549	2.491	2.424
Retail Banking Analytics. Planning & Process Excellence	31	42	35

	Per December 31		Per September 30
	2021	2022	2023
Retail Banking Risk	645	622	643
Retail Lending Business	681	640	963
Secretary To Deputy President Director	1	1	1
Teknologi Informasi	478	492	483
Treasury	34	35	38
Wealth Management Business and Network & Distribution	346	346	339
Wholesale Banking	148	153	170
Sub Total	7,129	6,972	6,730
BTPN Syariah			
Compliance & Risk	52	60	67
Finance & Operations	536	529	-
Finance, Treasury & Operations	-	-	543
Financing Business	11.134	11.663	12.791
Funding & Fee Based Business	224	243	-
Funding & New Business	-	-	197
Human Capital, Internal Audit & Information Technology	259	273	301
Sub Total	12,205	12,768	13.899
Total	19,334	19,740	20.629

Table of employee composition based on geographical location

	Per December 31		Per September 30
	2021	2022	2023
Company			

Jakarta (Head Office)	2.526	2.706	2.706
Sumatera	1.008	907	826
Jakarta (Non Head Office)	355	331	415
Java and Bali	2.346	2.208	2.029
Kalimantan	238	217	202
Sulawesi	452	412	383
Eastern Indonesia	204	191	169
Sub Total	7,129	6,972	6,730

BTPN Syariah

Jakarta (Head Office)	571	621	645
Sumatera	2.981	3.189	3.431
Jakarta (Non Head Office)	99	101	119
Java and Bali	7.335	7.573	8.242
Kalimantan	404	440	477
Sulawesi	381	400	482
Eastern Indonesia	434	444	503
Sub Total	12,205	12,768	13.899
Total	19,334	19,740	20.629

Foreign workers

Until the date of this Prospectus issuance, the Company employs 11 foreign workers, detailed as follows:

No.	Name	Nationality	KITAS No.	Valid until	IMTA / Notification Letter / Approval No.	Title
1.	Hideaki Asatsu	Japanese	IM2WAN68522	10-Apr-24	51259230	Executive Officer – Head of Corporate Banking V

No.	Name	Nationality	KITAS No.	Valid until	IMTA / Notification Letter / Approval No.	Title
2.	Naoki Watanabe	Japanese	J1U1VAA46300	21-May-24	51273961	Executive Officer – Corporate Banking Department 2
3.	HiroakiSeguchi	Japanese	2C11JD1336-X	13-Dec-24	51417249	Executive Officer – Head of Corporate Banking 4
4.	TasukuTanaka	Japanese	E1U1RAR60733	25-Apr-24	51223100	Executive Officer – Head of Credit Risk
5.	KeisukaHeima	Japanese	J1U1SAEY26183	12-Jun-24	51290536	Executive Officer – Head of Risk Management Planning
6.	KenjiOkada	Japanese	IM2VAH27145	30-Oct-24	51163871	Executive Officer – Head of Alignment and Synergy
7.	AkiraKuwata	Japanese	2C21JD0368-A	18-Feb-25	51450826	Executive Officer – Head of IT Governance Management
8.	HayatoInoue	Japanese	IM2VAD51886	15-May-24	51286800	Executive Officer – Head of IT Corporate Banking Enablement
9.	KosukeShimada	Japanese	2C11JD1279-X	03-Dec-24	51417258	Executive Officer – Head of Digital Banking Alignment & Synergy
10.	YutaOhara	Japanese	E1U1JB082214	24-Mar-24	51230484	Expert Staff - Alignment & Synergy Planning

Education and Training

The Company recognizes the importance of continuous improvement in the competence of its human resources to support the growth and success of the Company. Therefore, the Company regularly conducts training and development programs for all employees. These training and development initiatives aim to enhance employee readiness and the company's competitiveness in meeting the demands of the banking industry and addressing customer needs.

The Company's HR training and development programs encompass talent development, leadership training, and mandatory technical and non-technical competence training for all Company personnel, from employees and senior managers to the Board of Directors. The training programs implemented in 2022 include:

1. Acceleration program to prepare future leaders of the Company.
2. Leadership training program for employees leading teams for the first time (LDP P1) and managers overseeing different teams (LDP P2).
3. Development of technical competencies for employees, focusing on reskilling and upskilling to align with business needs, especially in the digitalization processes across all business lines.
4. Non-technical competency training for employees to prepare them to adapt to new ways of working. This includes providing training that enhances productivity and teamwork, enabling them to adjust to new work methodologies effectively.

The design of the Company's training program is structured to align with the Company's strategy, industry trends, and employee development needs. The Company has also provided

supporting infrastructure to manage employee training and development through the Human Resources Information System (HRIS). The process of identification, analysis, learning methods, and evaluation to enhance the quality of training and development is facilitated by the HR system, which not only streamlines the learning process but also ensures equal distribution of training and development for all employees in developing needs and skills evenly across various work locations.

In the midst of the new normal era, some training is still conducted online to improve time efficiency and broaden accessibility. In the reporting year, the Company conducted 420 training programs attended by 6,805 employees for a total of 269,756 hours, resulting in an average training hours of 39 hours per employee per year.

Facilities and Employee Welfare

The Company values employee performance and achievements through its remuneration system. The Company's remuneration and benefits policies are also a strategy to retain productive human resources that can maximize the Return on Investment (ROI) for the Company. The provision of basic salaries and remuneration is based on prevailing laws and regulations and the Company's policies related to employee remuneration.

All permanent employees of the Company are entitled to receive an entry-level wage equivalent to or even higher than the Provincial Minimum Wage (UMP) set by the Government. The Company also upholds the principles of equality and justice, ensuring that remuneration is budgeted based on business results and employee competencies. The Company does not differentiate in remuneration and entry-level wages between male and female employees; both are in a 1:1 ratio for each job category.

8. Important Fixed Assets Owned by the Company

The Company possesses or significantly controls fixed assets in the form of land and/or buildings, as follows:

No.	Offices	Type of Rights / Rights No.	Land Area (m2)	Address /Location	Expiry Date of the Rights
1	A. Yani Branch Office	SHGB No. 61 dated 31 August 2017	3,065	Jl. A. Yani No. 618-620 Kel. Babakan Surabaya, Kec. Kiaracandong, Kotamadya Bandung, Jawa Barat	10 August 2037
2	Bandar Lampung Branch Office	SHGB No. 10 dated 26 January 1994	2,710	Jl. Wolter Monginsidi No. 15, Desa Gotong Royong, Kec. Tanjung Karang Pusat, Kotamadya Bandar Lampung, Lampung	23 December 2043
3	Bandar Lampung Branch Office	SHGB No. 43 dated 5 June 2015	320	Jl. Wolter Monginsidi No. 15, Desa Gotong Royong, Kec. Tanjung Karang Pusat, Kotamadya Bandar Lampung, Lampung	1 June 2035
4	Bandung Branch Office	SHGB No. 18 dated 28 January 1997	353	Jl. Lengkong Besar No. 38, Kel. Cikawao, Kec. Lengkong, Kotamadya Bandung, Jawa Barat	30 October 2036
5	Bandung Branch Office	SHGB No. 19 dated 28	691	Jl. Lengkong Besar No. 38, Kel. Cikawao, Kec.	30 October 2036

No.	Offices	Type of Rights / Rights No.	Land Area (m2)	Address /Location	Expiry Date of the Rights
		January 1997		Lengkong, Kotamadya Bandung, Jawa Barat	
6	Banjarmasin Branch Office	SHGB No. 3 dated 7 March 1994	1,170	Jl. A Yani No. 240 KM 3, 5, Kel. Karang Mekar, Kec. Banjar Timur, Kotamadya Banjarmasin, Kalimantan Selatan	24 September 2024
7	Banjarmasin Branch Office	SHGB No. 00037 dated 13 February 1995	996	Jl. A Yani No. 240 KM 3, 5, Kel. Karang Mekar, Kec. Banjar Timur, Kotamadya Banjarmasin, Kalimantan Selatan	24 September 2024
8	Bogor Branch Office	SHGB No. 245 dated 1 November 2017	1,988	Jl. Padjadjaran No. 63, Kel. Babakan, Kec. Kota Bogor Tengah, Kotamadya Bogor, Jawa Barat	22 December 2037
9	Cililitan Branch Office	SHGB No. 52 dated 27 July 1991	1,927	Jl. Dewi Sartika No. 46 RT001/ 013, Kel. Cililitan, Kec. Kramat Jati, Kota Jakarta timur, DKI Jakarta	5 March 2035
10	Cirebon Branch Office	SHGB No. 330 dated 27 January 2017	780	Jl. Dr. Wahidin Sudirohusodo 72, Desa Sukapura, Kec. Kejaksaan, Kotamadya Cirebon, Jawa Barat	25 January 2037
11	Depok Branch Office	SHGB No. 504 dated 16 May 1998	255	Jl. Margonda Raya No. 77, Kel. Depok, Kec. Pancoran Mas, Kab. Bogor, Jawa Barat.	23 September 2042
12	Depok Branch Office	SHGB No. 503 dated 16 May 1998	510	Jl. Margonda Raya No. 77, Kel. Depok, Kec. Pancoran Mas, Kab. Bogor, Jawa Barat.	23 September 2042
13	Garut Branch Office	SHGB No. 4 dated 25 October 2017	1,040	Jl. Merdeka No. 84-A Desa Haurpanggung, Kec. Tarogong, Kab. Garut, Jawa barat	13 September 2037
14	Jakarta (Gn. Sahari) Branch Office	SHGB No. 625 dated 4 July 1988	2,258	Jl. Gunung Sahari Raya No. 87, Kel. Gunung Sahari Selatan, Kec. Kemayoran, Jakarta Pusat, DKI Jakarta	2 July 2028
15	Jember Branch	SHGB No. 2068 dated 7	1,165	Jl. Kalimantan No. 18 A, Kel. Summersari, Kec.	28 August 20

No.	Offices	Type of Rights / Rights No.	Land Area (m2)	Address /Location	Expiry Date of the Rights
	Office	September 2015		Sumbersari, Kab. Jember, Jawa Timur	
16	Juanda Branch Office	SHGB No. 139 dated 5 June 2006	1,596	Jl. Ir. H. Juanda (Dago)No. 8, Kel. Citarum, Kec. Bandung Wetan, Kota Bandung, Jawa Barat	24 September 2036
17	Kebayoran Baru Branch Office	SHGB No. 1872 dated 29 May 2006	200	Jl. Petogogan II No. 6-8 Blok A, Kel. Pulo, Kec. Kebayoran Baru, Kotamadya Jakarta Selatan, DKI Jakarta	28 May 2026
18	Kebayoran Baru Branch Office	SHGB No. 1451 dated 18 May 1995	189	Jl. Petogogan II No. 6-8 Blok A, Kel. Pulo, Kec. Kebayoran Baru, Kotamadya Jakarta Selatan, DKI Jakarta	16 May 2035
19	Kediri Branch Office	SHGB No. 48 dated 1 June 2006	184	Jl. Brigjen Katamso No. 32, Kel. Kampungdalem, Kec. Kota Kediri, Kotamadya Kediri, Jawa timur	29 May 2026
20	Kediri Branch Office	SHGB No. 47 dated 1 June 2006	1,404	Jl. Brigjen Katamso No. 32, Kel. Kampungdalem, Kec. Kota Kediri, Kotamadya Kediri, Jawa timur	29 May 2026
21	Kudus Branch Office	SHGB No. 85 dated 17 June 1994	1,365	Jl. Jend Sudirman No. 117 A, Desa Nganguk, Kec. Kota, Kab. Kudus	13 June 2034
22	Madiun Branch Office	SHGB No. 164 dated 10 December 2010	768	Jl. Salak No. 65, Kel. Taman, Kec. Taman, Kotamadya Madiun, Jawa Timur	8 October 2030
23	Madiun Branch Office	SHGB No. 87 dated 22 October 1992	955	Jl. Salak No. 65, Kel. Taman, Kec. Taman, Kotamadya Madiun, Jawa Timur	20 October 2032
24	Magelang Branch Office	SHGB No. 247 dated 11 April 1997	2,418	Jl. Diponegoro No. 18, Kel. Magelang, Kec. Magelang Utara, Kotamadya Magelang, Jawa Tengah	24 September 2026
25	Makassar Branch Office	SHGB No. 153 dated 28 May 1994	1,692	Jl. Gn Bawakaraeng No. 170, Desa Lariangbangi, Kec. Makassar, Kotamadya Ujung Pandang, Sulawesi Selatan	28 May 2034
26	Malang Branch	SHGB No. 49 dated 16 June	81	Jl. Jaksa Agung Suprpto No 63, Kel. Samaan, Kec.	10 June 2028

No.	Offices	Type of Rights / Rights No.	Land Area (m2)	Address /Location	Expiry Date of the Rights
	Office	2008		Klojen, Kotamadya Malang, Jawa timur	
27	Malang Branch Office	SHGB No. 46 dated 25 June 2004	1,148	Jl. Jaksa Agung Suprpto No 63, Kel. Samaan, Kec. Klojen, Kotamadya Malang, Jawa timur	25 June 2024
28	Manado Branch Office	SHGB No. 49 dated 28 March 2014	954	Jl. Sam Ratulangi No. 100-102, Desa Tanjung Batu, Kec. Sario, Kotamadya Manado, Sulawesi Utara	28 February 2034
29	Manado Branch Office	SHGB No. 25 dated 25 August 1994	1,190	Jl. Sam Ratulangi No. 100-102, Desa Tanjung Batu, Kec. Sario, Kotamadya Manado, Sulawesi Utara	13 August 2034
30	Medan Branch Office	SHGB No. 2366 dated 17 September 2015	2,591	Jl. Putri Hijau No. 20, Kel. Kesawan, Kec. Medan Barat, Kotamadya Medan, Sumatera Utara	26 June 2035
31	Padang Branch Office	SHGB No. 26 dated 21 June 1997	1,536	Jl. Khatib Sulaiman No. 45, Kel. Belanti Barat, Kec. Padang Barat, Padang	20 February 2037
32	Palembang Branch Office	SHGB No. 39 dated 6 November 2012	1,799	Jl. Jend. Sudirman No. 16, Kel. 20 Ilir IV, Kec. Ilir Timur I, Kotamadya Palembang, Sumatera Selatan	28 September 2032
33	Pematang Siantar Branch Office	SHGB No. 522 dated 26 September 2002	118	Jl. Sutomo No. 5/II, Kel. Proklamasi, Kec. Siantar Barat, Kotamadya Pematangsiantar, Sumatera Utara	25 September 2042
34	Pematang Siantar Branch Office	SHGB No. 523 dated 17 October 2002	115	Jl. Sutomo No. 5/II, Kel. Proklamasi, Kec. Siantar Barat, Kotamadya Pematangsiantar, Sumatera Utara	17 October 2042
35	Purwokerto Branch Office	SHGB No. 00208 dated 12 April 2004	930	Jl. R.A Wiriarmaja No. 16 A, Kel. Kedungwuluh, Kec. purwokerto Barat, Kab. Banyumas, Jawa Tengah	12 April 2024
36	Purwokerto Branch Office	SHGB No. 00209 dated 12 April 2004	817	Jl. R.A Wiriarmaja No. 16 A, Kel. Kedungwuluh, Kec. purwokerto Barat, Kab.	12 April 2024

No.	Offices	Type of Rights / Rights No.	Land Area (m2)	Address /Location	Expiry Date of the Rights
				Banyumas, Jawa Tengah	
37	Semarang Branch Office	SHGB No. 1297 dated 17 September 2002	1,375	Jl. Mataram No.715 Desa Wonodri, Kec. Semarang Selatan, Kab. Semarang, Jawa Tengah	6 September 2042
38	Semarang Branch Office	SHGB No. 1136 dated 1 February 1995	917	Jl. Mataram No.715 Desa Wonodri, Kec. Semarang Selatan, Kab. Semarang, Jawa Tengah	1 February 2035
39	Serang Branch Office	SHGB No. 72 dated 11 September 1993	1,070	Jl. KH. TB A. Khotib No. 43, Desa Cipare, Kec. Serang, Kab. Serang, Jawa Barat	29 July 2033
40	Sukabumi Branch Office	SHGB No. 78 dated 25 March 1998	1,546	Jl. RE. Martadinata No. 53, Kel. Cikole, Kec. Cikole, Kotamadya Sukabumi, Jawa Barat	24 October 2038
41	Surabaya Branch Office	SHGB No. 910 dated 1 December 1998	2,434	Jl. Indrapura No. 1 EFG, Kel. Krembangan Selatan, Kec. Krembangan, Kotamadya Surabaya, Jawa timur	15 October 2038
42	Surabaya Branch Office	SHGB No. 636 dated 4 November 1996	2,495	Jl. Indrapura No. 1 EFG, Kel. Krembangan Selatan, Kec. Krembangan, Kotamadya Surabaya, Jawa timur	31 October 2026
43	Diponegoro Branch Office	SHGB No. 482 dated 19 April 1994	967	Jl. Ciliwung 9, Kel. Darmo, Kec. Wonokromo, Kotamadya Surabaya, Jawa Timur	15 February 2034
44	Surakarta Branch Office	SHGB No. 00052 dated 5 December 2013	740	Jl. Brigjen Slamet Riyadi No. 526, Desa Kerten, Kec. Laweyan, Kotamadya Surakarta, Jawa Tengah	5 December 2033
45	Tasikmalaya Branch Office	SHGB No. 111 dated 23 August 1994	1,050	Jl. KH. Z Mustofa No. 289, Kel. Kahuripan, Kab. Tasikmalaya, Jawa Barat	1 April 2034
46	Tegal Branch Office	SHGB No. 603 dated 6 April 2001	1,060	Jl. Dr. Sutomo No. 24, Desa Pakauman, Kec. Tegal Barat, Kotamadya Tegal, Jawa Tengah	6 April 2041
47	Yogyakarta	SHGB No. 00158 dated 11	1,425	Jl. Bintaran Tengah No.15, Kel. Wirogunan, Kec.	8 October 2041

No.	Offices	Type of Rights / Rights No.	Land Area (m2)	Address /Location	Expiry Date of the Rights
	Branch Office	October 2001		Mergangsan, Kota Yogyakarta, DIY	
48	Kertajaya Branch Office	SIPT No. 188.45/205-K-P.IPT/436.7.17/2021	1,576	Jl. Kertajaya No. 24-30 Surabaya - 60282	24 September 2025

9. Important Agreements

There are no specific negative covenants that could be detrimental to public shareholders. The Company is a party to the following credit/material agreements, namely:

a. Loan Agreement with the International Finance Corporation

1) Loan Agreement dated December 3, 2019, between the Company and the International Finance Corporation, as amended by Amendment No. 1 dated February 2, 2021, and Amendment No. 2 dated February 22, 2022 ("**IFC Loan Agreement**").

Under the IFC Loan Agreement, IFC agrees to provide a loan to the Company up to the equivalent of USD 150,000,000 (one hundred and fifty million United States Dollars) in Rupiah. The purpose of the loan under the IFC Loan Agreement is to provide a credit line to fund (i) loans for Micro, Small, and Medium Enterprises (MSMEs) owned by women, (ii) green loans,

and (iii) SCF loans. Repayments are made at the end of each chosen disbursement period, typically five years from the date of each disbursement. The Company cannot make a withdrawal on this loan facility for the amount that has been repaid or settled.

Based on the IFC Loan Agreement, the Company is required to obtain prior written approval from IFC to make changes to the Articles of Association and to engage in acquisitions. This is related to the Use of Funds Plan in connection with the implementation of PMHMETD II. The Company has obtained approval for its plan to make changes to the Articles of Association and engage in acquisitions.

- 2) Subscription Agreement for Green and Social Bonds dated June 20, 2023 ("IFC Bonds") Under the IFC Bonds agreement, IFC agrees to provide a loan to the Company up to a maximum amount of USD 500,000,000 (five hundred million United States Dollars), divided into three categories: Green Bonds amounting to USD 200,000,000 (two hundred million United States Dollars), Social Bonds amounting to USD 200,000,000 (two hundred million United States Dollars), and Other Bonds amounting to USD 100,000,000 (one hundred million United States Dollars). The purpose of the loan under the IFC Bonds agreement is to provide financing and refinancing by

the Company in accordance with the agreement's terms and to fund MSMEs, primarily owned by women. Repayments are made in the fifth year from the date of each disbursement. The Company cannot make a withdrawal on this loan facility for the amount that has been repaid or settled.

Under the IFC Bonds, the Company is required to obtain prior written approval from IFC to make changes to the Articles of Association and engage in acquisitions. This is related to the Use of Funds Plan in connection with the implementation of PMHMETD II. The Company has obtained approval for its plan to make changes to the Articles of Association and engage in acquisitions.

b. Loan Agreement with PT Bank Central Asia Tbk ("BCA")

The Company has entered into several loan agreements with BCA as follows:

- 1) Deed of Loan Agreement No. 6 dated June 10, 2015, regarding Term Loan between the Company and PT Bank Central Asia Tbk, executed before Veronica Sandra Irawaty Purnadi, as last amended by the Seventh Amendment to Loan Agreement No: 176/Add-KCK/2023 between the Company and PT Bank Central Asia Tbk dated May 24, 2023 ("**BCA TL4**").

Under BCA TL4, BCA agrees to provide credit facilities to the Company in the form of a revolving time loan facility with a principal amount not exceeding IDR 1,000,000,000,000 (one trillion Rupiah). The purpose of the loan under the June 2015 BCA Agreement is for the Company's working capital needs. The Company is obligated to pay interest at the interbank money market rate in Jakarta as published by Reuters plus a margin of 0.4%. Repayments are made at the end of the chosen drawdown period, which falls on the 1 (one) month, 3 (three) months, 6 (six) months, or 12 (twelve) months after the drawdown date, according to the Company's choice at each drawdown. The Company may draw down on this loan facility (revolving loan) for the amount that has been repaid or settled.

Under BCA TL4, the Company is required to obtain prior written approval from BCA to engage in acquisitions. This is related to the Use of Funds Plan in connection with the implementation of PMHMETD II.

Based on the approval from PT Bank Central Asia Tbk. dated December 13, 2023, PT Bank Central Asia Tbk. has approved the Company's plan to acquire OTO and SOF.

- 2) Deed of Loan Agreement No. 12 dated May 15, 2009, regarding Term Loan between the Company and PT Bank

Central Asia Tbk, executed before Sri Buena Brahmana, as last amended by the Thirteenth Amendment to Loan Agreement No: 398/Add-KCK/2023 between the Company and PT Bank Central Asia Tbk dated November 10, 2023 ("**BCA TL1**").

Under BCA TL1, BCA agrees to provide credit facilities to the Company in the form of a committed term loan revolving facility with a principal amount not exceeding IDR 500,000,000,000 (five hundred billion Rupiah). The purpose of the loan under the May 2009 BCA Agreement is for the Company's working capital needs. The Company is obligated to pay interest at the interbank money market rate in Jakarta as published by Reuters plus a margin of 0.4%. Repayments are made on the maturity date, which can be chosen by the Company at the time of withdrawal. The Company may draw down on this loan facility for the amount that has been repaid or settled.

Under BCA TL1, the Company is required to obtain prior written approval from BCA to engage in acquisitions. This is related to the Use of Funds Plan in connection with the implementation of PMHMETD II. Based on the approval from PT Bank Central Asia Tbk. dated December 13, 2023, PT Bank Central Asia Tbk. has approved the Company's plan to acquire OTO and SOF.

3) Deed of Loan Agreement No. 4 dated May 4, 2018, regarding Non-Revolving Term Loan between the Company and PT Bank Central Asia Tbk, executed before Veronica Sandra Irawaty Purnadi, as last amended by the Fourth Amendment to Loan Agreement No: 144/Add-KCK/2023 between the Company and PT Bank Central Asia Tbk dated May 4, 2023 ("**BCA TL2**").

Under BCA TL2, BCA agrees to provide credit facilities to the Company in the form of a non-revolving term loan with a principal amount not exceeding IDR 2,500,000,000,000 (two trillion five hundred billion Rupiah). The purpose of the loan under the May 2018 BCA Agreement is for the Company's working capital needs. The Company is obligated to pay interest at the interbank money market rate in Jakarta as published by Reuters plus a margin of 0.4%. Repayments are made on the payment due date as stated in the request letter for the withdrawal of credit facilities, with the provision that the payment due date must not exceed November 4, 2024. The Company may make subsequent withdrawals of credit facilities only with the written approval of BCA and in accordance with the terms and conditions set by BCA.

Under BCA TL2, the Company is required to obtain prior written approval from BCA to engage in acquisitions.

This is related to the Use of Funds Plan in connection with the implementation of PMHMETD II. Based on the approval from PT Bank Central Asia Tbk. dated December 13, 2023, PT Bank Central Asia Tbk. has approved the Company's plan to acquire OTO and SOF.

- 4) Deed of Loan Agreement No. 10 dated November 29, 2022, regarding Time Loan Revolving between the Company and PT Bank Central Asia Tbk, executed before Veronica Sandra Irawaty Purnadi ("**BCA TL 2022**").

Under BCA TL 2022, BCA agrees to provide credit facilities to the Company in the form of a time loan revolving with a principal amount not exceeding IDR 1,000,000,000,000 (one trillion Rupiah). The purpose of the loan under BCA TL 2022 is for the Company's working capital needs. The Company is obligated to pay interest at the interbank money market rate in Jakarta as published by Reuters plus a margin of 0.4%. Repayments are made on the payment due date as stated in the request letter for the withdrawal of credit facilities, with the provision that the payment due date does not exceed 18 months from the date of withdrawal, but does not exceed the withdrawal and/or utilization period of the credit facilities. The Company may make withdrawals of facilities by meeting specific conditions based on BCA TL 2022.

Under BCA TL 2022, the Company is required to obtain prior written approval from BCA to engage in acquisitions. This is related to the Use of Funds Plan in connection with the implementation of PMHMETD II.

Based on the approval from PT Bank Central Asia Tbk. dated December 13, 2023, PT Bank Central Asia Tbk. has approved the Company's plan to acquire OTO and SOF

- 5) Deed of Loan Agreement No. 1 dated April 1, 2015, regarding the term loan agreement between the Company and PT Bank Central Asia Tbk, executed before Veronica Sandra Irawaty Purnadi, as last amended by the Eighth Amendment No. 343/Add-KCK/2023 dated September 27, 2023 ("**BCA TL3**").

Under BCA TL3, BCA agrees to provide credit facilities to the Company in the form of a time loan revolving with a principal amount not exceeding IDR 1,000,000,000,000 (one trillion Rupiah). The purpose of the loan under BCA TL3 is for the Company's working capital needs. The Company is obligated to pay interest at the interbank money market rate in Jakarta as published by Reuters plus a margin of 0.4%. Repayments are made on the payment due date as stated in the request letter for the withdrawal of credit facilities, with the provision that the payment due date does not

exceed April 1, 2025. The Company may make withdrawals of facilities by meeting specific conditions based on Loan Agreement BCA TL3.

Under BCA TL3, the Company is required to obtain prior written approval from BCA to engage in acquisitions. This is related to the Use of Funds Plan in connection with the implementation of PMHMETD II. Based on the approval from PT Bank Central Asia Tbk. dated December 13, 2023, PT Bank Central Asia Tbk. has approved the Company's plan to acquire OTO and SOF.

c. Loan Agreement with SMBC Singapore

The Company has entered into several loan agreements with SMBC Singapore, as follows:

1) Amendment Agreement dated December 15, 2017

Loan agreement dated December 15, 2017, as last amended by the Supplementary Agreement dated November 26, 2021, between the Company and SMBC Singapore ("**SMBC December 15 Loan Agreement**").

Under the SMBC December 15 Loan Agreement, SMBC Singapore agrees to provide credit facilities to the Company with a maximum total principal amount of USD1,100,000,000 (one billion one hundred million United States Dollars) or its equivalent. The loan

interest comprises (i) a margin calculated as follows (for USD denomination): (a) 0.5% per annum for loans of 1 year or more but less than 2 years, (b) 0.625% per annum for loans more than 2 years but less than or equal to 3 years, (c) 0.75% for loans more than 3 years but less than or equal to 4 years, (d) 0.875% per annum for loans more than 4 years but less than or equal to 5 years, (e) 1% for loans more than 5 years but less than or equal to 6 years, (f) 1.125% per annum for loans more than 6 years but less than or equal to 7 years, plus (ii) the cost of funds determined by SMBC Singapore. Repayments are made at the end of the term chosen by the Company in each *notice of borrowing* or on the termination date, whichever occurs first. The Company may withdraw the loan facility for the amount that has been repaid or settled on or before the availability period.

2) Amendment Agreement dated November 29, 2019

Loan agreement dated November 29, 2019 between the Company and SMBC Singapore, as last amended by the Supplementary Agreement dated November 30, 2023 ("**USD 525 Million SMBC November 29 Loan Agreement**").

Under the USD 525 Million SMBC November 29 Loan Agreement, SMBC Singapore agrees to provide credit

facilities to the Company with a maximum total principal amount of USD 525,000,000 (five hundred twenty-five million United States Dollars) or its equivalent. The loan interest comprises (i) a margin calculated as follows (for USD denomination): (a) 0.5% per annum for loans equal to or less than 18 months, (b) 0.66% per annum for loans more than 18 months but less than or equal to 2 years, (c) 0.75% for loans more than 2 years but less than or equal to 3 years, (d) 0.875% per annum for loans more than 3 years but less than or equal to 4 years, (e) 1.0% for loans more than 4 years but less than or equal to 5 years, (f) 1.125% per annum for loans more than 5 years but less than or equal to 6 years, and (g) 1.32% per annum for loans more than 6 years but less than or equal to 7 years, plus (ii) the cost of funds determined by SMBC Singapore. Repayments are made at the end of the term chosen by the Company in each notice of borrowing or on the termination date, whichever occurs first. The Company may withdraw the loan facility for the amount that has been repaid or settled on or before the availability period.

3) Loan Agreement dated October 22, 2020

Loan agreement dated October 22, 2020, as last amended by the Supplementary Agreement dated November 30, 2023,

between the Company and SMBC Singapore ("**SMBC October 22 Loan Agreement**").

Under the SMBC October 22 Loan Agreement, SMBC Singapore agrees to provide credit facilities to the Company with a maximum total principal amount of USD800,000,000 (eight hundred million United States Dollars) or its equivalent. The loan interest comprises (i) a margin calculated as follows (for USD denomination): (a) 0.5% per annum for loans equal to or less than 18 months, (b) 0.66% per annum for loans more than 18 months but less than or equal to 2 years, (c) 0.75% for loans more than 2 years but less than or equal to 3 years, (d) 0.875% per annum for loans more than 3 years but less than or equal to 4 years, (e) 1% for loans more than 4 years but less than or equal to 5 years, (f) 1.125% per annum for loans more than 5 years but less than or equal to 6 years, and (g) 1.32% per annum for loans more than 6 years but less than or equal to 7 years, plus (ii) the cost of funds determined by SMBC Singapore. Repayments are made at the end of the term chosen by the Company in each notice of borrowing or on the termination date, whichever occurs first. The Company may withdraw the loan facility for the amount that has been repaid or settled on or before the availability period.

4) USD 400 Million Loan Agreement dated March 15, 2022

Loan agreement dated March 15, 2022, as last amended by the Supplementary Agreement dated March 21, 2023, between the Company and SMBC Singapore ("**Loan Agreement 1 SMBC March 15**").

Under the Loan Agreement 1 SMBC March 15, SMBC Singapore agrees to provide loan facilities to the Company with a maximum total principal amount of USD400,000,000 (four hundred million United States Dollars) or its equivalent. The loan interest comprises (i) a margin calculated as follows (for USD denomination): (a) 0.66% per annum for loans equal to or less than 18 months, (b) 0.75% per annum for loans more than 18 months but less than or equal to 2 years, (c) 0.98% for loans more than 2 years but less than or equal to 4 years, (d) 1.10% per annum for loans more than 4 years but less than or equal to 5 years, (e) 1.20% for loans more than 5 years but less than or equal to 6 years, (f) 1.34% per annum for loans more than 6 years but less than or equal to 7 years, plus (ii) the cost of funds determined by SMBC Singapore. Repayments are made at the end of the term chosen by the Company in each notice of borrowing or on the termination date, whichever occurs first. The Company may withdraw the loan facility for the amount that has

been repaid or settled on or before the availability period.

5) USD 500 Million Loan Agreement dated March 15, 2022

Loan agreement dated March 15, 2022, as last amended by the Supplementary Agreement dated March 21, 2023, between the Company and SMBC Singapore ("**Loan Agreement 2 SMBC March 15**").

Under the Loan Agreement 2 SMBC March 15, SMBC Singapore agrees to provide loan facilities to the Company with a maximum total principal amount of USD500,000,000 (five hundred million United States Dollars) or its equivalent. The loan interest comprises (i) a margin calculated as follows (for USD denomination): (a) 0.66% per annum for loans equal to or less than 18 months, (b) 0.75% per annum for loans more than 18 months but less than or equal to 2 years, (c) 0.98% for loans more than 2 years but less than or equal to 4 years, (d) 1.10% per annum for loans more than 4 years but less than or equal to 5 years, (e) 1.20% for loans more than 5 years but less than or equal to 6 years, (f) 1.34% per annum for loans more than 6 years but less than or equal to 7 years, plus (ii) the cost of funds determined by SMBC Singapore. Repayments are made at the end of the term chosen by

the Company in each notice of borrowing or on the termination date, whichever occurs first. The Company may withdraw the loan facility for the amount that has been repaid or settled on or before the availability period.

6) USD 300 Million Loan Agreement dated March 21, 2023

Loan agreement dated March 29, 2019, as last amended by the Supplementary Agreement dated March 21, 2023, between the Company and SMBC Singapore ("**Loan Agreement USD 300 Million SMBC November 29**").

Under the Loan Agreement USD 300 Million SMBC November 29, SMBC Singapore agrees to provide credit facilities to the Company with a maximum total principal amount of USD300,000,000 (three hundred million United States Dollars) or its equivalent. The loan interest comprises (i) a margin calculated as follows (for USD denomination): (a) 0.66% per annum for loans equal to or less than 18 months, (b) 0.75% per annum for loans more than 18 months but less than or equal to 2 years, (c) 0.98% for loans more than 2 years but less than or equal to 4 years, (d) 1.10% per annum for loans more than 4 years but less than or equal to 5 years, (e) 1.20% for loans more than 5 years but less than or equal to 6 years, (f) 1.34% per annum for loans more

than 6 years but less than or equal to 7 years, plus (ii) the cost of funds determined by SMBC Singapore. Repayments are made at the end of the term chosen by the Company in each notice of borrowing or on the termination date, whichever occurs first. The Company may withdraw the loan facility for the amount that has been repaid or settled on or before the availability period.

d. Trustee Agreement with PT Bank Mega Tbk ("MEGA")

Deed No. 24 dated September 11, 2019, regarding the Fourth Sustainable Bond Bank BTPN Phase 1 Year 2019 between the Company and MEGA, executed before Ashoya Ratam, as last amended by Deed No. 09 dated November 7, 2019 ("**PWA PUBO IV**").

PWA PUBO IV is related to the Company's Continuous Public Offering of the Fourth Sustainable Bonds to the public, with a maximum emission value of IDR 5,000,000,000,000 (five trillion Rupiah), issued through Phase 1 and/or subsequent phases thereof (if any). Phase 1 Bonds are issued in two series, namely Series A amounting to IDR 799 billion maturing on November 26, 2022, and Series B amounting to IDR 201 billion maturing on November 26, 2024. The applicable interest for Series A bonds is a fixed interest rate of 7.55%, and for Series B, it is

7.75%. The duties, obligations, and responsibilities of the trustee end when (i) the bonds have been fully settled, both the principal amount and the bond interest, including fines (if any), and the trustee has received the issuer's compliance report from the paying agent, (ii) on a specific date agreed upon in the Trust Deed with PT Bank Mega after the maturity date of the Principal Bond, or (iii) after the appointment of a new trustee. As of the Prospectus Date, the amount due based on Series A Bonds has been fully paid.

e) Cooperation Agreement with PT Pos Indonesia

The Company has entered into several cooperation agreements with PT Pos Indonesia ("PT Pos"), as follows:

- 1) Agreement on Credit Financing Reference No. PKS.165/DIR-4/0822 and No. PKS.023/DIR/RLBP/VIII/2022 dated August 26, 2022

This cooperation agreement is related to the reference cooperation for credit financing for retirees whose pension funds are disbursed by or through PT Pos, including civil servant retirees, state civil servant retirees, PT Pos retirees, Indonesian National Army retirees, and Indonesian National Police retirees. The agreement is effective from July 26, 2022, to July 25, 2024.

2) Agreement on Pension Fund Deduction for Pension Credit Budget and Maintenance of Data (Flagging) of Civil Servants/State Civil Servants/PT Pos Retirees/TNI/POLRI and Retirees Obtaining Credit through PT Bank BTPN Tbk. No. PKS.155/DIR-4/0822 and No. PKS.018/DIR/RLBP/VII/2022 dated August 12, 2022

This cooperation agreement involves the deduction of pension funds paid in the PT Pos office network to pay installment facilities distributed by the Company. PT Pos will represent the Company in applying for debtor data flagging from PT Taspen (Persero) and PT Asabri (Persero). The agreement is effective from July 26, 2022, to July 25, 2024.

f. Cooperation Agreement with PT Taspen (Persero)

This agreement is related to the appointment of the Company's payment office by PT Taspen (Persero) ("Taspen") as an extension of Taspen's hand in serving participants (including civil servants, state officials, DPRD members, and non-civil servant employees) and pension recipients (including central civil servant pensioners, regional civil servants, state officials, judges, former pegadaian civil servants, as well as recipients of veteran allowances, veteran honor funds, PKRI, and KNIP paid by Taspen). The cooperation is

outlined in the Cooperation Agreement on the Payment of Old Age Savings, Pensions, Occupational Accident Insurance, and Death Insurance Through Bank Accounts No. JAN-412/DIR/2022 and No. PKS.003/DIR/RLBSRM/III/ 2022 dated March 31, 2022. The agreement is effective from March 31, 2022, to March 30, 2024.

g. Bancassurance Business Model Reference Agreement with PT Asuransi Jiwa Sinarmas MSIG Tbk

The Company has entered into a cooperation agreement to refer Group Life Insurance products (Mortgage Redemption Insurance/MRI) issued by PT Asuransi Jiwa Sinarmas MSIG (Tbk) to the Company's customers, as outlined in the Bancassurance Cooperation Agreement for the Reference Business Model within the framework of Bank Life Insurance Products Group Credit (Mortgage Redemption Insurance/MRI) No. PKS.001/RLBPM/I/2022 dated January 12, 2022. The cooperation agreement is valid from January 12, 2022, until January 12, 2025.

h. Bancassurance Agreement for Reference Activities with PT Avrist Assurance

The Company has entered into a cooperation agreement to refer Avrist Pension Credit Life insurance products with PT Avrist Assurance through the Bancassurance Cooperation Agreement for Reference Activities in the framework of

Bank Products No. BTPN: PKS.017/RLBPM/III/2023, dated February 1, 2023, along with the Insurance Product Cooperation Agreement within the framework of Bank Products Avrist Pension Credit Life Insurance No. BTPN: PKS.018/RLBPM/III/2023, dated February 1, 2023. The cooperation agreement is valid for five years from February 1, 2023.

i. Cooperation Agreement with PT Avrist Assurance

This cooperation agreement is made regarding the appointment of PT Avrist Assurance as the provider of life insurance products to prevent the risk of non-repayment of loans granted by the Company, as outlined in Cooperation Agreement No. 19/BANCA/PKS/ VII/2011 dated June 23, 2011. The cooperation agreement is valid for 1 (one) year from June 23, 2011, and automatically renewed for subsequent periods of 1 (one) year or as mutually agreed by the parties.

j. Bancassurance Agreement for Reference Activities with PT Asuransi Jiwa Generali Indonesia

The Company has entered into a cooperation agreement where the Company can expand its services by providing information related to specific insurance products from PT Asuransi Jiwa Generali Indonesia ("Generali Insurance") and can facilitate the Company's customers in

obtaining specific insurance products provided by Generali Insurance. The cooperation is outlined in the Bancassurance Agreement for Reference Activities No. PKS/077/DIR/PBCD/X/2015, dated October 9, 2015, as last amended by the First Addendum to the Bancassurance Agreement for Reference Activities within the framework of Bank Products No. BTPN: 028/PBBD/VII/2018, dated March 25, 2019, along with the Agreement on Reference Products for Life Insurance for Employee Loans No. PKS.077/DIR/PBCD/X/2015 dated October 9, 2015, as last amended by the First Addendum to the Agreement on Reference Products for Life Insurance for Employee Loans No. BTPN: 029/PBBD/VII/2018, dated March 25, 2019. The cooperation agreement is valid for 5 (five) years from October 9, 2015, and automatically extended for the next 5 (five) years.

k. Cooperation Agreement with Generali Insurance

This cooperation agreement designates Generali Insurance as the provider of life insurance products to mitigate the risk of unpaid loans granted by the Company. It is documented in Cooperation Agreement No. 004/VI/LGL/2011 dated June 22, 2011. The agreement is valid for one (1) year from June 22, 2011, and automatically renews for subsequent one-year periods or as mutually agreed upon by the parties.

1. Bancassurance Agreement for Reference Activity with PT Asuransi Allianz Life Indonesia

The Company has entered into a cooperation agreement to expand its services by providing information on specific insurance products from PT Asuransi Allianz Life Indonesia ("**Allianz Insurance**"). The Company facilitates its customers in obtaining specific insurance products offered by Allianz Insurance. This cooperation is outlined in Bancassurance Agreement for Reference Activity No. PKS.074/DIR/PBPM/III/ 2013, dated April 1, 2013, as last amended by the First Addendum to the Bancassurance Agreement for Reference Activity No. BTPN: PKS.008/DIR/RLBPM/V/2022, supplemented by the Agreement on Reference Product for Credit Life Insurance "Smartprotection BTPN Purnabakti" No. BPTN: PKS.020/RLBPM/V/2022, last signed on June 15, 2022. The cooperation agreement is valid for five (5) years from February 1, 2013, and automatically extends for the next five (5) years.

m. Cooperation Agreement with Asuransi Allianz

This cooperation agreement designates Asuransi Allianz as the provider of life insurance products to mitigate the risk of unpaid loans granted by the Company to its customers. Documented in Cooperation Agreement No.

276/LGL/AG/ALLIANZ/XI/ 2008, dated November 26, 2008, the agreement is valid for five (5) years from November 26, 2008, and automatically renews for successive five-year periods or as agreed upon by the parties.

n. Joint Financing Facility Cooperation Agreement with PT KB Finansia Multi Finance

This cooperation agreement pertains to a joint financing facility for multi-purpose goods and/or vehicle financing for consumptive and productive purposes to end users. It is outlined in the Joint Financing Facility Cooperation Agreement No: PKS-JF.024/BSBSC/X/2022, dated October 28, 2022 ("KB Finansia Agreement"). Under the KB Finansia Agreement, the Company will provide joint financing facilities with a portion not exceeding IDR 300,000,000,000. The joint financing facility agreement is valid for three (3) years from October 28, 2022, until October 28, 2025.

o. Joint Financing Facility Cooperation Agreement with PT Home Credit Indonesia

This cooperation agreement concerns the collaboration between the Company and PT Home Credit Indonesia for joint financing of durable consumer goods and related services. It is documented in (i) Joint Financing Facility Cooperation Agreement No:

PKS.087/DIR/TFI/VI/2014, dated June 23, 2014, last amended by the Ninth Addendum to the Joint Financing Facility Cooperation Agreement No. PKS.009/BSBC/II/2020, dated February 24, 2020, which is valid for six (6) years from June 23, 2014, and automatically extends for the next three (3) years, and (ii) Joint Financing Facility Cooperation Agreement No: PKS.015/RLBJF/III/2023, dated March 8, 2023, which is valid for three (3) years from March 8, 2023, and automatically extends for the next three (3) years.

p. Master Cooperation Agreement for Utilization of Virtual Account Services with PT Summit Oto Finance

This cooperation agreement is related to the utilization of banking services, specifically virtual accounts owned by the Company, as a payment and transaction system for PT Summit Oto Finance. It is outlined in the Master Cooperation Agreement for Utilization of Virtual Account Services No. 0001/DBBP-PKS/LAN/JAN/22, dated January 7, 2022. The cooperation agreement is effective from January 7, 2022, and continues until terminated by either party or the parties involved.

q. Master Cooperation Agreement for Utilization of Virtual Account Services with PT OTO Multiartha

This cooperation agreement is established in connection with the utilization of banking services, specifically the virtual account owned by the Company, as a payment and transaction system for PT OTO Multiartha. Documented in the Master Cooperation Agreement for Utilization of Virtual Account Services No. 0142/DBP-PKS-RPW/DEC/21, dated January 7, 2022, this cooperation agreement is effective from January 7, 2022, and continues until terminated by either party or the parties involved.

r. Derivative Agreement for Cooperation in Consumer Bill Payment Receipts Through Jenius Channel

This cooperation agreement is made in connection with the collaboration for receiving payments for consumer bills by PT OTO Multiartha through the Company's Jenius application. Outlined in the Derivative Agreement for Cooperation in Consumer Bill Payment Receipts Through Jenius Channel No. 0143/DBP-PKS/RPW/DEC/21, dated January 7, 2022, this cooperation agreement is effective from January 7, 2022, and continues until terminated by the parties involved.

10. Litigation Issues Faced by the Company, Board of Directors, and Board of Commissioners of the Company and Subsidiaries

As of the date of this Prospectus issuance, neither the Company nor its Subsidiaries, nor any members of the Board of Directors and Board of Commissioners of the Company or its Subsidiaries, are currently involved in any legal proceedings. There are no notices, threats, or summonses involving or directed towards the Company and its Subsidiaries that could potentially become significant legal matters. These legal matters could adversely affect the operational activities, business operations, and revenue of the Company and its Subsidiaries, or the PMHMETD II plan, in a negative and material manner. This includes both civil and criminal cases, disputes/claims in courts and/or arbitration bodies in the Republic of Indonesia, administrative disputes with government agencies, labor disputes, bankruptcy proceedings initiated by third parties, or any involvement in Suspension of Debt Payment Obligations (PKPU). Additionally, there are no allegations related to monopolistic practices and/or Unfair Business Competition as regulated by Law No. 5 of 1999 concerning Prohibition of Monopolistic Practices and Unfair Business Competition, as amended by the Job Creation Law.

B. INFORMATION ON SIGNIFICANT SUBSIDIARY COMPANIES

As of the date of this Prospectus issuance, the Company owns two Subsidiary Companies, as follows:

No.	Subsidiary Company	Bussiness Activities	percentage of Ownership	Year of Establish-ment	Year of Participation	Domicile	Year of Operation
1	BTPN Syariah	Banking	70,0%	1991	2014	Jakarta	2014
2	BTPN Syariah Ventura*	Venture Capital	1%	2021	2021	Jakarta	2022

*) The other shareholder in BTPN Syariah Ventura is BTPN Syariah with ownership of 99%.

BTPN Syariah is a significant subsidiary with substantial contributions. Further detailed disclosures regarding BTPN Syariah are as follows:

1. BTPN Syariah

a. Business Activities and Licensing

BTPN Syariah, a company having its domicile in South Jakarta, is a limited liability company duly established and existing under the laws of Indonesian. BTPN Syariah was founded under the name PT Bank Purba Danarta by virtue of a Deed No. 10 dated March 7, 1991, executed before Haji Abu Jusuf, S.H., a Notary in Jakarta. This deed of establishment was amended by Deed No. 39 dated May 25, 1992, and Deed No. 25 dated July 11, 1992, both made before Haji Abu Jusuf, S.H., a Notary in

Jakarta. The company became a legal entity on July 21, 1992, based on the Decree of the Minister of Justice No. 02-839.HT.01.01.TH.92 dated July 21, 1992. The establishment was registered in the registry book of the Semarang District Court No. 206A/1992/II dated July 30, 1992, and announced in BNRI (Indonesian State Gazette) No. 5020 dated October 9, 1992, Additional No. 81 ("**Deed of Establishment of BTPN Syariah**").

The latest amendment to the Articles of Association of BTPN Syariah was made based on the Deed of Statement of the Resolutions of the Annual General Meeting of Shareholders of BTPN Syariah No. 35 dated April 21, 2021, executed before Ashoya Ratam, S.H., M.Kn., a Notary in South Jakarta. The amendment was accepted by the Minister of Law and Human Rights based on the Notification Acceptance Letter for Amendment to the Articles of Association No. AHU-AH.01.03-0309443 dated May 17, 2021 ("**Deed of BTPN Syariah No. 35/2021**"). (The Deed of Establishment of BTPN Syariah, as last amended by the Deed of BTPN Syariah No. 35/2021, hereinafter referred to as the "**Articles of Association of BTPN Syariah**").

In carrying out its business activities, BTPN Syariah obtained a business license as a sharia commercial bank by virtue of the Financial Services Authority (OJK) Commissioner Decision No. KEP-49/D-03/2014 concerning the Granting of Business Activity Change License from Conventional Commercial Bank to Sharia Commercial Bank to BTPN Syariah dated May 22, 2014,

issued by the Executive Director of Banking Supervision on behalf of the OJK Board of Commissioners.

Pursuant to Article 3 of the Articles of Association of BTPN Syariah, the purpose and objectives and business activities of BTPN Syariah are to carry on business in the field of banking based on sharia principles. To achieve the above objectives, BTPN Syariah may engage in performing main business activities and supporting business activities as follows:

Main Business Activities:

- Mobilizing funds in the form of deposits such as current accounts, savings, or equivalent based on Wadiah Contracts or any other contracts that are not contrary to Sharia principles.
- Mobilizing investment funds in the form of deposits, savings, or equivalent based on Mudharabah Contracts or any other contracts that are not contrary to Sharia principles.
- Providing profit-sharing financing based on Mudharabah Contracts, Musyarakah Contracts, or any other contracts that are not contrary to Sharia principles.
- Providing financing based on Murabahah Contracts, Salam Contracts, Istishna Contracts, or any other contracts that are not contrary to Sharia principles.

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- Providing financing based on Qardh Contracts or any other contracts that are not contrary to Sharia principles.
 - Providing movable or immovable asset leasing financing to customers based on Ijarah Contracts and/or lease-purchase in the form of Ijarah Muntahiya Bittamlik or any other contracts that are not contrary to Sharia principles.
 - Undertaking the acquisition of debts based on Hawalah Contracts or any other contracts that are not contrary to Sharia principles.
 - Engaging in debit card and/or financing card business based on Sharia principles.

Supporting Business Activities:

- Buying, selling, and underwriting third-party securities issued based on actual transactions according to Sharia principles, such as Ijarah, Musyarakah, Mudharabah, Murabahah, Kafalah, or Hawalah Contracts.
- Purchasing Sharia-compliant securities issued by the Government, Bank Indonesia, or the Financial Services Authority.
- Receiving payments for securities bills and conducting calculations with third parties or between third parties based on Sharia principles.

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- Providing custody services for the benefit of others based on Sharia principles.
 - Offering safe deposit storage facilities for valuables and securities based on Sharia principles.
 - Transferring money, either for its own benefit or for the benefit of customers based on Sharia principles.
 - Functioning as a mandate holder based on Wakalah Contracts.
 - Providing letter of credit or bank guarantee facilities based on Sharia principles.
 - Engaging in foreign exchange activities based on Sharia principles.
 - Participating in the capital of Sharia Commercial Banks or financial institutions conducting business activities based on Sharia principles.
 - Temporarily participating in capital to address the consequences of Sharia-compliant financing failure, with the condition that the participation shall be withdrawn thereafter.
 - Acting as the founder and manager of pension funds under Sharia principles.

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- Engaging in capital market activities as long as they do not contradict Sharia principles and the regulations in the capital market sector.
 - Conducting Sharia-based banking products or activities using electronic means.
 - Issuing, offering, and trading short-term securities based on Sharia principles, directly or indirectly through the money market.
 - Issuing, offering, and trading long-term securities based on Sharia principles, directly or indirectly through the capital market.
 - Providing products or conducting other Sharia Commercial Bank activities based on Sharia principles.
 - Engaging in other activities commonly conducted in the banking and social sectors, as long as they do not contradict Sharia principles and comply with legal regulations.

b. Share Ownership and Latest Capital Structure

The following is the share ownership and latest capital structure of BTPN Syariah.

Based on the Deed of Statement of Shareholders' Resolutions No. 178 dated May 31, 2018, drawn up before Jose Dima Satria

S.H., M.Kn., a Notary in South Jakarta, as notified to the Ministry of Law and Human Rights based on the Letter of Acceptance of Notification of Amendment to the Articles of Association No. AHU-AH.01.03-0215425 dated June 21, 2018, and the Company Registration Certificate dated November 30, 2023, the share ownership and latest capital structure of BTPN Syariah are as follows:

	Nominal Value Rp100 per share		
	Number of Shares	Nominal Value (Rp)	Percentage (%)
Authorized Capital	27,500,000,000	2,750,000,000,000	
Issued and Fully Paid-Up Capital			
Company	5,392,590,000	539,259,000,000	70.0000
Public	2,310,164,100	231,016,410,000	29.9992
	7.702.754.100	770,275,410,000	
Treasury Shares	616,100	616,100	0.0008
Total Issued and Fully Paid-Up Capital	7,703,700,000	770,370,000,000	100.0000
Number of Shares in Portfolio	19,796,300,000	1,979,630,000,000	

c. Management and Supervision

Pursuant to Deed No. 46 dated April 27, 2023, executed before Ashoya Ratam, S.H., M.Kn., a Notary in South Jakarta, as notified to the Ministry of Law and Human Rights based on the Letter of Acceptance of Notification of Changes in Company Data No. AHU-AH.01.09-0112846 dated April 27, 2023, the composition of the Board of Directors, Board of Commissioners,

and Sharia Supervisory Board of BTPN Syariah as of the date of issuance of this Prospectus is as follows:

Board of Commissioners

President/Independent Commissioner	: Kemal Azis Stamboel
Independent Commissioner	: Dewie Pelitawati
Independent Commissioner	: Mulya Effendi Siregar
Commissioner	: Ongki Wanadjati Kemal Azis Stamboel

Board of Directors

President Director	: Hadi Wibowo
Director of Compliance	: Arief Ismail
Director	: Fachmy Achmad
Director	: Dwiyo Bayu Winantio
Director	: Dewi Nuzulianti

Sharia Supervisory Board

Chairman of Sharia Supervisory Board	: H. Ikhwan Abidin
Member of Sharia Supervisory Board	: H. Muhamad Faiz

d. Overview of Key Financial Data

The summarized key financial data below is derived from and/or calculated based on the unaudited consolidated financial statements of BTPN Syariah for the nine months ended September 30, 2023, and 2022, as well as the audited financial statements for the years ended December 31, 2022, and 2021.

The consolidated financial statements of BTPN Syariah as of and for the year ended December 31, 2022, prepared by BTPN Syariah management in accordance with Indonesian Financial Accounting Standards ("SAK") and audited by Siddharta Widjaja & Rekan Public Accountants ("KAP"), based on the audit standards established by the Indonesian Institute of Certified Public Accountants ("IAPI"), were signed by Novie, S.E., CPA (Public Accountant Registration No. AP.1212) with an unmodified opinion, as stated in the independent auditor's report dated February 10, 2023.

The consolidated financial statements of BTPN Syariah as of and for the year ended December 31, 2021, prepared by BTPN Syariah management in accordance with SAK and audited by KAP Siddharta Widjaja & Rekan, based on the audit standards established by IAPI, were signed by Liana Lim, S.E., CPA (Public Accountant Registration No. AP.0851) with an unmodified opinion, as stated in the independent auditor's report dated February 10, 2022.

The financial information in this Prospectus also presents consolidated interim financial information as of and for the nine months ended September 30, 2023, and 2022, taken from the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows of BTPN Syariah. Regarding this financial information, Siddharta Widjaja & Rekan did not audit, review, or express opinions or conclusions on the unaudited and unreviewed interim consolidated financial information.

Financial Position Report

(In million Rupiah)

	September 30	December 31	
	2023	2022	2021
Total Assets	21,972,134	21,161,976	18,543,856
Total Liabilities	2,760,331	2,910,720	2,543,053
Total Temporary Mudarabah Funds	10,508,266	9,843,261	8,905,903
Total Equity	8,703,537	8,407,995	7,094,900

Comprehensive Financial Statement

(In million Rupiah)

	For the nine-month period ending on September 30,		For the year ending on December 31,	
	2023	2022	2022	2021
Management fee income by the bank as mudharib	4,308,418	3,955,779	5,373,790	4,673,842
Profit before income tax	1,284,332	1,701,400	2,282,394	1,877,473
Net profit for the current period/year	1,005,157	1,327,691	1,779,580	1,465,005

	For the nine-month period ending on September 30,		For the year ending on December 31,	
	2023	2022	2022	2021
Total comprehensive income for the current period/year, after income tax	1,006,442	1,327,646	1,784,150	1,469,282

As of September 30, 2023, BTPN Syariah's total assets amounted to Rp22.0 trillion, showing a growth of 3.8% compared to the position as of December 31, 2022, which was Rp21.2 trillion. On the financing side, the growth increased by 3.8%, from Rp11.5 trillion in 2022 to Rp11.9 trillion in September 2023. Meanwhile, Third Party Funds (DPK) grew by 5.9%, reaching Rp12.8 trillion in September 2023. Additionally, total equity was maintained above Rp8.7 trillion. Thus, BTPN Syariah remains classified as a level 2 core capital bank (KBMI 2).

However, BTPN Syariah recorded a decrease in net profit for the current period/year as of September 2023 by 24.4%, amounting to Rp1.0 trillion compared to Rp1.3 trillion in September 2022. This decline is attributed to the reduction in net operating income, caused by an increase in operating expenses, particularly provisions for impairment losses. Nevertheless, the net income from fund management by BTPN Syariah as a mudharib increased by 6.4%.

In 2022, BTPN Syariah achieved excellent performance with notable accomplishments. A significant increase in assets by Rp2.6 trillion compared to the previous year resulted in total

assets of Rp21.2 trillion in 2022. On the financing side, there was a growth of 9.8%, from Rp10.4 trillion in 2021 to Rp11.5 trillion in 2022. Third Party Funds (DPK) also grew by 9.8%, reaching Rp12.0 trillion in 2022. Moreover, total equity was maintained above Rp8.4 trillion. Consequently, BTPN Syariah continues to be classified as a level 2 core capital bank (KBMI 2).

BTPN Syariah achieved a significant increase in profitability in 2022, with a net profit of Rp1.8 trillion, representing a growth of Rp315 billion compared to the profit earned in 2021.

C. BUSINESS ACTIVITIES AND BUSINESS TRENDS AND PROSPECTS

1. Business Activities

The Company officially became a result of the merger with SMBCI on February 1, 2019, offering more comprehensive financial services to a wide spectrum of individual and business customers, from large corporations in major urban areas to medium and micro-businesses and rural communities. Currently, the Company is a bank serving the productive lower-middle-class community (mass market), SMEs, large corporations, and retail customers supported by digital technology. The Company is headquartered in Jakarta with branches in over 300 cities across Indonesia.

The Company provides various banking services through several business units. Firstly, the Corporate Loan business unit, which is a result of the merger with SMBCI. Secondly, *BTPN Mitra Bisnis*, which is a dedicated unit for serving small and medium-sized entrepreneurial customers. Next is the retail segment, including *BTPN Purna Bakti*, focusing on retirees and pre-retirees, *BTPN Sinaya*, focusing on third-party fund growth and wealth management for the upper-middle-income segment, and *Jenius*, catering to the needs of tech-savvy urban customers. Another business unit is *BTPN Mikro*, for serving micro-entrepreneurial customers.

The Company carries out its community activities through its Corporate Social Responsibility (CSR) program, integrating social programs as part of its business activities. Thus, the motto "***Bersama, kita ciptakan kesempatan tumbuh dan hidup yang lebih berarti*** (Together, we create opportunities for growth and a more meaningful life)" is not just a social activity of the Company but an integral part of its daily banking business activities down to the branch level.

Pursuant to Article 3 of the Company's Articles of Association, the purpose and objective of the Company are to carry on business in the field of commercial banking

To achieve these purposes and objectives, the Company may engage in the following business activities:

1) Main Business Activities:

- Gathering funds from the public in the form of deposits such as savings, fixed deposits, deposit certificates, current accounts, and/or other equivalent forms, both in Rupiah and foreign currencies.
- Channeling funds gathered from the public in the form of loans, including long-term, medium-term, or short-term credits, or other customary forms of lending in the banking world, both in Rupiah and foreign currencies.

2) Supporting Business Activities:

-
- Issuing debt acknowledgment letters.
 - Buying, selling, or guaranteeing, at its own risk or for the interest and on behalf of customers, the following instruments:
 - Bills of exchange, including those accepted by banks, with a validity period not exceeding the customary trade practice.
 - Debt acknowledgment letters and other commercial papers with a validity period not exceeding the customary trade practice.
 - Government treasury bills and government guarantees.
 - Bank Indonesia Certificates (SBI).
 - Bonds.
 - Commercial papers and/or promissory notes with a maturity of up to 1 (one) year.
 - Other debt securities with a maturity of up to 1 (one) year.
 - Transferring money, either for its own interest or in favor of the customers.
 - Placing funds with, borrowing funds from, or lending funds to other banks, whether by using written instruments, telecommunication facilities, promissory notes, checks, or other means.

-
- Receiving payments for bills of exchange and settling with or between third parties.
 - Providing facilities for storing goods and securities.
 - Engaging in custody activities for the benefit of others based on contracts and/or agreements.
 - Placing customer funds with other customers in the form of securities, whether listed or unlisted on the Stock Exchange.
 - Purchasing collateral through auctions or other means, either in whole or in part, in case debtors fail to fulfill their obligations to the Company, with the condition that the purchased collateral must be liquidated as soon as possible.
 - Engaging in factoring, credit card businesses, and acting as an agent.
 - Participating in the capital of banks conducting business based on Sharia principles, following the regulations set by the relevant banking authority.
 - Engaging in foreign exchange activities in accordance with the regulations set by the authorized party.
 - Participating in the capital of banks (including Sharia banks) or other financial companies, such as leasing,

venture capital, securities companies, insurance, and clearing and settlement institutions, following the regulations set by the authorized party.

- Participating in temporary capital to overcome the impact of credit and/or other financing failures, with the condition that the withdrawal of the participation must comply with the regulations set by the Financial Services Authority (OJK).
- Acting as the founder of pension funds and managing pension funds in accordance with the regulations.
- Issuing documented credits (letters of credit) in various forms and bank guarantees.
- Engaging in other activities commonly undertaken by the Company, as long as they do not contradict the prevailing laws and regulations.

The Company has 6 business units, as follows:

Business Banking Segment

BTPN Mitra Bisnis, which is a dedicated unit for serving small and medium-sized entrepreneurial customers, serves the medium-sized businesses through supply chain financing schemes and structured financing programs. BTPN Mitra Bisnis also develops and implements a behavior scoring model to streamline the

credit renewal process and support an early alert mechanism. In credit disbursement, BTPN adheres to healthy credit principles and precautionary principles. BTPN Mitra Bisnis also develops an electronic channel through Digital SME, which currently has digital capabilities for financing, payments, transactions, and simple cash management.

Performance of Business Banking Segment

Until September 2023, the Company had disbursed outstanding loans to BTPN Mitra Bisnis customers amounting to IDR 14,247,684 million, an increase of 22% compared to the same period in 2022, which was IDR 10,673,343 million. As of September 30, 2023, the Company had more than 2,900 BTPN Mitra Bisnis customers, up 21% compared to the same period in 2022, with more than 2,400 customers.

On the other hand, BTPN Mitra Bisnis customers had deposits totaling IDR 310,860 million, a decrease of 42% compared to the same period in 2022, which was IDR 366,388 million.

Corporate Segment

The corporate segment consists of the Wholesale Banking Group (WBG) and Corporate Banking Japanese (CBJ), serving Indonesian corporate customers in Tier 1, Tier 2, Multinational Corporations (MNC), Financial Institutions (FI/NBFI), and Commercial Banking. The corporate segment actively

participates in syndicated financing, especially infrastructure projects, new renewable energy projects, financing related to ESG (including green financing), and supporting industries, including export-supporting industries, in line with the Indonesian Government's development program.

Performance of Corporate Segment

Until September 30, 2023, the Company had disbursed outstanding loans to corporate customers amounting to IDR 98,204,013 million, contributing the largest share of the Company's total gross loans at 65.1%.

Retail Banking Segment

- Wealth Management Business - *Sinaya*:

BTPN Sinaya is the retail business line of Bank BTPN, focusing on products and services for the upper-middle-class customers.

BTPN Sinaya concentrates on third-party fund collection, and with the increasing demand for alternative investment products other than savings/deposits, the development of products and services will also focus on wealth management products.

Performance of BTPN Sinaya

As of September 30, 2023, the Company had 136,499 BTPN Sinaya customers, an increase of 2.46% compared to the same period in 2022, which had 133,216 customers. Until September 2023, BTPN Sinaya customers had deposits totaling IDR 21,765,904 million, a decrease of 5.3% compared to the same period in 2022, which was IDR 22,992,757 million.

- *Retail Lending*

- o *Pension*

This business line aims to enable millions of retirees to create a more meaningful life by honoring their past contributions and helping them continue their lives in a healthy, prosperous, and meaningful way. BTPN provides tailored loan products developed according to the needs of retired customers while prioritizing the safety and convenience of pensioners in pension fund withdrawals.

- o *Pre-Retirement for Private Segment*

Pre-Retirement products is designated for the private sector segment, which shall later partner with private pension funds or third parties that have access to the private sector pension funds.

- o *Active Employees*

Products targeting active employees in the civil service, state-owned enterprises (BUMN), and private sectors

through employee loan products with installment payments sourced from salaries. The bank collaborates with corporations that are existing corporate and commercial customers as the main focus, besides other potentially eligible companies.

▪ *Performance of BTPN Pension, Pre-Retirement Private Segment, and Active Employees*

As of September 30, 2023, the company had disbursed outstanding loans to the customers of BTPN Pension, retirees, and active employees amounting to IDR 22,608,205 million, a decrease of 8.5% compared to the same period in 2022, totaling IDR 24,713,752 million. As of September 30, 2023, the company has 396,204 *BTPN Purna Bakti* customers, down 9.5% compared to the same period in 2022, with 433,991 customers.

o *Micro Business*

BTPN Mikro is committed to focusing on banking financial transaction services and credit disbursement to productive economic business actors in the micro sector and its communities in Indonesia.

Since 2008, the MSME segment in the company has emerged and undergone transformation processes in line with

banking service developments and adapted to the needs of MSME business actors in Indonesia.

BTPN Mikro also continues to optimize the digitization process using digital applications and internal systems through a transformation model conversion using a hybrid model (a combination of sales force and digital processes). BTPN Mikro collaborates by forming local partnerships within the MSME community for business development using the banking digital platform.

▪ *Performance of BTPN Mikro*

As of September 30, 2023, the company had disbursed outstanding loans to BTPN Mikro customers amounting to IDR 934,077 million, an increase of 70% compared to the same period in 2022, totaling IDR 633 million. As of September 30, 2023, the company has 6,537 BTPN Mikro customers, up by 32.3% compared to the same period in 2022, with 8,648 customers.

o *Joint Finance*

The development of Joint Finance Business is carried out for financing to end-users through cooperation with financing companies (Multifinance) with Joint Financing schemes and collaboration with Financial Technology (Fintech) based companies through channelling schemes

- *Jenius*

This product is a Smart Digital Banking platform launched in 2016, targeting digitally savvy mass-affluent individuals in major cities. Jenius offers features for easy financial management through smartphones.

Performance of Jenius

As of September 30, 2023, the company has 4,232,762 Jenius customers, an increase of 22.6% compared to the same period in 2022, with 3,451,197 customers. Until September 2023, Jenius has deposits amounting to IDR 21,261,816 million, an 18% increase compared to the same period in 2022, totaling IDR 17,974,817 million.

The company may engage in any other activities commonly carried out by banks in Indonesia as long as they comply with the laws and regulations.

The following are some significant events in the history of the Company since its inception until 2023.

Year	Significant Events
1985	The company was founded in Bandung, West Java, and legally incorporated.
1986	Bapemil was officially dissolved, transferring rights and obligations to the Company. The Ministry of

Year	Significant Events
	Finance granted permission for the Company to operate as a savings bank, succeeding Bapemil, and revoked the employee bank license granted to Bapemil in 1960.
2008	TPG Nusantara S.à.r.l. acquired a 71.6% stake in the company through stock purchases on the Indonesia Stock Exchange. The company became a public bank with assets valued at IDR 13.7 trillion.
2009	The Company launched its micro and small business (MSME) named BTPN Mikro, opening 539 branch offices.
2011	The Company introduced "Daya," a sustainable mass-market empowerment program integral to its business activities. The financing business introduced the Sinaya brand, connected with the Daya initiative.
2013	Acquisition of PT Bank Sahabat Purba Danarta (Bank Sahabat), converted into a Sharia bank before the Company separated its Sharia unit into a new entity in 2014. SMBC increased its ownership to 24.3% through stock purchases from TPG Nusantara S.à r.l. and other shareholders.
2014	SMBC increased its ownership in the Company to 40%.
2015	Official launch of <i>BTPN Wow!</i> , a mobile banking service

Year	Significant Events
	for the mass market utilizing mobile phones and agent services to extend the Company's service reach to the public.
2016	Introduction of <i>Jenius</i> , a mobile phone service using smartphones to connect customer accounts with the bank and conduct banking transactions. The Company also obtained approval as a Foreign Exchange Bank.
2017	Expansion of features in the mobile banking applications BTPN Wow! and Jenius. The Company underwent a transformation called "Gemilang," involving organizational structure, technology, human resources, and risk management.
2018	Initial Public Offering (IPO) of the subsidiary, BTPN Syariah.
	Commencement of the merger process between the Company and SMBCI.
2019	Completion of the merger between the Company and SMBCI.
2020	Launch of Sinaya Prioritas, a banking service for affluent customers with a minimum portfolio of IDR 500 million.

Year	Significant Events
2021	The Company provided PT Kepland Investama with a green loan facility worth IDR 1.06 trillion, demonstrating its commitment to sustainable financing, considering environmental, social, and governance aspects - one of the first in the Indonesian market.
2022	The Company and SMBC agreed to provide a green loan of USD 93.75 million, or IDR 1.46 trillion, to PT Perusahaan Listrik Negara (PLN) to support PLN's activities in transitioning to renewable energy. The Company and SMBC acted as coordinating mandated lead arrangers and bookrunners, as well as green loan coordinators.
2023	The Company and the International Finance Corporation (IFC) entered into a partnership for a Social and Environmental Bond deal to strengthen climate action and promote inclusive development in Indonesia. IFC invested USD 500 million in the Company. This bond issuance marked the first for the Company and reinforced its commitment to supporting the MSME sector in Indonesia, especially businesses led by women, and climate change adaptation efforts.

As of September 30, 2023, the Company operates with 1 head office, 9 non-operational regional offices, 58 branch offices, 199 sub-branch offices, 1 operational functional office, and 212 ATMs.

The Company's research and development policy, including the costs incurred in the last 2 (two) years:

The Company has been developing its digital financial platform since 2015 amid intense business competition. New financial startups have started penetrating the Indonesian financial industry, challenging the traditional role of banks. With fierce competition, research and development conducted by the Company are essential. In the last 2 (two) years, the Company has launched several innovations, including Digital SME, Digital Micro, and Jenius Credit Cards.

The health level of the Company over the last 2 (two) years:

The Company has implemented an assessment using a risk-based approach (Risk-based Bank Rating/RBBR). The assessment covers factors such as Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital to generate the Composite Rating of the Bank's Health Level.

Risk Profile

The Risk Position of the Company as of June 30, 2023, December 31, 2022, and December 31, 2021 is as follows:

Description	June 30,	December 31,	
	2023	2022	2021
Rating	2	2	2

Good Corporate Governance (GCG)

The Good Corporate Governance of the Company as of June 30, 2023, December 31, 2022, and December 31, 2021 is as follows:

Description	June 30,	December 31,	
	2023	2022	2021
Individual Rating	2	2	2
Consolidated Rating	2	2	2

Profitability

Self-assessment on the Company's Profitability as of June 30, 2023, December 31, 2022, and December 31, 2021, resulting in the a Composite Rating with the following details:

No.	Profitability Assessment Factors	June 30,	December 31,	
		2023	2022	2021
1	Earnings Generation Performance	2	1	1
2	Supporting Indicators of Profitability	2	2	2
3	Sustainability of Profitability	3	3	3
4	Profitability Management	1	1	1
Composite Rating		2	2	2

Capital

Self-assessment on the Company's Capital as of June 30, 2023, December 31, 2022, and December 31, 2021, resulting in the a Composite Rating with the following details:

No.	Capital Assessment Factors	June 30,	December 31,	
		2023	2022	2021
1	Sufficiency of Bank Capital	1	1	2
2	Capital Utilization	1	1	1
3	Capital Management	1	1	1
Composite Rating		1	1	1

2. Funding and Liquidity

The sources of funding for the Company and its Subsidiaries as of September 30, 2023, December 31, 2022, and December 31, 2021, were respectively IDR 98,248,067 million, IDR 105,168,911 million, and IDR 100,612,722 million.

The followings are the breakdown of customer deposits based on each deposit product:

Current Accounts (*Giro*)

From third parties and related parties:

(In million Rupiah)

September 30,	December 31,	
2023	2022	2021

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
Third Parties	21,011,821	23,708,094	25,875,249
Related Parties	85,318	57,708	47,536
Accrued Interest	970	1,489	279
Total Current Accounts	21,098,109	23,767,291	25,923,064

Average annual interest rate:

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
Rupiah	1.42%	1.64%	1.50%
Foreign Exchanges	1.69%	0.40%	0.01%

Saving Accounts

Based on types:

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
"Jenius" Savings	7,961,398	9,750,254	5,336,047
"Citra Pensiun" Savings	2,196,297	2,174,755	2,301,200
"Tepat Tabungan Kelompok Syariah" Savings	2,147,392	2,109,497	1,967,330
"Se To" Savings	809,098	1,274,056	1,190,554
"Pasti" Savings	162,286	197,149	221,424
"Tepat Tabungan" Savings	69,644	50,451	40,643

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
"Wadiah WOW iB" Savings	-	17,540	14,509
Others	9,597	58,831	145,306
Accrued Interest	1,180	1,659	1,721
Total Saving Accounts	13,356,892	15,634,192	11,218,734

Average annual interest rate:

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
Rupiah	1.75%	1.60%	1.44%
Foreign Exchanges	1.31%	0.17%	0.02%

Time Deposits

Based on the period:

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
Up to 1 month	28,361,700	50,280,859	42,735,957
1 – 3 months	12,166,799	11,510,339	15,417,244
3 – 6 months	3,160,349	2,153,881	3,552,357
6 – 12 months	2,621,252	1,557,581	1,456,320
More than 1 year	14,239	21,822	32,551
Accrued Interest	140,967	142,423	136,431

Total Time Deposits	46,465,306	65,666,905	63,330,860
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Based on the interest rate:

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
Up to 3%	654,426	5,874,336	38,304,788
More than 3 – 5%	35,922,086	53,118,373	24,872,036
More than 5 – 7%	9,747,827	6,531,773	17,605
Accrued Interest	140,967	142,423	136,431
Total Time Deposits	46,465,306	65,666,905	63,330,860

On-Call Deposits

Based on the currency:

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
On-Call Deposits			
Rupiah	9,916,021	100,470	140,000
United States Dollar	7,347,713	-	-
Japanese Yen	34,594	-	-
Accrued Interest	29,432	53	64
Total On-Call Deposits	17,327,760	100,523	140,064

3. Loan Portfolio

The loan portfolio of the Company has increased following the merger with SMBCI. Currently, the Company serves a diverse range of customers, from micro to corporate clients.

The following is the value of loans disbursed by the Company:

	<i>(In million Rupiah)</i>		
	September 30,	December 31,	
	2023	2022	2021
<hr/>			
Loans disbursed:			
Third Parties			
- Rupiah	94,167,255	88,421,976	82,909,323
- United States Dollar	41,034,720	42,837,338	40,243,699
- Japanese Yen	530,998	782,342	982,785
- European Euro	118,470	167,004	168,030
Related Parties			
- Rupiah	386,928	856,218	129,877
- United States Dollar	2,668,107	1,531,175	721,540
- Japanese Yen	-	-	51
Sharia Financing/Account Receivable			
Third Parties			
- Rupiah	11,936,149	11,936,149	11,936,149
Interest Earnings/Margin yet to be received			
- Rupiah	669,111	658,255	529,357
- United States Dollar	264,734	218,351	50,140
- Japanese Yen	193	266	906

<i>(In million Rupiah)</i>			
	September 30,	December 31,	
	2023	2022	2021
- European Euro	1,695	1,662	1,178
Less: Allowance for impairment Loss	(4,069,942)	(3,579,119)	(3,953,699)
Total On-Call Deposits	147,708,418	143,422,931	132,226,656

Types of Loans

Details of loans granted based on the types of credit are as follows:

<i>(In million Rupiah)</i>			
	September 30,	December 31,	
	2023	2022	2021
Rupiah			
Corporates	53,851,718	49,991,324	43,463,591
Retirees	22,423,387	23,772,300	27,059,038
Small and Medium Enterprises (SMEs)	14,247,684	12,210,504	10,365,530
Micro and Small Businesses	934,077	627,597	473,411
Islamic Financing/Receivables	11,936,149	11,527,463	10,443,469
Employees of Other Institutions	184,818	217,373	321,113
Household Needs	329,946	83,180	120,654
Employees	118,099	123,229	135,957
Public	2,258,720	2,189,522	1,079,450
Car Ownership	205,734	63,165	20,456

	<i>(In million Rupiah)</i>		
	September 30,	December 31,	
	2023	2022	2021
Foreign Currency			
Corporates	44,352,295	45,317,859	42,116,105
Interest/Margin Income	935,733	878,534	581,581
Allowance for Impairment Losses	(4,069,942)	(3,579,119)	(3,953,699)
Total Loans Granted	147,708,418	143,422,931	132,226,656

Economic Sectors

Details of loans granted based on economic sectors are as follows:

	<i>(In million Rupiah)</i>		
	September 30,	December 31,	
	2023	2022	2021
Rupiah			
Household	24,784,259	25,244,829	28,034,223
Trade	24,595,564	24,633,447	23,171,745
Industry	23,974,845	21,074,080	15,517,598
Other Services	13,955,220	15,106,595	10,530,256
Agriculture	4,729,230	3,660,102	4,383,314
Accommodation Services	161,322	127,611	142,577
Construction	5,496,778	5,551,079	5,113,797
Transportation & Communication	7,256,830	4,380,048	6,507,147
Mining	774,323	200,900	49,795

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
Other	761,961	826,966	32,217
United States Dollar			
Trade	2,644,612	2,864,387	2,833,798
Industry	10,677,100	13,737,492	12,000,601
Other Services	13,983,490	12,391,394	12,230,465
Agriculture	1,477,372	2,652,480	2,443,875
Construction	338,790	382,345	480,157
Transportation & Communication	5,507,865	3,092,831	1,936,152
Mining	4,392,245	5,259,690	3,962,255
Other	4,681,353	3,987,894	5,077,936
Japanese Yen			
Industry	303,855	440,996	603,225
Trade	-	14,726	12,006
Other Services	3,144	8,533	34,493
Other	223,999	318,087	333,111
European Euro			
Trade	118,470	167,004	168,031
Interest Income/Margin	935,733	878,534	581,581
Provision for Impairment Loss	(4,069,942)	(3,579,119)	(3,953,699)

	<i>(In million Rupiah)</i>		
	September 30,	December 31,	
	2023	2022	2021
Total Loans Granted	147,708,418	143,422,931	132,226,656

Average annual interest rate:

	<i>(In million Rupiah)</i>		
	September 30,	December 31,	
	2023	2022	2021
Rupiah	9.45%	9.04%	10.24%
United States Dollar	6.00%	2.81%	1.33%

Credit Quality

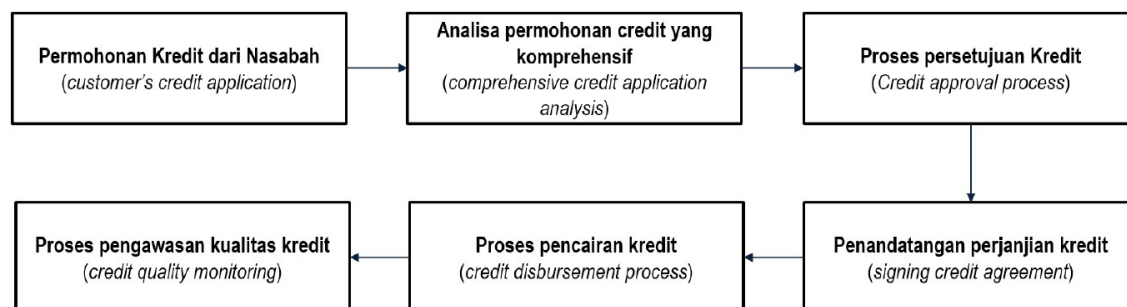
Changes in the provision for impairment losses on loans and receivables/sharia financing are as follows:

	<i>(In million Rupiah)</i>		
	September 30,	December 31,	
	2023	2022	2021
Beginning balance of the period/year	(3,579,119)	(3,953,699)	(3,422,325)
Provisions during the current period/year	(1,917,977)	(1,754,676)	(2,094,399)
Recoveries	(47,220)	(120,194)	(84,313)
Write-offs	1,461,099	1,871,710)	1,648,507
Loss on modification	-	308,911	-

Sales of loans	-	91,486	-
Others	13,275	(22,657)	(1,169)
Ending balance of the period/year	(4,069,942)	(3,579,119)	(3,953,699)
Net non-performing loan (NPL) %	0.50%	0.44%	0.37%

Loan Disbursement Process

Normal credit process in general is as follows:



4. Business Prospects

According to ADB (Asian Development Bank), the Indonesian economy is expected to grow by 5.0% in 2023 and remain at 5.0% in 2024. This is largely due to Indonesia's perceived implementation of appropriate fiscal and monetary policies, maintaining a stable financial sector, and a strong external position. Despite the decline in current transactions due to falling commodity prices and declining export of goods, foreign exchange reserves and the Rupiah exchange rate are expected to remain stable. Domestic demand also drives growth and supports GDP growth. In addition, inflation is expected to

subside faster than anticipated, with Indonesia's average inflation rate projected to be 3.6% in 2023 and 3% in 2024. The rapid decline in the inflation rate is also reflected in the latest inflation data, showing that in September 2023, Indonesia recorded an annual inflation rate of 2.28% YoY, still within the Bank Indonesia's target range of 2% to 4%. Fiscal deficit is also projected to remain below the upper limit in 2023 and 2024, projected by ADB to reach 2.30% of GDP in 2023 and 2.29% of GDP in 2024.

In 2024, industrial credit is expected to grow by 7% - 8%. Banks anticipate increased competition in the industrial demand deposit (DPK), impacting gradual adjustments in fund and credit interest rates. Although globally interest rates have risen, Bank Indonesia has maintained its policy rate at 5.75% for most of 2023, although they also decided to raise the benchmark interest rate to 6% in October 2023 to maintain the stability of the Rupiah exchange rate, signaling further tightening if necessary. Nevertheless, inflation has been kept in check, maintaining economic stability. In this condition, negative risks to Indonesia largely stem from external factors, with the impact of events such as the rise in US interest rates and weakened demand from the People's Republic of China (PRC) potentially making Indonesia vulnerable to external shocks; although opportunities and risks arising from the upcoming presidential election in 2024 also exist.

However, Indonesia's diversification strategy focusing on downstream activities of raw commodities like nickel, and the country's strong domestic demand continue to underpin economic growth and stability in Indonesia.

Leveraging the potential economic growth and the industrial credit sector, the Company will focus on growing credit disbursement by setting risk appetite aligned with the necessary objectives and through the value chain, growing the retail customer base by optimizing distribution channels, as well as cross-business line collaborations and strategic partnerships within the market ecosystem. The Company will also continue its CASA growth strategy and increase fee-based income, including through foreign exchange (forex), digital solutions, and wealth management through *Jenius* for retail customers, and trade and cash management for corporate customers.

5. Business Competition

The company faces competition in its business activities due to the increasing adoption of evolving digital technology in the banking industry. This competition comes from various sources, including fintech companies, digital banks, and conventional banks offering digital banking services. Additionally, there is competition from larger-scale banks.

Despite these challenges, the company is committed to enhancing its market share.

The closest competitors to the company currently include national private banks categorized under the Core Capital Bank Group 3 (KBMI 3).

Business competition can be analyzed based on factors such as total assets, the amount of third-party funds successfully gathered, and the number of loans provided by the company. The table below illustrates the company's market share in the Indonesian banking industry as of September 30, 2023.

(in billion Rupiah)

Criteria	Description	As of December 31,		As of
		2021	2022	September 30,
				2023
Total Assets	Industries	10,112,304	11,113,321	11,234,971
	Corporates	191,918	209,170	195,844
	Market Share	1.9%	1.9%	1.7%
Amount of Third-Party Funds	Industries	7,479,463	8,153,590	8,147,169
	Corporates	109,380	114,867	108,584
	Market Share	1.5%	1.4%	1.3%
Amount of Disbursed Loans	Industries	5,768,585	6,423,564	6,837,296
	Corporates	135,599	146,124	150,843
	Market Share	2.4%	2.3%	2.2%

Source: Indonesian Banking Statistics (SPI) by OJK and the Company's Financial Reports

6. Company's Competitive Advantages

To realize the Company's vision, which is:

"To become the primary bank of choice in Indonesia, capable of making a meaningful difference in the lives of millions of people, especially with the support of digital technology."

The Company is supported by competitive advantages, among others:

- A broad global network and a member of the SMBC group, a strong global banking company.
- Strong support from the Global Financial Group (foreign currency funding, business development, sector coverage, and knowledge transfer).
- Strong corporate business with network support from the SMBC group.
- An experienced team with strong local knowledge.
- Strong leadership.
- A leading digital banking culture and capability in Indonesia in terms of people, processes, mindset, and information technology capabilities.
- New products to be offered in all segments (Corporate, Commercial, Retail, MSME), including digital platforms.
- Contribution to inclusive finance through Sharia ultra-microfinance.

7. Company's Strategy

The Company has a long-term goal of becoming a top-tier bank with comprehensive services in Indonesia, offering competitive products in retail, business banking, and corporate sectors with digital technology support.

To achieve this goal, the Company has three Core Policies, namely:

1. Growth and Value Development, including:

- Achieving business scale to ensure sustained revenue and profit growth.
- Achieving organic and inorganic growth.
- Leveraging digital technology to provide complete product, service, payment, and transaction capabilities.

2. Sound Bank Management, including:

- Implementing global standards for Governance, Compliance, Risk Management, including cyber risk management and HR practices.
- Applying Environmental, Social, and Governance (ESG) principles.
- Investment policies that balance profitability achievement with sustainable future growth.

3. Synergy:

-
- Optimizing collaboration within the Company, with BTPN Sharia and the SMBC group.
 - Actively engaging and participating in the market ecosystem through partnerships and capital participation.

Based on these three Core Policies, the Company implements the following strategic focuses:

1. Increase loans by setting risk appetite aligned with the necessary objectives and through the value chain.
2. Expand the retail customer base and income by enhancing Jenius' capabilities as a platform and wealth management, optimizing distribution channels, cross-business line collaborations, and strategic partnerships within the market ecosystem.
3. Enhance CASA and fee-based income and foreign exchange by developing customer value propositions, capabilities, products, and services.
4. Invest in talent, instill a high-performance trust-based culture.
5. Implement operational excellence bank-wide by adopting digitization and process excellence.
6. Optimize resource utilization and Return on Assets.

7. Develop optimized value propositions and collaborations to the extent permitted by regulators with other SMBC subsidiaries in Indonesia and the global SMBC network.

8. Build operational excellence in information technology and continue to enhance digital security and cyber capabilities."

8. Marketing and Distribution Network

The Company will continue to expand its market share in financial services. The Company also implements marketing strategies to enhance the performance of products and services. This is done not only to improve the Company's business performance but also to provide maximum satisfaction to customers.

In relation to Corporate services, the Company continues to expand its service network for Corporate customers in various major cities in Indonesia, utilizing the Company's extensive office network, and plans to establish new satellite offices in industrial and other strategic areas to enhance customer engagement in those locations.

The Company also continues to enhance collaboration and synergy among business lines, such as Corporate, Retail Banking, and Business Banking, to increase cross-selling activities for the Company.

In the Retail Lending segment, to serve retirees in remote locations, the Company continues to develop a payment point network in collaboration with PT Pos, and also with third parties, such as providers of electronic payment devices and others who have a wide network of services/outlets.

In line with the development of information technology in the financial industry, including banking, the Company has also implemented online-based marketing strategies to customers, such as web meetings to quickly and accurately capture every financial need that customers may have. In addition, the Company also provides periodic educational services to customers on non-banking products, such as seminars, training, Corporate Social Responsibility (CSR) programs.

Regarding Jenius, to acquire new customers and continually improve services to customers, the Company continuously enhances and adds features to the Jenius application by involving users and potential Jenius users in determining the features to be developed. In Jenius, this process is called co-creation, which is a periodic meeting activity to gather input from users and potential users of Jenius services, both virtually and face-to-face.

Jenius also collaborates with strategic partners, including cooperation with telecommunications service providers to introduce Jenius to the telecommunications company's customers

or offering payroll payment services through Jenius, and collaboration with landowners and other venue owners to allow Jenius to set up temporary exhibition booths for customer loyalty events, customer education, or customer acquisition.

To support maximum customer service, the Company continually measures Service Level Agreements (SLA). The Company handles customer complaints well, especially to respond quickly and accurately.

The Company has a network of 2,073 offices and ATMs consisting of various types, including Non-Operational Regional Offices, Branch Offices, Sub-Branch Offices, Functional Operational and Non-Operational Offices, Sharia Mobile Marketing, and ATMs

9. Intellectual Property Rights (IPR)










As of the issuance date of this Prospectus, the Company also holds intellectual property rights in the form of trademarks and copyrights that have obtained trademark certificates and copyright certificates, as follows:

a. Trademark Certificates

No.	Trademarks	Registration Number	Valid Until
1.		IDM000796474	Juni 8, 2026
2.		IDM000589210	March 17, 2024
3.		IDM000747881	August 30, 2027
4.		IDM000562666	March 17, 2024
5.		IDM000518803	December 9, 2033
6.	TOUCHBIZ	IDM000948299	Januari 26, 2031
7.	TOUCHBIZ	IDM000948130	Januari 26, 2031
8.		IDM000960321	March 17, 2031
9.		IDM000959240	March 17, 2031

No.	Trademarks	Registration Number	Valid Until
10.		IDM000925063	December 31, 2030
11.		IDM000925552	December 31, 2030
12.		IDM000373131	March 10, 2031
13.		IDM000530439	April 2, 2024
14.		IDM000641785	August 6, 2025
15.		IDM000795577	August 15, 2025
16.		IDM000795575	August 15, 2026
17.		IDM000795570	August 15, 2026
18.		IDM000867537	December 6, 2029

No.	Trademarks	Registration Number	Valid Until
19.		IDM000867538	December 6, 2029
20.		IDM000867539	December 6, 2029
21.		IDM000867542	December 6, 2029
22.		IDM000858339	December 20, 2029
23.		IDM000858354	December 20, 2029
24.		IDM000858377	December 20, 2029
25.		IDM000858387	December 20, 2029
26.		IDM000867543	December 6, 2029
27.		IDM000867544	December 6, 2029
28.		IDM000982010	December 20, 2029

No.	Trademarks	Registration Number	Valid Until
29.		IDM000858326	December 20, 2029
30.	 Dream Saver	IDM000845344	September 30, 2029
31.	 Dream Saver	IDM000905556	September 30, 2029
32.	 Split Bill	IDM000845743	October 1, 2029
33.	 Split Bill	IDM000845745	October 1, 2029
34.	 Pay Me	IDM000845741	October 1, 2029
35.	 Moneymoji	IDM000845738	October 1, 2029
36.	 Moneymoji	IDM000845740	1 Oktober 2029
37.	 Momoji	IDM000845735	1 Oktober 2029

No.	Trademarks	Registration Number	Valid Until
38.	 Maxi Saver	IDM000845467	1 Oktober 2029
39.	 Maxi Saver	IDM000926159	1 Oktober 2029
40.		IDM000846103	1 Oktober 2029
41.		IDM000845717	1 Oktober 2029
42.	 Flexi Saver	IDM000845306	1 Oktober 2029
43.	 Flexi Saver	IDM000846000	1 Oktober 2029
44.	 Flexi Cash	IDM000845352	30 September 2029
45.	 Flexi Cash	IDM000845424	30 September 2029
46.	Jenius QR 	IDM000931591	18 Oktober 2030
47.	Jenius QR 	IDM000931596	18 Oktober 2030

No.	Trademarks	Registration Number	Valid Until
48.		IDM000997088	18 Oktober 2030
49.		IDM000931605	18 Oktober 2030
50.		IDM001095360	9 Agustus 2032
51.		IDM001093226	9 Agustus 2032
52.		IDM000373135	10 Maret 2031
53.		IDM000677667	8 Juni 2026
54.		IDM000677662	8 Juni 2026
55.		IDM000677671	8 Juni 2026
56.		IDM000867546	6 Desember 2029
57.		IDM000964800	5 Maret 2030
58.		IDM000964801	5 Maret 2030

No.	Trademarks	Registration Number	Valid Until
59.		IDM000965046	March 5, 2030
60.		IDM000965047	March 5, 2030
61.		IDM001091601	September 21, 2032
62.		IDM001091600	September 21, 2032

b. Copyrights

No.	Title of Creation	Type of Creation	Application Number	Valid Until
1	Daya.id	Computer Program	EC00202112795	December 8, 2067
2	Tumbuh dan Menjadi Inspirasi (<i>Growth and Inspirational</i>)	Song	C00201404417	July 2, 2064
3	Jenius Life Finance App & Microservices Source Code	Computer Program	EC00201982851	April 1, 2068
4	BTPN Wow Core	Computer Program	EC00201982862	March 30, 2065

10. Corporate Social Responsibility (CSR)

Integrated Social Mission in Business Activities

The social activities of the Company are based on the belief that the long-term performance of the Company depends not only on its financial performance but also on its relationships

with stakeholders. Therefore, the Company sees the need for the development of a social program integrated into business activities that can have a sustainable impact on customers and contribute to national development by launching a measurable and sustainable Mass Market Empowerment Program called 'Daya.'

The Daya program empowers mass-market customers through four program pillars:

- Financial Literacy
- Self-Development
- Business Capacity Enhancement
- Sustainable Living

Various Daya programs are designed by first researching the needs of the community and observing the national and even global situations (such as the pandemic) to ensure that the services provided are beneficial, relevant, and targeted. This program involves the community as its subject so that they can develop themselves according to their needs through various programs, curricula, and modules provided. Thus, there are no complaints from the public regarding the Daya programs. This program involves experts and experienced parties, such as universities, corporations, and institutions, to have a broader impact in realizing a stronger Indonesia.

Through the Daya program, the Company has received various awards such as the Bronze Global CSR Award in 2016 and the

Gold Global CSR Award in 2017 at the Global CSR Summit & Awards organized by The Pinnacle Group International. In 2023, the Company achieved Platinum ranking for the 3rd consecutive year in the "Asia Sustainability Reporting Rating (ASRRAT) 2023." Additionally, the Company also received a Gold rating in 2020.

Daya.id

After conducting research on digital customer behavior, the digital version of Daya, namely *daya.id*, was officially launched in 2018. Available for both Company customers and the public, *daya.id* offers convenient access to various benefits of the Daya platform digitally without the need to visit the Company's branch offices. The strength of the *daya.id* program lies in:

- Providing reliable information related to financial management, entrepreneurship, and a healthy lifestyle.
- Giving the community the opportunity to discuss with experienced and competent experts in their fields.
- Supporting the growth of customer businesses by promoting their products on *daya.id*.
- Conducting empowerment programs that can be accessed 24/7 and operate 7 days a week.

Four Pillars of the Daya Program

Self-Development Program

Self-development is closely related to the success of individuals in facing various challenges for a better future. The Company strives to enhance the awareness, potential, abilities, and skills of individuals in a constantly advancing world. It is expected that the beneficiaries can have a more organized and prosperous life, ready to face the challenges of this complex world. One of the self-development programs provided by the Company is for employees of corporate customers with various themes such as; The Power of Excellence Execution, Increasing Business Performance Through Creative Problem Solving, and Increasing Performance Through Creative Communication Skill.

Financial Literacy

Financial literacy is the knowledge, skills, and beliefs that influence attitudes and behaviors to improve the quality of decision-making and financial management in order to achieve prosperity.

Financial literacy provides individuals with the ability to manage their finances wisely and responsibly through budgeting and financial management. Financial literacy also helps people choose financial products and services that suit their needs and avoid unclear investment traps. On a national scale, financial literacy has a significant impact on expanding

financial inclusion and plays a role in Indonesia's economic recovery and improvement.

Therefore, the Company takes responsibility for educating the public about financial literacy, covering topics such as:

- Introduction to the Company and financial literacy mindset
- Tips on keeping PINs safe
- Wise use of E-Banking services
- Dangers of illegal online loans
- Tips for managing salary
- Importance of financial management (expenditure priorities)
- Financial planning for the sandwich generation
- Achieving financial freedom
- Introduction to investment instruments Business

Capacity Enhancement

The Company encourages national economic growth through its efforts to build new entrepreneurs and enhance the capacity and skills of existing entrepreneurs. Entrepreneurial activities play a crucial role in Indonesia's economic growth by reducing disparities, creating jobs, and driving the local economy. Especially for the MSME segment, this business capacity enhancement program is a crucial step to improve competitiveness and advance their businesses. The Company not only provides online curricula and facilities but also offers opportunities for face-to-face seminars and Q&A sessions.

Sustainable Living

The three topics promoted in this pillar are improving public health, environmental cleanliness, and maintaining environmental sustainability for climate change mitigation. Only in a healthy environment and strong body can people conduct their economic activities well, thus improving their well-being. In 2022, the Company provided sustainable living programs to many customers covering topics related to a healthy lifestyle and mental health.

IX. EQUITY

The table below illustrates the development of the Company's equity position derived from the Group's consolidated financial statements as of and for the nine-month period ended on September 30, 2023, and as of and for the year ended on December 31, 2022, prepared by the Company's management in accordance with the Indonesian Financial Accounting Standards (SAK). The financial statements have been audited by KAP Siddharta Widjaja & Rekan, based on the audit standards set by the Indonesian Institute of Certified Public Accountants (IAPI) and signed by Novie, S.E., CPA (Public Accountant Registration No. AP.1212) with an unmodified opinion as stated in the independent auditor's report dated December 7, 2023, republished on January 8, 2024.

The Group's consolidated financial statements as of and for the year ended on December 31, 2021, were prepared by the Company's management in accordance with the Indonesian Financial Accounting Standards (SAK) and audited by KAP Siddharta Widjaja & Rekan, based on the audit standards set by IAPI. The statements were signed by Liana Lim, S.E., CPA (Public Accountant Registration No. AP.0851) with an unmodified opinion as stated in the independent auditor's report dated February 23, 2022, republished on January 8, 2024.

(In million Rupiah)

	September 30,	December 31,	
	2023	2022	2021
Share Capital			
Authorized capital of IDR 300,000 comprised of 15,000,000,000 shares having a nominal value of IDR 20 (full value) per share			
Issued and fully paid capital amounts to 8,149,106,869 shares	162,982	162,982	162,982
Additional paid-in capital	11,162,236	11,160,647	11,158,962
Revaluation reserve for fixed assets	954,174	874,452	874,452
Fair value reserve – net	3,075	(7,704)	117,867
Transactions with non-controlling interests	(24,267)	(24,267)	(24,267)
Retained earnings			
-Appropriated	32,596	32,596	81,596
-Unappropriated	26,133,110	24,702,316	21,588,017
Other equity components	260,801	260,801	260,801
Treasury stock	(254,755)	(255,147)	(255,147)
Non-controlling interests	2,594,606	2,506,348	2,113,664
TOTAL EQUITY	41,024,558	39,413,024	36,078,927

Proforma Equity Table

The Company has submitted a Registration Statement for the PMHMETD (Private Placement) II to issue a total of

2,589,131,077 (two billion five hundred eighty-nine million one hundred thirty-one thousand seventy-seven) ordinary shares in registered form having a nominal value of IDR 20 (twenty Rupiah) per share. Each holder of 10,000,000,000 (ten billion) existing shares whose names are listed in the Company's Shareholder Register (*DPS*) as of February 29, 2024, at 3:00 PM WIB (West Indonesia Standard Time), is entitled to 3,213,591,453 (three billion two hundred thirteen million five hundred ninety-one thousand four hundred fifty-three) HMETDs, where each 1 (one) HMETD entitles the holder to purchase 1 (one) new share at the Exercise Price of IDR 2,600 (two thousand six hundred Rupiah).

The total number of New Shares issued in this PMHMETD II is the maximum number of shares that will be entirely issued from the portfolio and will be listed on the IDX with due observance of the prevailing laws and regulations. The total funds to be received by the Company for this PMHMETD II amount to a maximum of IDR 6,731,740,800,200 (six trillion seven hundred thirty-one billion seven hundred forty million eight hundred thousand two hundred Rupiah).

If the change in the Company's equity due to the PMHMETD II occurs on September 30, 2023, then the proforma capital structure of the Company on that date is as follows:

(In million Rupiah)

	Equity Position According to the Consolidated Statement of Financial Position as of September 30, 2023	Withdrawa l of Treasury Shares	Equity Changes on September 30, 2023, if PMHMETD II Occurs on that Date	Proforma Equity on September 30, 2023, After PMHMETD II
Equity Attributable to Parent Entity Owners				
Issued and fully paid capital	162,982	(1,846)	51,783	212,919
Additional Paid-in Capital	11,162,236		6,710,958	17,873,194
Revaluation Reserve for Fixed Assets	954,174			954,174
Fair Value Reserve – Net	3,075			3,075
Transactions with non-controlling Interests	(24,267)			(24,267)
Retained earnings				
-Appropriated	32,596			32,596
-Unappropriated	26,133,110			26,133,110
Other equity components	260,801			260,801
Treasury stock	(254,755)	254,755		‘
Non-controlling interests	2,594,606			2,594,606
TOTAL EQUITY	41,024,558	272,909	6,762,741	48,040,208

Note :

(1) After deducting Issuance Costs

X. DIVIDEND POLICY

All shares of the Company that have been issued, including the new shares offered in this PMHMETD II, have the same and equal rights in all respects as fully paid-up shares, including the right to dividends in accordance with the Company's articles of association and applicable laws and regulations.

In accordance with the applicable laws and regulations in Indonesia, the decision regarding the distribution of dividends is determined based on the resolution of the Shareholders at the Annual General Meeting of Shareholders (RUPS) upon recommendation of the Board of Directors. The Company may distribute dividends in the year in which the Company records a positive retained earnings balance and after deducting reserves based on the Company Law.

Before the end of the fiscal year, the Company may distribute interim dividends as long as it is allowed in the Company's articles of association and as long as the interim dividends do not cause the Company's net wealth to be smaller than the issued and paid-up capital plus mandatory reserves. The distribution of interim dividends will be determined by the Company's Board of Directors after approval from the Board of Commissioners. If at the end of the fiscal year the Company incurs a loss, the distributed interim dividends must be returned by the Shareholders to the Company, and the Board of

Directors together with the Board of Commissioners will be jointly responsible in case the interim dividends are not returned to the Company. The statement regarding the distribution of interim dividends is in accordance with Article 21 paragraph (5) of the Company's Articles of Association and Article 72 of the Company Law.

All shares of the Company that have been taken up and fully paid up in the Company, including the shares to be offered in the context of PMHMETD II, have the same and equal rights in all respects, including the right to cash dividends. Recommendations, determination of the amount, and distribution of dividends will be proposed by the Board of Directors and approved by the Board of Commissioners based on their discretion and will depend on a number of factors including the Company's net profit, availability of mandatory reserves, capital expenditure needs, operational results, cash flows, and cash dividend payments by subsidiaries. This is further subject to various factors including the success in implementing business strategies, financial, competition, and applicable regulations, general economic conditions, and other factors specific to the Company and the industry. Most of these factors are beyond the control of the Company. Taking into account the factors as mentioned above, the Company's Board of Directors may propose a cash dividend distribution to shareholders of up to 35% of the current year's profit.

If the decision has been made to pay cash dividends, the cash dividends will be paid in Rupiah (or other currency as long as it complies with applicable laws and regulations). Shareholders on a certain date in accordance with applicable regulations are entitled to the full amount of approved cash dividends, and may be subject to withholding tax applicable in Indonesia.

The Company's cash dividend policy is a statement of the current intention and is not legally binding as the policy depends on changes in approval from the Board of Directors and Shareholders at the AGMS.

The dividend distribution history of the Company is as follows:

Fiscal Year	Dividend (Rp billion)	Rasio (%)	Dividend/share (Rp)
2022	IDR 619	20%	IDR 76.8
2021	-	-	-
2020	-	-	-
2019	-	-	-

XI. TAXATION

Dividend tax for domestic taxpayers

Income tax on dividends is imposed in accordance with prevailing laws and regulations. Based on Law No. 7 of 1983 concerning Income Tax, as amended by Law No. 36 of 2008

(effective January 1, 2009) and most recently amended by the Omnibus Law (effective November 2, 2020), and based on Minister of Finance Regulation No. 18/PMK.03/2021 ("PMK-18/2021"), dividends received by domestic entity taxpayers from investments in the Company are exempted from income tax and Government Regulation No. 55 of 2022 concerning Adjustments to Regulations in the Field of Income Tax, the tax treatment of dividends received by Domestic Taxpayers is as follows:

a) Individual Taxpayer: subject to Income Tax at a rate of 10% (ten percent) of the gross amount and is final, payable by the Domestic Individual Taxpayer. However, if the dividend is reinvested in Indonesia within a certain period and certain types of investments, the dividend is exempted from income tax. The procedures and provisions regarding the types of allowed investments and the investment period are regulated in the Minister of Finance Regulation Number 18 of 2021 concerning "Implementation of Law Number 11 of 2020 concerning Job Creation in the Field of Income Tax, VAT and Luxury Goods Sales Tax, as well as General Provisions and Taxation Procedures"; and

b) Corporate Taxpayers: not subject to income tax so long as the dividends are distributed based on the General Meeting of Shareholders or interim in accordance with prevailing

laws and regulations, including similar meetings and distributions of similar dividends.

Dividends generated by domestic individual taxpayers will be exempted from income tax, as long as the income is reinvested in Indonesia for at least three tax years after the year in which the dividend or profit is received. The types of applicable income and can be reinvested in Indonesia are listed in PMK-18/2021.

In the event that domestic individual taxpayers do not meet the reinvestment requirements, all dividends originating from within Indonesia received by domestic individual taxpayers will be subject to income tax at the time the dividend is received or obtained. The domestic individual taxpayer is required to make payment to the State Treasury Office.

Based on Minister of Finance Regulation No. 234/PMK.03/2009 dated December 29, 2009 concerning Certain Investment Fields that Provide Income to Pension Funds that are Excluded as Objects of Income Tax, income received or obtained by pension funds, whose establishment has obtained the approval of the Minister of Finance, from investment is exempted from tax.

Dividend tax for foreign taxpayers

Dividends received or obtained by Foreign Taxpayers (WPLN) are subject to a rate, which is currently 20% (twenty percent) of

the amount or nominal distributed. A lower rate may apply if the dividend is received or obtained by citizens from a country that has signed a Double Taxation Avoidance Agreement (P3B) with Indonesia, and the payment of the dividend has met the Directorate General of Taxes Regulation No. PER-25/PJ/2018 concerning the Implementation of the Double Taxation Avoidance Agreement (P3B) ("Regulation No. PER-25/PJ/2018"). To be able to apply a lower rate based on the P3B, in accordance with Regulation No. PER-25/PJ/2018, Foreign Taxpayers must attach the DGT Form for companies and must comply with applicable regulations.

Taxation on the transfer of shares

Based on Government Regulation of the Republic of Indonesia No. 41 of 1994 concerning Income Tax on Income from Stock Sales Transactions on the Stock Exchange dated December 23, 1994, as amended by Government Regulation of the Republic of Indonesia No. 14 of 1997 dated May 29, 1997, the sale of shares listed on the Stock Exchange will be subject to Income Tax at a rate of 0.1% (zero point one percent) of the gross transaction value and must be deducted by brokers handling the transaction.

Final tax of 0.5% (zero point five percent) will be imposed on the stock value at the time of the Initial Public Offering of Founder Shares. Payment of additional Income Tax for Founder

Shares must be made before the sale of Founder Shares, no later than one month after the shares are traded on the stock exchange.

Taxpayers who choose not to fulfill their tax obligations by paying the additional final Income Tax of 0.5% (zero point five percent) will be subject to the normal tax rate (the current maximum normal progressive tax rate is set at 30% (thirty percent) for individual taxpayers, 35% (thirty-five percent) for individual taxpayers starting in 2022 and onwards, and 22% (twenty-two percent) for corporate taxpayers in 2021 and onwards, applying the rates in accordance with Law No. 7 of 2021 concerning Tax Regulation Harmonization) on any capital gains arising from the transfer of Founder Shares.

Stamp Duty

According to Law No. 10 of 2020 dated October 26, 2020, concerning Stamp Duty, a document resulting in the sale of Indonesian shares is subject to a stamp duty of IDR 10,000 for each type of securities transaction with a value exceeding IDR 5,000,000, collected or deducted by the designated stamp duty collector appointed by the Directorate General of Taxes (DJP). Generally, stamp duty fees are due at the time the document is made and signed.

Fulfillment of Tax Obligations by the Company

As a taxpayer, the Company generally has obligations for Income Tax (PPH) and Value Added Tax (VAT). As of the date of issuance of this Prospectus, the Company has fulfilled its tax obligations in accordance with applicable laws and regulations.

PROSPECTIVE HOLDERS OF HMETD IN THIS PMHMETD II ARE ADVISED TO CONSULT WITH THEIR RESPECTIVE TAX CONSULTANTS REGARDING THE TAX IMPLICATIONS THAT MAY ARISE FROM THE PURCHASE, OWNERSHIP, OR SALE OF SHARES ACQUIRED THROUGH THIS PMHMETD II.

XII. INFORMATION REGARDING STANDBY BUYER

Brief History

SMBC was established in April 2001 as a banking corporation resulting from the merger of two leading banks, namely Sakura Bank Limited (formerly known as Mitsui Bank) and Sumitomo Bank Limited, based on the last amended articles of incorporation on July 30, 2019.

SMBC is headquartered at 1-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan.

Business Activities

According to its articles of incorporation, SMBC was established to carry out business activities as a commercial bank in accordance with the provisions of the Japanese Banking Act and other relevant laws and regulations.

Supervision and Management

As of the date of issuance of this Prospectus, the composition of SMBC's Board of Directors is as follows:

Chairman of the Board	: Makoto Takashima
President and Chief Executive Officer (Representative Director):	Akihiro Fukutome
Deputy Chairman of the Board	: Keiji Kakumoto
Director and Deputy President	: Tetsuro Imaeda

Director and Senior Managing Executive Officer	:	Teiko Kudo
Director and Senior Managing Executive Officer	:	Jun Uchikawa
Director and Senior Managing Executive Officer	:	Kotaro Hagiwara
Director and Senior Managing Executive Officer	:	Yoshihiro Hyakutome
Director and Senior Managing Executive Officer	:	Takashi Kobayashi
Director	:	Paul Yonamine
Director	:	Isao Teshirogi

Capital Structure and Ownership Composition

The capital structure of SMBC as of the date of issuance of this Prospectus is as follows:

	Number of Shares (Common Shares)	Capital Stock (in billion JPY)	%
SMFG	106,248,400	1,770.9	100.0

Source of Funds

The source of funds used by SMBC to participate in HMETD is SMBC's internal cash.

Affiliation Relationship

SMBC holds 7,332,311,297 (seven billion three hundred thirty-two million three hundred eleven thousand two hundred ninety-seven) shares representing 89.98% (eighty-nine point ninety-eight percent) of the fully paid-up and subscribed capital in the Company.

Information Regarding the Portion to be Taken by the Standby Buyer

If the new shares offered in this PMHMETD II are not fully taken by the holders of HMETD (Preemptive Rights) public portion, the remainder will be allocated to other public HMETD holders who place orders greater than their entitlement, as stated in SBHMETD or Additional Share Purchase Order Form. In the case of oversubscription, the new shares will be allocated proportionally based on the number of HMETD executed by each Shareholder requesting an increase in securities based on the Exercise Price. If after the allocation of additional new shares orders, there are still remaining shares in the public portion, they will be purchased by the Standby Buyer.

Important Terms in the Standby Buyer Agreement

a. Parties

- The Company
- SMBC

b. Standby Buyer's Commitment

If the shareholders of the Company and/or the holders of HMETD (preemptive right) do not fully exercise their HMETD rights over the New Shares until the end of the trading period, the unexercised New Shares resulting from the HMETD exercise will be proportionally allocated to the

shareholders of the Company and/or the holders of HMETD who have applied for additional share subscriptions. Considering applicable regulations, if after offering the New Shares resulting from the HMETD exercise to the shareholders of the Company and/or the holders of HMETD, there are still remaining shares, then the remaining shares must be purchased by the Standby Buyer in accordance with the Standby Buyer Agreement's terms and conditions.

c. Time Frame

The Standby Purchase Agreement becomes effective on December 7, 2023. The Standby Purchase Agreement will automatically terminate if the Registration Statement is not declared effective within six months after the financial statements of the Company used in PMHMETD II, or if all parties' obligations under the Standby Purchase Agreement have been completed as required.

d. Dispute Resolution

The Company and SMBC agree that any disputes or differences arising from or related to the implementation of the Standby Purchase Agreement will be resolved through negotiations. Any disputes or differences that cannot be resolved through negotiation by the Parties within 30 (thirty) calendar days from the date of written notification from one party regarding such disputes must be resolved through the

Financial Services Sector Alternative Dispute Resolution Institution ("LAPS SJK") using the Rules and Procedures of LAPS SJK and subject to Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Resolution as well as its amendments from time to time.

Consent from the Competent Authorities

SMBC is not required to obtain the consent of the competent authorities to act as the Standby Buyer in PMHMETD II.

XIII. CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONALS

The institutions and professionals participating in the PMHMETD II are as follows:

LEGAL CONSULTANT

Hadiputranto, Hadinoto & Partners Law Firm

Pacific Century Place, 35th Floor

Jl. Jend. Sudirman Kav 52-53

Jakarta 12190, Indonesia

Name of Partner : Iqbal Darmawan

License No. : STTD.KH-213/PJ-1/PM.02/2023 dated
September 25, 2023

Association Membership : Capital Market Legal Consultants
Association

Working Guidelines : Decision of the Capital Market
Legal Consultants Association No.
Kep.02/HKHPM/VIII/2018 dated August
8, 2018, regarding the Professional
Standards of the Capital Market
Legal Consultants Association
("HKHPM"), as amended by the
Decision of HKHPM No.

Kep.03/HKHPM/XI/2021 dated November 10, 2021, concerning Amendments to the Decision of HKHPM No. Kep.02/HKHPM/VIII/2018 dated August 8, 2018, regarding the Professional Standards of the Capital Market Legal Consultants Association.

The scope of the Legal Consultant's tasks in PMHMETD II is to conduct an examination and research to the best of their ability regarding the legal facts concerning the Company and its Subsidiaries and other related information provided by the Company and its Subsidiaries. The results of such examination and research are presented in the Legal Due Diligence Results Report, forming the basis for the Legal Opinion provided objectively and independently. The Legal Consultant's tasks and functions outlined here are in accordance with professional standards and applicable capital market regulations to implement the principle of transparency.

PUBLIC ACCOUNTANT

KAP Siddharta Widjaja & Rekan (KPMG Indonesia)

Wisma GKBI Lt. 33

Jl. Jend. Sudirman No. 28

Jakarta 10210, Indonesia

Name of Partner : Novie, S.E., CPA

License No. : STTD.AP-368/PM.22/2018 dated
February 13, 2018

Association Membership : Indonesian Institute of Certified
Public Accountants (IAPI)

Working Guidelines : Financial Accounting Standards in
Indonesia and Professional
Standards for Public Accountants
(SPAP)

The scope of the Public Accountant's tasks is to conduct an audit of the Group's consolidated financial statements based on auditing standards established by IAPI. According to these standards, the Public Accountant is required to plan and conduct the audit to obtain reasonable assurance that the financial statements are free from material misstatement. The Public Accountant is fully responsible for the opinion given on the audited financial statements.

The audit conducted by the Public Accountant includes an examination based on testing evidence supporting the amounts and disclosures in the audited financial statements. It also includes an assessment of the accounting principles used and significant estimates made by management, as well as an

evaluation of the overall presentation of the financial statements.

NOTARY

Ashoya Ratam, S.H., Mkn.

Jl. Suryo No.54

Jakarta 12180, Indonesia

License No. : STTD.N-54/PJ-1/PM.02/2023 dated
February 27, 2023

Association Membership : Indonesian Notary Association No.
078.251.973.0317

Working Guidelines : Law No. 30 of 2004 concerning the
Position of Notary, in conjunction
with Law No. 2 of 2014 concerning
Amendments to Law No. 30 of 2004
concerning the Position of Notary
("Notary Law"), and the Code of
Ethics of the Indonesian Notary
Association.

The scope of the Notary's tasks in the context of PMHMETD II
is to prepare notarial deeds for the Company's RUPSLB and
agreements related to PMHMETD II, in accordance with the

Notary Law and the Code of Ethics of the Indonesian Notary Association.

SECURITIES ADMINISTRATION BUREAU ("BAE")

PT Datindo Entrycom

Jl. Hayam Wuruk No. 28

Jakarta 10120, Indonesia

Association Membership : Indonesian Securities
Administration Bureau Association
(ABI)

Business License as BAE : Decree of the Chairman of Bapepam
No. Kep-16/PM/1991 dated April 19,
1991, concerning the Granting of
Business License as a Securities
Administration Bureau to PT Datindo
Entrycom.

The tasks and responsibilities of BAE in PMHMETD II, in accordance with professional standards and applicable capital market regulations, include managing the list of shareholders entitled to HMETD, distributing SBHMETD in electronic form into collective custody at KSEI, receiving requests for the execution of HMETD and reconciling funds for these requests with the bank designated by the Company, issuing and distributing shares in the form of certificates or electronic

form into collective custody at KSEI, and executing the process of refunding funds for share purchase reservations.

The Supporting Institutions and Professionals in the context of PMHMETD II declare that there is no direct or indirect Affiliation with the Company as defined in the Capital Market Law as amended by the OJK Law.

XIV. PROCEDURE FOR STOCK SUBSCRIPTION

The new shares in this PMHMETD II are issued based on HMETD as stipulated in POJK No.32/2015. The Company has appointed PT Datindo Entrycom as the administrator of share administration and as the implementing agent in the context of PMHMETD II, in accordance with the Share Administration Management Agreement.

The following are the requirements and procedures for subscribing to share purchases in PMHMETD II:

1. Eligible Subscribers:

Shareholders whose names are listed in the Company's Shareholders Registry (DPS) on February 29, 2024, at 15:00 WIB, are entitled to obtain HMETD ("Eligible Shareholders") to submit subscriptions to purchase new shares in PMHMETD II. Each holder of 10,000,000,000 (ten billion) existing shares is entitled to 3,213,591,453 (three billion two hundred thirteen million five hundred ninety-one thousand four hundred fifty-three) HMETD, where each HMETD gives the holder the right to purchase 1 (one) new share at the Execution Price of IDR 2,600 (two thousand six hundred Rupiah) per share, payable in full when submitting a subscription for the purchase of new shares.

Eligible Shareholders are valid HMETD holders, namely:

- Shareholders who have obtained HMETD from the Company and have not sold the HMETD or the buyer of HMETD whose name is

listed in SBHMETD or in the endorsement column on SBHMETD;
or

- HMETD holders recorded in collective custody at KSEI.

Subscribers may be individuals, Indonesian and/or foreign citizens, or legal entities, both Indonesian and foreign, as regulated in the Capital Market Law as amended by the OJK Law.

2. Distribution of HMETD:

For Eligible Shareholders whose shares are in the collective custody system at KSEI, HMETD will be distributed electronically through the Securities Member Account or the respective Custodian Bank in KSEI no later than 1 (one) Business Day after the recording date on the Company's DPS entitled to HMETD, namely March 1, 2024. The prospectus and implementation instructions will be distributed by the Company through the BAE, which can be obtained by Eligible Shareholders from each Exchange Member or their Custodian Bank.

For Eligible Shareholders whose shares are not included in the collective custody system at KSEI, the Company will issue SBHMETD in the name of Eligible Shareholders.

Eligible Shareholders can collect SBHMETD, Prospectus, Additional FPPS, and other forms at the Company's BAE on every working day from March 4, 2024, to March 13, 2024, by

presenting a valid original identification card (KTP/Passport/KITAS) and submitting a photocopy along with the original power of attorney for those who cannot collect it personally by submitting a photocopy of the giver's and recipient's identity to:

Securities Administration Bureau (BAE) of the Company

PT Datindo Entrycom

Jl. Hayam Wuruk No. 28 Jakarta 10120

Telephone: +62 21 350 8077, Faks. +62 21 350 8078

3. Registration for the Execution of HMETD

The execution of HMETD may be carried out from March 4, 2024, to March 13, 2024.

A. Procedure for executing HMETD within collective custody

Holders of HMETD within collective custody at KSEI who will execute their HMETD must submit an execution request through the Exchange Member/Custodian Bank appointed as the securities administrator. Subsequently, the Exchange Member/Custodian Bank will submit an execution request or instruction through the Central Depository-Book Entry Settlement System ("C-BEST") in accordance with the procedures established by KSEI. In executing the execution instruction, the Exchange

Member/Custodian Bank must comply with the following provisions:

- The HMETD holder must provide execution funds at the time of submitting the request;
- The sufficiency of HMETD and payment funds for the execution of HMETD must be available in the HMETD holder's securities account that is executing the request.

On the next Exchange Day, KSEI will provide a List of HMETD Holders in collective custody at KSEI who have executed their rights and deposit the execution payment funds into the Company's bank account.

The new shares resulting from the execution of HMETD will be distributed by the Company/Company's BAE in electronic form to the accounts specified by KSEI for subsequent distribution to the respective securities accounts of the HMETD holders who have executed their rights by KSEI. The new shares resulting from the execution will be distributed by the Company/Company's BAE no later than 2 (two) Exchange Days after receiving the execution request from KSEI, and the payment funds have been received in good funds in the Company's bank account.

B. Procedure for executing HMETD outside of collective custody

Holders of HMETD in the form of certificates/SBHMETD who will execute their HMETD must submit an execution request to the Company's BAE, by providing the following documents:

- Original signed and completed SBHMETD;
- Original proof of payment via transfer/book transfer/check/cash to the Company's account from the bank making the payment;
- Copy of valid ID card/Passport/KITAS (for individuals) or copy of the Articles of Association and appendix of the board of directors/officers (for legal entities);
- Valid stamped power of attorney (if delegated) attached with a copy of the ID card/Passport/KITAS from the grantor and recipient of the power of attorney;
- If the HMETD holder wishes to receive the new shares resulting from the execution in electronic form, the execution request to the Company's BAE through the Exchange Member or Custodian Bank must be accompanied by additional documents: (i) Original power of attorney from the HMETD holder to the Exchange Member or Custodian Bank to submit the HMETD execution request and manage the securities for the new shares resulting from the HMETD execution in collective custody at KSEI on behalf of the grantor; and (ii) Original Securities Deposit Form issued by KSEI, filled in and signed completely.

The Company will issue the new shares resulting from the execution of HMETD in physical SKS if the holder of SBHMETD does not want the new shares to be placed in collective custody at KSEI.

All conversion costs for the transfer of the Company's shares from certificate form to electronic form and/or vice versa from electronic form to certificate form must be fully borne and paid by the respective shareholders.

Registration for the execution of HMETD is carried out at the Company's BAE office. Registration can be done from March 4, 2024, to March 13, 2024, during business hours (Monday to Friday, 09:00 - 15:00 WIB).

If the filling of SBHMETD does not comply with the instructions/requirements for ordering shares listed in SBHMETD and the Prospectus, it may result in the rejection of the order. HMETD is only considered to have been executed when the payment has been proven to be received in good funds in the Company's bank account in accordance with the terms of purchase.

4. Additional Subscription

Shareholders Eligible to subscribe to additional shares are those who have not sold their HMETD or buyers/HMETD holders listed in SBHMETD, or HMETD holders in collective custody at

KSEI. They can place orders for additional shares exceeding their entitlement by filling in the additional share purchase column provided in SBHMETD and/or Additional FPPS in a minimum quantity of 100 (one hundred) shares or its multiples.

HMETD holders in physical certificates/SBHMETD who wish to receive newly allocated shares in electronic form must submit an application to the Company's Securities Administration Bureau (BAE) through a Stock Exchange Member/Bank Custodian. On the other hand, HMETD holders in physical certificates who prefer to receive shares in physical form can apply directly to the Company's BAE.

a. For HMETD holders in physical certificates/SBHMETD opting for shares in electronic form:

- Original Additional FPPS duly completed and signed.
- Original power of attorney from the HMETD holder to the Stock Exchange Member or Bank Custodian to submit an application for additional share purchases and manage securities for shares newly allocated in collective custody at KSEI, along with any other powers of attorney related to additional share purchases, in the name of the grantor.
- Copy of valid ID card/Passport/KITAS (for individuals), or copy of the articles of association and attachment of

the composition of the board of directors/management (for institutions/legal entities).

- Original payment proof via transfer/book transfer/check/cash to the Company's bank account from the bank where the payment is deposited.
- Original Securities Deposit Form issued by KSEI, completed for the distribution of shares resulting from the exercise by BAE.

b. For HMETD holders in physical certificates/SBHMETD who prefer shares in physical form:

- Original Additional FPPS duly completed and signed.
- Copy of valid ID card/Passport/KITAS (for individuals), or copy of the articles of association and attachment of the composition of the board of directors/management (for institutions/legal entities).
- Original valid power of attorney (if delegated) stamped with Rp6,000 (six thousand Rupiah), accompanied by a copy of the ID card/Passport/KITAS from the grantor and grantee.
- Original payment proof via transfer/book transfer/check/cash to the Company's bank account from the bank where the payment is deposited.

c. For HMETD holders in collective custody at KSEI:

- Complete and submit the Additional FPPS distributed, attaching the following documents:
- Original exercise instructions that have been settled through C-BEST corresponding to the HMETD holder's name (specifically for HMETD holders in collective custody at KSEI who have exercised their rights through the C-BEST system).
- Original Securities Deposit Form issued by KSEI, fully completed for the distribution of newly executed shares by BAE.
- Original payment proof via transfer/book transfer/check/cash to the Company's bank account from the bank where the payment is deposited.

Orders for additional shares can be placed from March 4, 2024, to March 13, 2024, and payment for additional subscriptions must be executed and received in the Company's bank account by no later than March 15, 2024, in good funds. Failure to adhere to the specified subscription instructions may result in order rejection.

5. Allocation of Additional Share Subscription

The allocation of additional share subscriptions will be determined on March 18, 2024, with the following conditions:

a. If the total number of shares ordered, including orders for additional new shares, does not exceed the total number of new shares offered in this PMHMETD II, then all orders for additional new shares will be fulfilled.

b. If the total number of newly ordered shares, including orders for additional new shares, exceeds the total number of new shares offered in this PMHMETD II, a proportional allocation system will be applied to subscribers who have placed orders for additional new shares based on the number of HMETD exercised by each Shareholder requesting additional new share subscriptions.

The Company will submit an Accountant's Examination Result Report to the OJK regarding the obligations arising from the implementation of the share allocation in this PMHMETD II in accordance with POJK No. 32/2015 and guided by Regulation No. VIII.G.12, Annex to the Chairman of Bapepam's Decision No. Kep-17/PM/2004 dated April 13, 2004, concerning Guidelines for Examination by Accountants of Securities Subscription and Allocation or Bonus Share Distribution no later than 30 (thirty) days from the end of the allocation date.

6. Payment Requirements for SBHMETD Holders (outside KSEI collective custody) and Additional Share Subscription Orders

Payment for share purchase orders in the context of PMHMETD II, for which the subscriber's request is submitted directly

to the Company's BAE, must be fully paid (in good funds) in Indonesian Rupiah at the time of the cash/check/bank draft/transfer submission, including the SBHMETD Number or Additional FPPS Number. Payments must be made to the Company's bank account as follows:

PT Bank BTPN

Head Office

Account Number: 523213000990

Account Name: PT Bank BTPN Tbk.

All checks and bank drafts will be immediately cleared upon receipt. If the clearance of the check or bank draft is rejected by the respective bank, the new share purchase order will be considered canceled. If payment is made by check/bank draft/bank draft, the payment date is calculated based on the date the check/bank draft/bank draft is received and the funds are received in good funds in the Company's bank account above.

For additional share subscription orders, payment must be made on the ordering day, with payment received in good funds in the Company's bank account above no later than March 15, 2024. Any costs incurred in connection with the purchase of PMHMETD II shares are the responsibility of the subscriber. Share

orders that do not meet the payment requirements will be canceled.

7. Proof of Share Purchase Order Receipt

The Company, through its BAE (Securities Administration Bureau), which receives new share purchase requests, will issue a stamped and signed proof of share purchase order receipt to the subscriber after the subscriber submits the purchase order during the HMETD implementation period from March 4, 2024, to March 13, 2024. This receipt serves as evidence of the new share purchase order and will be required when collecting the new shares. For HMETD holders in collective custody at KSEI, confirmation of the exercise of HMETD (exercise) will be received from C-BEST at KSEI through the Account Holder at KSEI.

8. Cancellation of Share Purchase Orders

The Company reserves the right to cancel new share purchase orders, either partially or entirely, taking into account the prevailing conditions on March 20, 2024. Notifications regarding the cancellation of new share purchase orders will be provided with an allocation notice and a refund of the order amount to Stock Exchange Members/Bank Custodians/Shareholders in the form of physical certificates.

Factors that may lead to the cancellation of new share purchase orders include:

- Completion of SBHMETD or Additional FPPS not in accordance with the instructions/requirements for new share orders stated in SBHMETD and Prospectus.
- Failure to meet payment requirements.
- Failure to meet the completeness requirements of the application documents.

9. Refund of Share Purchase Orders

In the event of partial or complete non-fulfillment of additional new share orders or in the case of order cancellation, the Company will refund part or all of the order amount in Indonesian Rupiah by transferring it to the bank account in the name of the subscriber. The refund of share order amounts will be made no later than 2 (two) working days after the allocation date, which is March 20, 2024.

Allocation notices can be collected from the Company's BAE during business hours (Monday to Friday, 09:00 - 15:00 WIB) starting from March 18, 2024.

In the event of a delay in refund exceeding 2 (two) working days after the allocation date, the refunded amount will be accompanied by interest calculated from the 3rd (third) working day after the allocation date or after the

announcement date of the cancellation of PMHMETD II until the refund date. The interest rate for the delayed refund is equal to the average 1 (one)-month deposit interest rate according to the maximum deposit interest rate of Bank Indonesia. The Company does not provide interest for delays in the refund of share purchase orders if the delay is caused by errors made by the subscriber when specifying the bank name and bank account number.

10. Delivery of Collective Letters for Executed HMETD and Crediting to Securities Accounts

New shares resulting from the execution of HMETD for subscribers who exercise their rights through KSEI will be credited to the Securities Account within 2 (two) working days after the HMETD execution request is received from KSEI and the payment funds are successfully received in the Company's bank account.

New shares resulting from the execution of HMETD for HMETD holders in the form of certificates who exercise their rights will receive SKS or shares in certificate form no later than 2 (two) working days after the application is received by the Company's BAE, and the payment funds are effectively (in good funds) received in the Company's bank account.

The new shares resulting from the allocation of additional new share orders will be available for collection of SKS or will

be distributed in electronic form in collective custody at KSEI no later than 2 (two) working days after the allocation date.

New SKS resulting from the execution of HMETD rights can be collected on any working day (Monday to Friday, 09:00 - 15:00 WIB) starting from March 4, 2024, while new SKS resulting from the allocation can be collected no later than 2 (two) working days after the allocation process.

Collection is done at the Company's BAE by presenting/submitting the following documents:

- Original KTP/Passport/KITAS still valid (for individuals), or
- Photocopy of the articles of association (for legal entities) and a list of directors, commissioners, or managers still valid;
- Original valid power of attorney (for legal entities or individuals authorized) stamped Rp10,000 (ten thousand Rupiah) complete with a photocopy of the ID/Passport/KITAS from the giver and recipient of the power of attorney;
- Original Proof of Share Purchase Order Receipt.

11. Allocation for Unexecuted HMETD

If the new shares offered in this PMHMETD II are not fully taken/participated by the eligible shareholders and/or HMETD holders, the remaining shares will be allocated to other shareholders who place additional orders as stated in the Additional FPPS in proportion to the rights exercised.

12. Miscellaneous

Any and all conversion costs related to the transfer of the Company's shares from certificate form to electronic form and/or vice versa, from electronic form to certificate form, must be fully paid and borne by the respective shareholder.

**XV. DISSEMINATION OF PROSPECTUS AND PRE-EMPTIVE RIGHTS
CERTIFICATES**

The Company has announced important information related to PMHMETD II through its website and the Indonesia Stock Exchange (BEI) website.

For Shareholders whose shares are in the collective custody system at KSEI, HMETD will be electronically distributed through the Securities Account of each Exchange Member or Custodian Bank in KSEI no later than 1 (one) working day after the recording date on the Shareholders List (DPS) entitled to HMETD, which is March 1, 2024. The Prospectus and implementation instructions will be distributed by the Company to KSEI and can be obtained by Shareholders from each Exchange Member or their Custodian Bank.

For Shareholders whose shares are not included in the collective custody system at KSEI, the Company will issue SBHMETD in the name of the Shareholder. SBHMETD, Prospectus, Additional FPPS, and other forms can be directly obtained by Shareholders recorded in the Company's DPS on February 29, 2024, at 15:00 WIB, on any working day from March 4, 2024, to March 13, 2024, from 09:00 AM to 03:00 PM, by presenting a valid identity card (KTP/Passport/KITAS) and submitting a copy as well as the original power of attorney for those who cannot collect it themselves at the Company's BAE.

Securities Administration Bureau of the Company

PT Datindo Entrycom

Jl. Hayam Wuruk No. 28

Jakarta 10120

Phone: +62 21 350 8077, Fax: +62 21 350 8078

If Shareholders whose names are validly recorded in the Company's DPS on February 29, 2024, have not received or collected SBHMETD, Prospectus, Additional FPPS, and other forms and have not contacted the Company's BAE, then any and all risks or losses that may arise are not the responsibility of the Company or BAE but are entirely the responsibility of the respective Shareholders.

HMETD in electronic form will be distributed to the KSEI Securities Account or distributed to Shareholders through the KSEI Account Holder.

XVI. ADDITIONAL INFORMATION

If there are unclear aspects in this Prospectus or if Shareholders want additional information regarding PMHMETD II, Shareholders are welcome to contact:

PT Bank BTPN Tbk

Head Office: Menara BTPN, 29th Floor

CBD Mega Kuningan

JL. Dr. Ide Anak Agung Gde Agung, Kav 5.5 – 5.6

South Jakarta 12950

Phone: +62 21 30026200; Fax: +62 21 30026308

Website: www.btpn.com; E-mail: corporate.secretary@btpn.com