

PT Bank Rakyat Indonesia (Persero) Tbk
and its Subsidiaries

Interim consolidated financial statements
as of June 30, 2023
and for the six-month period then ended
with report on review of financial information



PT BANK RAKYAT INDONESIA (PERSERO) Tbk.

KANTOR PUSAT

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BOARD OF DIRECTORS' STATEMENT REGARDING THE RESPONSIBILITY FOR THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023 AND FOR THE SIX-MONTH PERIOD THEN ENDED PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND SUBSIDIARIES

We, the undersigned:

1. Name : Sunarso
 Office Address : Jl. Jenderal Sudirman No.44-46 Jakarta 10210
 Residential Address : Jl. At Taqwa II No. 4 Jati Pulo, Palmerah, Jakarta Barat
 Telephone : 021 - 575 1705
 Title : President Director
2. Name : Viviana Dyah Ayu R.K.
 Office Address : Jl. Jenderal Sudirman No. 44-46 Jakarta 10210
 Residential Address : Jl. Bumi Serpong Damai Blok L. 10/3 Serpong, Tangerang Selatan
 Telephone : 021 - 575 1751
 Title : Finance Director

Declare that:

1. We are responsible for the preparation and the presentation of the consolidated financial statements of PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries;
2. PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries' consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. All information in the consolidated financial statements of PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries has been disclosed in a complete and truthful manner;
 b. PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries' consolidated financial statements do not contain any incorrect material information or facts, nor do they omit material information or facts;
4. We are responsible for PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries' internal control system.

This statement has been made truthfully.

Jakarta, August 30, 2023

P. For and on behalf of the Board of Directors

Sunarso
 President Director

Viviana Dyah Ayu R.K.
 Finance Director

**PT BANK RAKYAT INDONESIA (PERSERO) TBK
AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2023
AND FOR THE SIX-MONTH PERIOD THEN ENDED
WITH REPORT ON REVIEW OF FINANCIAL INFORMATION**

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These interim consolidated financial statements are originally issued in the Indonesian language

Report on Review of Interim Financial Information

Report No. 00424/2.1032/JL.0/07/1681-4/1/VIII/2023

**The Shareholders, Boards of Commissioners and Directors
PT Bank Rakyat Indonesia (Persero) Tbk**

Introduction

We have reviewed the accompanying interim consolidated financial statements of PT Bank Rakyat Indonesia (Persero) Tbk and its subsidiaries, which comprise the interim consolidated statement of financial position as of June 30, 2023, and the interim consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Indonesian Financial Accounting Standards. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("SPR 2410"), established by the Indonesian Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of PT Bank Rakyat Indonesia (Persero) Tbk and its subsidiaries as of June 30, 2023, and their consolidated financial performance and cash flows for the six-month period then ended, in accordance with Indonesian Financial Accounting Standards.

These interim consolidated financial statements are originally issued in the Indonesian language

Report on Review of Interim Financial Information (continued)

Report No. 00424/2.1032/JL.0/07/1681-4/1/VIII/2023 (continued)

Other matter

Interim consolidated financial information of PT Bank Rakyat Indonesia (Persero) Tbk and its subsidiaries for the six-month period ended June 30, 2022 (the "June 30, 2022 Interim Consolidated Financial Information"), which is presented as corresponding figures to the interim consolidated financial statements of PT Bank Rakyat Indonesia (Persero) Tbk and its subsidiaries as of June 30, 2023 and for the six-month period then ended, was not audited nor reviewed. Accordingly, we do not express an opinion, conclusion, or any other form of assurance on the June 30, 2022 Interim Consolidated Financial Information.

KAP Purwantono, Sungkoro & Surja



Christophorus Alvin Kossim
Public Accountant Registrasi No. AP.1681

August 30, 2023

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	<u>Notes</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
ASSETS			
Cash	2a,2c,3	28,403,964	27,407,478
Current accounts with Bank Indonesia	2a,2c,2f,4	89,051,800	150,935,150
Current accounts with Other Banks	2a,2c,2d, 2e,2f,5,44	31,786,074	21,488,434
Allowance for impairment losses		(48,213)	(18,577)
		<u>31,737,861</u>	<u>21,469,857</u>
Placement with Bank Indonesia and Other Financial Institutions	2a,2c,2d, 2e,2g,6,44	34,145,627	70,401,901
Allowance for impairment losses		(2,504)	(1,981)
		<u>34,143,123</u>	<u>70,399,920</u>
Securities	2a,2c,2d, 2e,2h,7,44	309,314,947	330,324,818
Allowance for impairment losses		(80,757)	(82,835)
		<u>309,234,190</u>	<u>330,241,983</u>
Export Bills and Other Receivables	2c,2d,2e, 2i,8,44	38,985,135	39,067,375
Allowance for impairment losses		(2,240,391)	(1,638,929)
		<u>36,744,744</u>	<u>37,428,446</u>
Securities Purchased Under Agreement to Resell	2c,2u, 9	22,823,619	51,014,678
Derivative Receivables	2c,2aj,10	1,109,328	911,405
Loans	2c,2d,2e, 2j,11,44	1,137,528,613	1,079,274,819
Allowance for impairment losses		(83,486,893)	(88,323,830)
		<u>1,054,041,720</u>	<u>990,950,989</u>

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
As of June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	<u>Notes</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
ASSETS (continued)			
Sharia Loans	2c,2e, 2k,12	11,693,680	10,514,329
Allowance for impairment losses		(1,314,857)	(1,286,203)
		<u>10,378,823</u>	<u>9,228,126</u>
Finance Receivables	2c,2d,2e, 2l,13,44	52,907,202	49,287,917
Allowance for impairment losses		(3,436,158)	(3,477,948)
		<u>49,471,044</u>	<u>45,809,969</u>
Acceptance Receivables	2c,2d,2e, 2m,14,44	7,617,863	7,167,600
Allowance for impairment losses		(256,259)	(136,536)
		<u>7,361,604</u>	<u>7,031,064</u>
Investment in Associated Entities	2c,2d,2e, 2n,15,44	6,779,079	6,515,095
Allowance for impairment losses		(6,105)	(8,192)
		<u>6,772,974</u>	<u>6,506,903</u>
Premises and Equipment	2d,2o,2p, 16		
Cost		76,888,389	73,951,201
Accumulated Depreciation		(20,260,668)	(18,735,154)
Book value - net		<u>56,627,721</u>	<u>55,216,047</u>
Deferred Tax Assets - net	2ak,38c	16,448,631	18,712,994
Other Assets - net	2c,2e,2p, 2q,2r,17	50,795,168	42,374,001
TOTAL ASSETS		<u>1,805,146,314</u>	<u>1,865,639,010</u>

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
As of June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	<u>Notes</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Liabilities Due Immediately	2c,2s,18	17,011,972	24,910,579
Deposits from Customers	2c,2d,2t,44		
Demand Deposits	19	298,309,607	349,755,590
Saving Deposits	20	517,114,641	522,647,920
Time Deposits	21	429,690,727	435,480,503
Total Deposits from Customers		<u>1,245,114,975</u>	<u>1,307,884,013</u>
Deposits from Other Banks and Financial Institutions	2c,2d,2t,22,44	12,684,209	9,334,547
Securities Sold Under Agreement to Repurchase	2c,2d,2u,7,23,44	24,616,575	9,997,592
Derivative Payables	2c,2aj,10	825,751	783,921
Acceptance Payables	2c,2d,2m,14,44	7,617,863	7,167,600
Taxes Payable	2ak,38a	2,040,678	3,053,782
Marketable Securities Issued	2c,2v,24	55,953,731	63,611,761
Fund Borrowings	2c,2d,2w,25,44	82,086,691	79,371,200
Estimated Losses on Commitments and Contingencies	2d,2e,2an,26,44	6,262,903	6,458,343
Liabilities for Employee Benefits	2d,2ae,27,42,44	19,452,172	21,296,487
Other Liabilities	2c,2y,2ad,28,45b	32,984,903	27,871,880
Subordinated Loans and Marketable Securities	2c,2x,29	2,205	501,988
TOTAL LIABILITIES		<u>1,506,654,628</u>	<u>1,562,243,693</u>

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
As of June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	June 30, 2023	December 31, 2022
LIABILITIES AND EQUITY (continued)			
EQUITY			
Capital stock - par value Rp50 (full amount) per share Authorized capital - 300,000,000,000 shares (consisting of 1 Series A Dwiwarna Share and 299,999,999,999 Series B shares) Issued and fully paid capital - 151,559,001,604 shares (consisting of 1 Series A Dwiwarna share and 151,559,001,603 Series B shares)	1,31a	7,577,950	7,577,950
Additional paid-in-capital	31b	75,847,349	75,637,083
Revaluation surplus arising from premises and equipment - net of tax	2o,16	20,216,505	20,267,952
Differences arising from the translation of foreign currency financial statements	2ai,31c	(241,483)	(127,954)
Unrealized loss on fair value through other comprehensive income securities - net of deferred tax	2h	(2,332,781)	(4,464,483)
Allowance for impairment losses on fair value through other comprehensive income securities	2h	158,103	139,978
Loss on remeasurement of defined benefit plan - net of deferred tax	2ae	(2,185,922)	(689,473)
Treasury Stock	1d	(3,019,133)	(2,202,178)
Stock Option	2af, 30	16,297	16,356
Provision for bonus shares compensation	31f	23,573	210,266
Impact of transaction with non-controlling interest	31g	1,758,580	1,758,580
Retained earnings	31d,31e		
Appropriated		3,022,685	3,022,685
Unappropriated		192,676,815	198,147,249
Total Retained Earnings		195,699,500	201,169,934
Total Equity Attributable to Equity Holders of the Parent Entity		293,518,538	299,294,011
Non-controlling Interest	31h	4,973,148	4,101,306
TOTAL EQUITY		298,491,686	303,395,317
TOTAL LIABILITIES AND EQUITY		1,805,146,314	1,865,639,010

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	For the six-month period ended June 30,	
		2023	2022 ^{*)}
INCOME AND EXPENSES FROM OPERATIONS			
Interest and Sharia Income	32		
Interest income	2z	79,625,124	72,525,868
Sharia income	2k,2ab	5,965,661	4,335,095
Total Interest and Sharia Income		85,590,785	76,860,963
Interest and Sharia Expenses	33		
Interest expenses	2z	(19,474,943)	(11,714,345)
Sharia expenses	2ab	(575,540)	(533,095)
Total Interest and Sharia Expenses		(20,050,483)	(12,247,440)
Interest and Sharia income - net		65,540,302	64,613,523
Premium income	2ac	4,660,908	4,629,263
Claim expense	2ac	(3,773,606)	(3,774,492)
Premium income - net		887,302	854,771
Revenue from gold sold	2ao	3,954,283	3,635,535
Cost of revenue from gold sold	2ao	(3,795,494)	(3,497,476)
Revenue from gold sold - net		158,789	138,059
Other Operating Income			
Other fees and commissions	2aa	10,222,819	9,366,552
Recovery of written-off assets		6,697,966	5,078,975
Gain on sale of securities - net	2h,7	979,602	895,360
Gain on foreign exchange - net	2ah	236,221	605,993
Unrealized gain on changes in fair value of securities	2h,7	291,398	65,890
Others		2,700,980	1,180,010
Total Other Operating Income		21,128,986	17,192,780
Provision for allowance for impairment losses on financial assets - net	2e,34	(14,017,597)	(17,493,328)
Reversal of allowance for estimated losses on commitments and contingencies - net	2an,26d	196,508	567,800
Provision for allowance for impairment losses non-financial assets - net	2p	(305)	-
Other Operating Expenses			
Salaries and employee benefits	2d,2ae,35, 42,44	(18,861,253)	(19,024,850)
General and administrative	2o,16,36	(13,533,357)	(11,451,113)
Others		(4,262,538)	(4,252,022)
Total Other Operating Expenses		(36,657,148)	(34,727,985)

^{*)} After Reclassification (Note 52)

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (continued)
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	For the six-month period ended June 30,	
		2023	2022 ^{*)}
OPERATING INCOME		37,236,837	31,145,620
NON-OPERATING (EXPENSES)			
INCOME - NET	37	(36,706)	78,659
INCOME BEFORE TAX EXPENSE		37,200,131	31,224,279
TAX EXPENSE	2ak,38b	(7,638,770)	(6,348,008)
NET INCOME		29,561,361	24,876,271
Items not to be reclassified to profit or loss			
Remeasurement of liabilities for employee benefits	2ae	(1,865,218)	1,915,558
Income taxes related to items not to be reclassified to profit or loss		366,477	(365,871)
Revaluation surplus arising from premises and equipment	16	(82,876)	265,414
Items to be reclassified to profit or loss			
Differences arising from the Translation of foreign currency financial statements	2ai	(113,529)	10,437
Unrealized gain (loss) on Fair value through other Comprehensive Income Securities	2h	2,643,012	(7,255,705)
Allowance for impairment losses on fair value through other comprehensive income securities	2h	21,202	(153,083)
Income taxes related to items to be reclassified to profit or loss		(410,481)	1,353,861
Other comprehensive income for the period - after tax		558,587	(4,229,389)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		30,119,948	20,646,882

^{*)} After Reclassification (Note 52)

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (continued)
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	For the six-month period ended June 30,	
		2023	2022 ^{*)}
INCOME FOR THE PERIOD			
ATTRIBUTABLE TO:			
Equity holders of the parent entity		29,421,509	24,786,205
Non-controlling Interest		139,852	90,066
TOTAL		29,561,361	24,876,271
TOTAL COMPREHENSIVE INCOME			
FOR THE PERIOD ATTRIBUTABLE TO:			
Equity holders of the parent entity		29,909,911	20,636,995
Non-controlling Interest		210,037	9,887
TOTAL		30,119,948	20,646,882
EARNINGS PER SHARE ATTRIBUTABLE			
TO EQUITY HOLDERS OF THE PARENT			
ENTITY (full Rupiah)	2ag,49		
Basic		195	164
Diluted		-	164

^{*)} After Reclassification (Note 52)

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

Notes	Issued and fully paid capital	Additional paid-in capital	Allowance for impairment losses on fair value through other comprehensive income securities	Differences arising from the translation of foreign currency financial statements	Unrealized gain (loss) on fair value through other comprehensive income securities net of deferred tax	Gain (loss) on remeasurement of defined benefit plan - net of deferred tax	Treasury Stock	Share Option and Provision for bonus shares compensation	Revaluation surplus arising from premises and equipment - net of tax	Impact of transaction with non-controlling interest	Retained earnings		Total equity attributable to equity holders of the parent entity	Non-controlling interest	Total equity
											Appropriated	Unappropriated			
											3,022,685	181,986,363		3,051,821	
Balance as of December 31, 2021	7,577,950	76,242,898	547,026	(115,975)	1,949,387	(1,423,685)	(45,997)	229,521	17,006,230	1,758,560	3,022,685	181,986,363	288,734,983	3,051,821	291,786,804
Income for the period	-	-	-	-	-	-	-	-	-	-	-	24,786,205	24,786,205	90,066	24,876,271
Other comprehensive income	2h,2ae, 2ai	-	(147,821)	10,436	(5,826,844)	1,553,436	-	-	261,583	-	-	-	(4,149,210)	(80,179)	(4,229,389)
Total other comprehensive income for the period	-	-	(147,821)	10,436	(5,826,844)	1,553,436	-	-	261,583	-	-	24,786,205	20,636,995	9,887	20,646,882
Differences arising from restructuring transaction of subsidiary	-	-	-	-	-	-	-	-	-	138,020	-	-	138,020	-	138,020
Distribution of dividend income	31d	-	-	-	-	-	-	-	-	-	-	(26,406,603)	(26,406,603)	-	(26,406,603)
Bonus shares	30f	-	-	-	-	-	(587,314)	-	-	-	-	-	(587,314)	-	(587,314)
Stock option	30	-	-	-	-	-	-	(2,958)	-	-	-	-	(2,958)	12	(2,946)
Change of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	67,785	67,785	622,637	690,422
Balance as of June 30, 2022	7,577,950	76,242,898	399,205	(105,539)	(3,877,457)	129,751	(633,311)	226,563	17,267,813	1,896,600	3,022,685	180,433,750	282,560,908	3,684,357	286,265,265

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

Notes	Issued and fully paid capital	Additional paid-in capital	Allowance for impairment losses on fair value through other comprehensive income securities net of deferred tax	Differences arising from the translation of foreign currency financial statements	Unrealized gain (loss) on fair value through other comprehensive income securities net of deferred tax	Gain (loss) on remeasurement of defined benefit plan - net of deferred tax	Treasury Stock	Share Option and Provision for bonus shares compensation	Revaluation surplus arising from premises and equipment - net of tax	Impact of transaction with non-controlling interest	Retained earnings		Total equity attributable to equity holders of the parent entity	Non- controlling interest	Total equity
											Appropriated	Unappropriated			
Balance as of December 31, 2022	7,577,950	75,637,083	139,978	(127,954)	(4,464,483)	(689,473)	(2,202,178)	226,622	20,267,952	1,758,580	3,022,685	198,147,249	299,294,011	4,101,306	303,395,317
Income for the period	-	-	-	-	-	-	-	-	-	-	-	29,421,509	29,421,509	138,852	29,561,361
Other comprehensive income	-	-	18,125	(113,529)	2,131,702	(1,496,449)	-	-	(51,447)	-	-	-	488,402	70,185	558,587
Total other comprehensive income for the period	-	-	18,125	(113,529)	2,131,702	(1,496,449)	-	-	(51,447)	-	-	29,421,509	29,909,911	210,037	30,119,948
Distribution of net income - Dividend on net income for the year 2022	-	-	-	-	-	-	-	-	-	-	-	(34,891,943)	(34,891,943)	(25,862)	(34,917,805)
Bonus shares	-	210,266	-	-	-	-	-	(186,693)	-	-	-	-	23,573	-	23,573
Stock option	-	-	-	-	-	-	-	(59)	-	-	-	-	(69)	(9)	(68)
Change of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	133,705	133,705
Treasury stock	-	-	-	-	-	-	(816,955)	-	-	-	-	-	(816,955)	-	(816,955)
Additional paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	553,971	553,971
Balance as of June 30, 2023	7,577,950	75,847,349	158,103	(241,483)	(2,332,781)	(2,185,922)	(3,019,133)	39,870	20,216,505	1,758,580	3,022,685	192,676,815	293,518,538	4,973,148	298,491,686

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	For the six-month period ended June 30,	
		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income received			
Interest and investment income		78,189,032	69,953,146
Sharia income		5,944,967	4,335,095
Premium income		4,541,342	4,629,263
Revenue from gold sold		3,954,283	3,635,535
Expense paid			
Interest expense		(19,656,825)	(11,785,653)
Sharia expense		(578,942)	(533,095)
Claim expense		(3,454,370)	(3,774,492)
Cost of revenue from gold sold		(3,795,494)	(3,497,476)
Recovery of written-off assets		6,697,966	5,078,975
Other operating income		14,985,261	12,792,447
Other operating expenses		(40,076,639)	(37,712,057)
Non-operating (expense) income - net		(128,051)	583
Payment of corporate income tax		(7,482,282)	(4,735,150)
Cash flows before changes in operating assets and liabilities		39,140,248	38,387,121
Changes in operating assets and liabilities:			
Decrease (Increase) in operating assets:			
Placement with Bank Indonesia and Other Financial Institutions		586,030	476,486
Securities measured at fair value through profit or loss		1,340,743	3,002,389
Export bills and other receivables		82,240	(11,674,695)
Securities purchased under agreement to resell		28,191,059	47,279,093
Loans		(75,194,800)	(59,319,588)
Sharia loans		(1,293,120)	(361,835)
Finance receivables		(3,619,285)	(4,932,096)
Other assets		3,726,156	(17,579,380)
Increase (decrease) in operating liabilities:			
Liabilities due immediately		(7,898,607)	3,095,292
Deposits:			
Demand deposits		(51,445,983)	19,456,485
Saving deposits		(5,533,279)	2,695,224
Time deposits		(5,789,776)	(23,913,011)
Deposits from other banks and other financial institutions		3,349,662	(7,555,480)
Securities sold under agreement to repurchase		14,618,983	(15,762,007)
Others liabilities		4,011,378	10,827,023
Net Cash Used in Operating Activities		(55,728,351)	(15,878,979)

The accompanying to the interim consolidated financial statements from an integral part
of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

		For the six-month period ended June 30,	
	Notes	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales of premises and equipments		91,345	78,076
Investment in associated entities		55,059	(94,109)
Dividend income	15	65,636	44
Acquisition of premises and equipments		(3,397,674)	(3,704,778)
Increase in securities measured at fair value through other comprehensive income and amortized cost		23,305,515	43,789,304
Net Cash Provided by Investing Activities		20,119,881	40,068,537
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from fund borrowing	50	16,271,919	7,172,172
Payments of fund borrowing	50	(13,606,379)	(9,618,014)
Treasury stock		(816,955)	(587,314)
Distribution of income for dividend		(43,494,766)	(26,406,603)
Payments of subordinated loans	50	(500,000)	-
Proceeds from marketable securities issued	24,50	4,563,418	7,007,655
Payments of matured marketable securities issued	24,50	(11,582,600)	(6,135,195)
Net Cash Used in Financing Activities		(49,165,363)	(28,567,299)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(84,773,833)	(4,377,741)
EFFECT OF EXCHANGE RATE CHANGES ON FOREIGN CURRENCIES		402	46,150
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		268,192,168	153,924,601
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		183,418,737	149,593,010
Cash and cash equivalents at the end of the period consist of:	2a		
Cash	3	28,403,964	20,512,246
Current accounts with Bank Indonesia	4	89,051,800	62,652,534
Current accounts with other banks	5	31,786,074	14,467,920
Placement with Bank Indonesia and other financial institutions - maturing within three months or less since the acquisition date	6	32,690,339	51,960,310
Bank Indonesia Certificates - maturing within three months or less since the acquisition date		1,486,560	-
Total Cash and Cash Equivalent		183,418,737	149,593,010

The accompanying to the interim consolidated financial statements from an integral part of these interim consolidated financial statements taken as a whole

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2023 and for the Six-Month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL

a. Establishment

PT Bank Rakyat Indonesia (Persero) Tbk (hereinafter referred to as "BRI") was established on and started its commercial operations on December 18, 1968 based on Law No. 21 Year 1968. On April 29, 1992, based on Government of the Republic of Indonesia (the "Government") Regulation No. 21 Year 1992, the legal status of BRI was changed to a limited liability company (Persero). The change into a limited liability corporation was documented by Notarial Deed No. 133 dated July 31, 1992 of Notary Muhani Salim, S.H., approved by the Minister of Justice of the Republic of Indonesia in its Decision Letter No. C2-6584.HT.01.01.TH.92 dated August 12, 1992 and published in Supplement No. 3A of the Republic of Indonesia State Gazette No. 73 dated September 11, 1992. BRI's Articles of Association was then amended by Notarial Deed No. 7 dated September 4, 1998 of Notary Imas Fatimah, S.H., pertaining to Article 2 on "Term of Corporate Establishment" and Article 3 on "Purpose, Objectives and Business Activities" to comply with the provisions of Law No. 1 Year 1995 on "Limited Liability Company", approved by the Ministry of Justice of the Republic of Indonesia in its Decision Letter No. C2- 24930.HT.01.04.TH.98 dated November 13, 1998 and published in Supplement No. 7216 of the Republic of Indonesia State Gazette No. 86 dated October 26, 1999 and notarial deed No. 7 dated October 3, 2003 of Notary Imas Fatimah, S.H., among others, regarding BRI's status and compliance with the Capital Market Laws approved by the Minister of Justice and Human Rights of the Republic of Indonesia in its Decision Letter No. C-23726 HT.01.04.TH.2003 dated October 6, 2003 and published in Supplement No. 11053 of the Republic of Indonesia State Gazette No. 88 dated November 4, 2003.

Based on Bank Indonesia's Decision Letter No. 5/117/DPwB2/PWPwB24 dated October 15, 2003, regarding "SK appointment of BRI as a foreign exchange commercial bank", BRI has been designated as a foreign exchange bank through Letter of Monetary Board No. SEKR/BRI/328 dated September 25, 1956.

Based on Notarial Deed No. 51 dated May 26, 2008 of Notary Fathiah Helmi, S.H., BRI amended its Articles of Association, among others, to comply with the provisions of Law No. 40 Year 2007 on "Limited Liability Company" and Capital Market and Financial Institution Supervisory Agency's ("Bapepam-LK") Regulation, whose function has been transferred to the Financial Services Authority ("OJK") since January 1, 2013, No. IX.J.I on "The Main Principles of the Articles of Association of a Company that Conduct Public Offering of Shares and Public Company", which was approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-48353.AH.01.02 Year 2008, dated August 6, 2008 and was published in Supplement No. 23079 of the Republic of Indonesia State Gazette No. 68 dated August 25, 2009.

Furthermore, BRI's Articles of Association are documented in Notarial Deed No. 3 dated March 9, 2021, of Notary Fathiah Helmi, S.H., in Jakarta regarding amendments to the Articles of Association from the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-AH.01.03-0159493 dated March 12, 2021 which last amended in Notarial Deed No. 4 dated October 06, 2021 of Notary Fathiah Helmi, S.H. in Jakarta regarding Amendment to the Articles of Association from the Minister of Human Rights Law of the Republic of Indonesia No. AHU-AH.01.03-0457763 dated October 7, 2021. The changes were made in the context of compliance to the OJK Regulation ("POJK") No. 15/POJK.04/2020 regarding the Plan and Organizing of Public Companies' General Meeting of Shareholders ("GMS") and POJK No. 16/POJK.04/2020 regarding the Electronic Holding of Public Company GMS, as well as paid-in capital.

According to Article 3 of the BRI's Articles of Association, BRI's scope of business is to conduct business in the banking sector and optimize the utilization of BRI's resources to produce high quality and highly competitive services to gain benefits in order to increase company value by implementing the principles of limited liability company.

BRI is owned by the Government of the Republic of Indonesia as the majority shareholder.

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1. GENERAL (continued)

b. Recapitalization Program

As a realization of the Recapitalization Program for Commercial Banks, set forth in Government Regulation No. 52 Year 1999, regarding the Addition of Capital Investment by the Republic of Indonesia in State-Owned Banks, BRI has received in full the recapitalization with a nominal amount of Rp29,149,000 in the form of Government Recapitalization Bonds issued in 2 (two) phases, that is at the nominal amounts of Rp20,404,300 on July 25, 2000 and Rp8,744,700 on October 31, 2000.

Furthermore, as stated in the Management Contract dated February 28, 2001 between the Republic of Indonesia represented by the Government through the Minister of Finance and BRI, the Government determined that in order to achieve a Minimum Capital Adequacy Liability of 4%, BRI's recapitalization requirement is Rp29,063,531. Therefore, BRI has returned the excess recapitalization of Rp85,469 in the form of Government Recapitalization Bonds to the Republic of Indonesia on November 5, 2001.

On September 30, 2003, the Minister of Finance issued Decision Letter No. 427/KMK.02/2003 dated September 30, 2003 regarding the final amount and implementation of Government's rights, which arose as a result of the addition in capital investment by Republic of Indonesia during the Recapitalization Program for Commercial Banks. Based on the Decision Letter, the Minister of Finance determined that the final amount of BRI's recapitalization requirement is Rp29,063,531.

c. Initial Public Offering of Shares, Stock Split and Limited Public Offering

In relation to BRI's Initial Public Offering (IPO), based on the registration statement dated October 31, 2003, the Government, through the Minister of State-Owned Enterprises agreed to conduct an IPO of 3,811,765,000 Series B common shares of BRI, consisting of 2,047,060,000 Series B common shares owned by the Republic of Indonesia (divestment) and 1,764,705,000 new Series B common shares, alongside over-subscription option and over-allotment option.

The IPO consists of the international public offering (under Rule 144A of the Securities Act and "S" Regulation) and the Indonesian public offering. BRI submitted its registration to Bapepam-LK and the registration statement became effective based on the Chairman of Bapepam-LK Letter No. S-2646/PM/2003 dated October 31, 2003.

BRI's IPO consists of 3,811,765,000 shares with a nominal value of Rp500 (full amount) per share and a sale price of Rp875 (full amount) per share. Subsequently, over-subscription option of 381,176,000 shares and over-allotment option of 571,764,000 shares were exercised at Rp875 (full amount) per share on November 10, 2003 and December 3, 2003, respectively. After BRI's IPO and the underwriters' exercise of the over-subscription option and the over-allotment option, the Republic of Indonesia owns 59.50% of BRI shares. On November 10, 2003, the offered shares started to be traded on Jakarta and Surabaya Stock Exchanges (currently the Indonesia Stock Exchange). At the same time, all BRI shares were also listed (Note 31b).

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1. GENERAL (continued)

c. Initial Public Offering of Shares, Stock Split and Limited Public Offering (continued)

Based on Notarial Deed No. 38 dated November 24, 2010 of Notary Fathiah Helmi, S.H., stock split was performed from a nominal value of Rp500 (full amount) per share to Rp250 (full amount) per share. The deed had been received and recorded in the Legal Entity Administration System database in accordance with the Ministry of Law and Human Rights of the Republic of Indonesia Letter No. AHU.AH.01.10-33481 dated December 29, 2010. The stock split was performed in 2011 and BRI scheduled the last day on which shares with a nominal value of Rp500 (full amount) would be traded in Regular Market and Negotiated Market was January 10, 2011 and the date of commencement of legitimate trade for shares with new nominal value of Rp250 (full amount) was January 11, 2011.

Based on Notarial Deed No. 54 dated October 27, 2017 of Notary Fathiah Helmi, S.H., stock split was performed from a nominal value of Rp250 (full amount) per share to Rp50 (full amount) per share. The deed had been received and recorded in the Legal Entity Administration System database in accordance with the Ministry of Law and Human Rights of the Republic of Indonesia Letter No. AHU.AH.01.03-0187521 dated November 3, 2017. The stock split was performed in 2017 and BRI scheduled the last day on which shares with a nominal value of Rp250 (full amount) would be traded in Regular Market and Negotiated Market was November 9, 2017 and the date of commencement of legitimate trade for shares with new nominal value of Rp50 (full amount) was November 10, 2017.

Due to the establishment of Ultra Micro Holding, BRI increased additional paid in capital through Right Issue with Pre-Emptive Rights ("PMHMETD") I. Related to PMHMETD I, BRI had obtained shareholder approval in accordance with the results of the Extraordinary General Meeting of Shareholder dated July 22, 2021 was documented in Notarial Deed No. 61 dated July 22, 2021 of Notary Fathiah Helmi S.H. in Jakarta and had received an effective statement from the Financial Services Authority (OJK) on August 30, 2021 through its letter No. S-152/D.04/2021 dated August 30, 2021.

In PMHMETD I, BRI offered for as many as 28,213,191,604 new Series B shares with a nominal value of Rp50 (full amount) per share in the form of Pre-Emptive Rights ("HMETD") with exercised price of Rp3,400 (full amount). HMETD would be traded and exercised was from September 13 to September 22, 2021.

From this limited public offering, BRI has increased its share capital by 28,213,191,604 shares, resulting the composition of BRI's share ownership become 56.82% owned by the Government of the Republic of Indonesia and 43.18% owned by the public.

d. Treasury Stock

BRI, through its letter No. R.224-DIR/DIS/09/2015 dated September 25, 2015, submitted a request for OJK's approval on BRI's shares buyback for as many as Rp5,000,000, and it was approved by OJK through its letter No. S-101/PB.31/2015 dated October 6, 2015. Furthermore, BRI conveyed its information disclosure to the Financial Services Authority (OJK) in regards to the buyback plan for shares previously issued and listed on the Stock Exchange for as many as Rp2,500,000 through its letter No. B.695-DIR/SKP/10/2015 dated October 9, 2015. The buyback is carried out within a period of 3 months between October 12, 2015 until January 12, 2016. As of January 12, 2016, BRI has repurchased 221,718,000 shares prior to the stock split. During the 2016 buyback, the average cost per share was Rp10,944 (full amount) with the funds used at Rp2,418,947,067,500 (full amount). So that after the stock split (1:5), the shares bought back were recorded at 1,108,590,000 shares with an average cost per share of Rp2,182 (full amount).

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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1. GENERAL (continued)

d. Treasury Stock (continued)

On May 23 up to May 27, 2019, there were issuance of shares in relation to the bonus shares program for BRI employees (Note 31f) which are sourced from treasury stock. This has resulted to a reduction in treasury stock of 143,415,500 shares with an acquisition price per share of Rp2,182 (full amount) or equivalent to a total of Rp312,933,098,043 (full amount), ESA 1 grant price of Rp3,630 (full amount) or equivalent to Rp520,598,265,000 (full amount) which the difference between the value of treasury stock and the total of implementation cost based on the fair price was recorded as additional paid-in capital amounted to Rp207,665,166,957 (full amount).

On February 25, 2020 up to February 28, 2020, there was the implementation of bonus share program to BRI employees (Note 31f) sourced from treasury shares. This has resulted to a reduction in treasury stock of 231,111,000 shares at an acquisition price of Rp2,182 (full amount) per share or equivalent to a total of Rp504,284,970,744 (full amount), where this implementation consisted of ESA 1 program of 4,396,700 shares with a fair price of Rp3,630 (full amount) per share or equivalent to Rp15,960,021,000 (full amount) and ESA 2 program of 226,714,300 shares with a fair price of Rp4,410 (full amount) per share or equivalent to Rp999,810,063,000 (full amount). The difference between the value of treasury stock and the total of implementation cost based on the fair price was recorded in additional paid-in capital amounted to Rp511,485,113,256 (full amount).

BRI, through its letter No. R. 154-DIR/ALM/03/2020 dated March 10, 2020, submitted a request for OJK's approval on BRI's shares buyback for as many as Rp3,000,000, and it was approved by OJK through its letter No. S.47/PB.31/2020 dated March 12, 2020. Furthermore, BRI conveyed its information disclosure to the Financial Services Authority (OJK) in regards to the buyback plan for shares previously issued and listed on the Stock Exchange for as many as Rp3,000,000 through its letter No. B. 427-DIR/SKP/03/2020 dated March 13, 2020. The buyback is carried out within a period between March 13, 2020 until June 12, 2020. As of June 12, 2020, BRI has repurchased 16,400,000 shares (par value of Rp50 (full amount) per share) at an acquisition price of Rp47,254,000,000 (full amount) with an average purchase price of Rp2,881.34 (full amount). Upon this transaction, the total treasury stock owned by BRI is 750,463,500 shares.

On February 5, 2021, there was the implementation of a bonus share program for BRI employees (Note 31f) sourced from treasury shares. This resulted to a reduction in treasury shares of 84,600 shares with an acquisition price per share of Rp2,182 (full amount) or equivalent to a total of Rp184,597,481 (full amount), bonus share discretion program fair price of Rp3,240 (full amount) or equivalent to Rp274,104,000 (full amount), the difference between the value of treasury shares and the total of implementation cost based on the fair price is recorded in additional paid-in capital amounting to Rp89,506,518 (full amount).

On March 31, 2021, there was the implementation of a bonus share program for BRI employees (Note 31f) sourced from treasury shares. This resulted to a reduction in treasury stock of 2,096,400 shares at an acquisition price of Rp2,182 (full amount) per share or equivalent to a total of Rp4,574,351,773 (full amount), where this implementation consisted of ESA 1 of 831,000 shares with fair price of Rp3,630 (full amount) per share or equivalent to Rp3,016,530,000 (full amount) and ESA 2 of 1,265,400 shares with a fair price of Rp4,410 (full amount) per share or equivalent to Rp5,580,414,000 (full amount). The difference between the value of the treasury stock and the total of implementation costs based on the fair price is recorded in additional paid-in capital amounting to Rp4,022,592,226 (full amount).

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1. GENERAL (continued)

d. Treasury Stock (continued)

On October 7, 2021 up to December 17, 2021, there was the implementation of the stock option program for BRI employees (Note 30) sourced from treasury stock. This has resulted in a reduction in treasury stock of 11,613,900 shares with an acquisition price of Rp2,182 (full amount) per share or equivalent to Rp25,341,568,431 (full amount), the ESOP 1 and 2 programs grant price of Rp2,240 (full amount) or equivalent to Rp26,015,136,000 (full amount). The difference between the value of treasury stock and the total implementation costs based on the grant price was recorded in additional paid-in capital amounted to Rp4,680,363,069 (full amount).

On October 25, 2021, there was the implementation of a bonus share program on BRI employees (Note 31f) sourced from treasury stock. This has resulted in a reduction in treasury stock of 590,000 shares at an acquisition price of Rp2,182 (full amount) per share or equivalent to Rp1,287,381,963 (full amount), the fair price of the Discretionary Pool of Rp3,750 (full amount) per share or equivalent to Rp2,212,500,000 (full amount). The difference between the value of treasury stock and the total of implementation cost based on the grant price was recorded in additional paid-in capital amounted to Rp925,118,037 (full amount).

On October 27, 2021, there was the implementation of a bonus share program on BRI employees (Note 30) sourced from treasury stock. This has resulted in a reduction in treasury stock of 263,904,800 shares at an acquisition price of Rp2,182 (full amount) per share or equivalent to Rp575,841,151,426 (full amount), the grant price of ESA 3 of Rp4,020 (full amount) or equivalent to Rp1,060,897,296,000 (full amount), the difference between the value of treasury stock and the total of implementation cost based on the grant price was recorded in additional paid-in capital amounted to Rp485,056,144,574 (full amount).

On November 5, 2021 up to December 6, 2021, the stock option program was implemented on BRI employees (Note 30) sourced from treasury stock. This resulted in a reduction in treasury stock of 124,565,200 shares at an acquisition price of Rp2,182 (full amount) per share or equivalent to Rp271,801,680,741 (full amount), the ESOP 1 and 2 programs grant price of Rp2,240 (full amount) or equivalent to Rp279,026,048,000 (full amount). The difference between the value of treasury stock and the total of implementation cost based on the grant price was recorded in additional paid-in capital amounted to Rp7,224,367,259 (full amount).

On December 17, 2021, there was the implementation of a bonus share program on BRI employees (Note 31f) sourced from treasury stock. This has resulted in a reduction in treasury stock of 282,159,300 shares at an acquisition price of Rp2,182 (full amount) per share or equivalent to Rp615,672,531,146 (full amount), the fair price of ESA 4 of Rp3,926 (full amount) or equivalent to Rp1,107,757,411,800 (full amount), the difference between the value of treasury stock and the total of implementation cost based on the grant price was recorded in additional paid-in capital amounted to Rp492,084,880,654 (full amount).

On December 17, 2021, there was the implementation of the stock option program on BRI employees (Note 30) sourced from treasury stock. This has resulted in a reduction in treasury stock of 11,004,400 shares at an acquisition price of Rp2,182 (full amount) at an acquisition price of or equivalent to Rp24,011,637,404 (full amount), ESOP 1 and 2 grant price of Rp2,240 (full amount) or the equivalent of Rp24,649,856,000 (full amount). The difference between the value of treasury stock and the total of implementation cost based on the grant price was recorded in additional paid-in capital amounted to Rp4,660,603,096 (full amount).

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1. GENERAL (continued)

d. Treasury Stock (continued)

On December 27, 2021, there was the implementation of a bonus share program on BRI employees (Note 31f) sourced from treasury stock. This has resulted in a reduction in treasury stock of 6,049,800 shares consisting of 16,000 ESA 1 shares grant price of Rp3,630 (full amount) per share or equivalent to Rp58,080,000 (full amount), ESA 2 of 266,400 shares grant price of Rp4,410 (full amount) per share or equivalent to Rp1,174,824,000 (full amount), ESA 3 of 4,813,700 shares at grant price of Rp4,020 (full amount) per share or equivalent to Rp19,351,074,000 (full amount), and ESA 4 of 953,700 shares at grant price of Rp3,926 (full amount) per share or equivalent to Rp3,744,226,200 (full amount). The difference between the value of treasury stock and the total of implementation cost based on the grant price was recorded in additional paid-in capital amounted to Rp11,127,520,477 (full amount).

On December 28, 2021, the stock option program was implemented on BRI employees (Note 30) sourced from treasury stock. This has resulted in a reduction in treasury stock of 1,742,600 shares with an acquisition price of Rp2,182 (full amount) per share or equivalent to Rp3,802,358,996 (full amount), the implementation price of the ESOP 1 and 2 programs of Rp2,240 (full amount) or equivalent to Rp3,903,424,000 (full amount). The difference between the value of treasury stock and the total of implementation cost based on the grant price was recorded in additional paid-in capital amounted to Rp732,402,204 (full amount).

As of December 30, 2021, there was the implementation of a bonus share program on BRI employees (Note 31f) sourced from treasury stock. This has resulted in a reduction in treasury stock of 30,720,900 shares with details of 30,252,500 shares with an acquisition price per share of Rp2,182 (full amount) per share or equivalent to Rp66,011,055,629 (full amount) and 468,400 shares with an acquisition price per share of Rp2,881 (full amount) per share or equivalent to Rp1,349,460,400 (full amount), the grant price of Special ESA is Rp4,080 (full amount) or equivalent to Rp125,341,272,000 (full amount). The difference between the value of treasury stock and the total of implementation cost based on the grant price was recorded in additional paid-in capital amounted to Rp57,980,755,971 (full amount). For transactions that occurred in 2021, the total treasury stock owned by BRI were 15,931,900 shares.

BRI, through its letter No. R. 0034-DIR/ALM/01/2022 dated January 24, 2022, submitted a request for OJK's approval on BRI's shares buyback for at most Rp3,000,000, and it was approved by OJK through its letter No. S-29/PB.31/2022 dated February 21, 2022 and approved by Annual General Meeting of Shareholders held on March 1, 2022. BRI conveyed its information disclosure to the Financial Services Authority (OJK) in regards to the buyback plan for shares previously issued and listed on the Stock Exchange for as many as Rp3,000,000 through its letter No. B. 7-CSC/CSM/CGC/01/2022 dated January 21, 2022. The buyback is carried out within a period between March 1, 2022 until August 31, 2023.

On April to July 2022, BRI has repurchased 184,245,400 shares (par value of Rp50 (full amount) per share) at an acquisition price of Rp818,380 with an average purchase price of Rp4,442 (full amount) per share.

On August 12, 2022, there was the implementation of BRI's bonus share program originating from the Treasury shares repurchased in 2022. This has resulted in a reduction of treasury stock by 7,064,100 shares with an acquisition price per share of Rp4,440 (full amount), or equivalent to Rp31,363,473,744 (full amount). The program implementation price is Rp4,250 (full amount) per share, or the equivalent of Rp30,022,425,000 (full amount). The difference between the acquisition value of treasury stock and the program costs based on fair prices recorded in additional paid-in capital amounted to Rp1,341,048,744 (full amount).

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1. GENERAL (continued)

d. Treasury Stock (continued)

From August to December 2022, BRI purchased 295,208,700 shares (par value of Rp50 (full amount) per share) at an acquisition price of Rp1,365,888 with an average purchase price of Rp4,627 (full amount) per share.

In January 2023, BRI continued purchasing 167,931,800 shares (par value Rp50 (full amount) per share) at an acquisition price of Rp815,732 with an average purchase price of Rp4,858 (full amount) per share.

The acquisition price above is the acquisition price and does not include costs that can be directly attributed to the purchase of treasury stock.

The buyback proceeds from April 2022 to January 2023 amounted to 647,385,900 shares, and 7,064,100 shares have been transferred. As of June 30, 2023, the total treasury shares owned by BRI were 656,253,400 shares.

e. Structure and Management

As of June 30, 2023 and December 31, 2022, BRI has the following networks of work unit :

	June 30, 2023	December 31, 2022
Regional Offices	18	18
Head Internal Audit Office	1	1
Regional Internal Audit Offices	18	18
Domestic Branch Offices	452	448
Special Branch Office	1	1
Overseas Branch/Representative Offices	6	6
Domestic Sub-branch Offices*	7,379	7,611
Overseas Sub-branch Offices	3	3
Mobile Teras	116	117
Floating Teras	4	4

*) According to POJK No.12/POJK.03/2021 dated July 30, 2021 regarding Commercial Banks, Presentation of Cash Office, BRI Units and Teras Offices are listed as Domestic Sub-Branch Offices (KCP)

As of June 30, 2023 and December 31, 2022 BRI has 5 (five) overseas branch offices located in New York, Cayman Islands, Singapore, Timor-Leste, Taipei and 1 (one) overseas representative office located in Hong Kong.

As of June 30, 2023 and December 31, 2022 BRI has 10 (ten) subsidiaries, which are PT Bank Raya Indonesia Tbk, BRI Remittance Co. Ltd. Hong Kong, PT Asuransi BRI Life, PT BRI Multifinance Indonesia, PT BRI Danareksa Sekuritas, PT BRI Ventura Investama, PT BRI Asuransi Indonesia, PT Pegadaian, PT Permodalan Nasional Madani and PT Danareksa Investment Management.

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1. GENERAL (continued)

e. Structure and Management (continued)

Based on the accounting policies of BRI, the coverage of BRI's key management are members of boards of commissioners, directors, senior executive vice president, audit committee, remuneration committee, head of divisions, head of internal audit work unit and head of regional internal audits, head of regional officer, head of special branch and head of branches.

The number of BRI and subsidiaries's employees as of June 30, 2023 and December 31, 2022 are:

	June 30, 2023	December 31, 2022
PT Bank Rakyat Indonesia (Persero) Tbk	60,166	60,209
Subsidiaries	20,006	18,870
	<u>80,172</u>	<u>79,079</u>

The composition of BRI's Board of Commissioners as of June 30, 2023 was appointed based on Annual General Meeting of Shareholders (GMS) of BRI, each of which was stated in the Notarial Deed of Fathiah Helmi, S.H., No. 1 dated May 2, 2023. The composition of the Board of Commissioners of BRI as of December 31, 2022 was appointed based on the Extraordinary and Annual GMS of BRI stated in the Notarial Deed of Fathiah Helmi, S.H., No. 12 dated August 29, 2022:

	June 30, 2023	December 31, 2022
President Commissioner/Commissioner :	Kartika Wirjoatmodjo	Kartika Wirjoatmodjo
Vice President/Independent Commisioner :	Rofikoh Rokhim	Rofikoh Rokhim
Independent Commisioner :	Hendrikus Ivo	Hendrikus Ivo
Independent Commisioner :	Agus Riswanto	Agus Riswanto
Independent Commisioner :	Dwi Ria Latifa	Dwi Ria Latifa
Independent Commisioner :	Nurmaria Sarosa	Nurmaria Sarosa
Independent Commisioner :	Heri Sunaryadi	Heri Sunaryadi
Independent Commisioner :	Paripurna Poerwoko	Paripurna Poerwoko
	Sugarda	Sugarda
Commisioner :	Rabin Indrajad	Rabin Indrajad
	Hattari	Hattari
Commisioner :	Awan Nurmawan Nuh*	Hadiyanto

*) The duties and functions can be carried out officially if the approval from the Financial Services Authority (OJK) in regards to Fit & Proper Test has been received and provisions of the applicable laws and regulations has been fulfilled.

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1. GENERAL (continued)

e. Structure and Management (continued)

The composition of BRI's Directors as of June 30, 2023 was appointed based on Annual General Meeting of Shareholders (GMS) of BRI, each of which was stated in the Notarial Deed of Fathiah Helmi, S.H., No. 1 dated May 2, 2023. The composition of BRI's Directors as of December 31, 2022 was appointed based on the Extraordinary and Annual GMS of BRI stated in the Notarial Deed of Fathiah Helmi, S.H., No. 12 dated August 29, 2022:

		June 30, 2023	December 31, 2022
President Director	:	Sunarso	Sunarso
Vice President Director	:	Catur Budi Harto	Catur Budi Harto
Director	:	Viviana Dyah Ayu R.K	Viviana Dyah Ayu R.K
Director	:	Amam Sukriyanto	Amam Sukriyanto
Director	:	Andrijanto	Andrijanto
Director	:	Handayani	Handayani
Director	:	Supari	Supari
Director	:	Arga Mahanana	Arga Mahanana
		Nugraha	Nugraha
Director	:	Agus Sudiarto	Agus Sudiarto
Director	:	Agus Noorsanto	Agus Noorsanto
Director	:	Agus Winardono	Agus Winardono
Director	:	Ahmad Solichin	Ahmad Solichin
		Lutfiyanto	Lutfiyanto

The composition of BRI's Audit Committee as of June 30, 2023 and December 31, 2022 was appointed based on Directors' Decision Letter No. Kep. 1503-DIR/HCB/09/2022 dated September 7, 2022:

		June 30, 2023	December 31, 2022
Chairman	:	Hendrikus Ivo	Hendrikus Ivo
Member	:	Rofikoh Rokhim	Rofikoh Rokhim
Member	:	Heri Sunaryadi	Heri Sunaryadi
Member	:	Agus Riswanto	Agus Riswanto
Member	:	Sahat Pardede	Sahat Pardede
Member	:	Irwanto	Irwanto
Member	:	Bardiyono Wiyatmojo	Bardiyono Wiyatmojo

Aestika Oryza Gunarto served as BRI Corporate Secretary from August 6, 2020 to July 31, 2023 in accordance with Directors' Decision Letter No. Kep 524-DIR/HCB/08/2020 dated August 6, 2020. As of August 1, 2023, the position of BRI Corporate Secretary was Agustya Hendy Bernadi based on Directors' Decision Letter No. Kep 1616 DIR/HCB/08/2023 dated August 1, 2023.

As of June 30, 2023 and December 31, 2022, the Head of the BRI Internal Audit Unit was Triswahju Herlina in accordance with the Decree of the Directors of BRI No. Kep 339-DIR/HCB/03/2022 dated March 7, 2022.

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1. GENERAL (continued)

f. Subsidiaries

PT Bank Raya Indonesia Tbk (Bank Raya)

On August 19, 2010, BRI entered into a Conditional Sale and Purchase of Shares Agreement (PPJB) with Agricultural Estate Pension Fund (Dapenbun), which holds 95.96% of PT Bank Agroniaga Tbk ("Bank Agro") shares, to acquire Bank Agro's shares at a total nominal value of Rp330,296 for 3,030,239,023 shares, with a price of Rp109 (full amount) per share.

According to BRI's Extraordinary General Meeting of Shareholders, in accordance with the Notarial Deed No. 37 dated November 24, 2010 of Notary Fathiah Helmi, S.H., the shareholders have approved the acquisition of Bank Agro. Furthermore, Bank Indonesia, in its Letter No. 13/19/GBI/DPIP/Rahasia dated February 16, 2011, also granted its approval for the acquisition of Bank Agro. The acquisition was completed on March 3, 2011 based on the Notarial Deed No. 14 of Notary Fathiah Helmi, S.H., where BRI owned 88.65% of Bank Agro's total issued and fully paid shares, as stated in the Notarial Deed No. 68 dated December 29, 2009, of Notary Rusnaldy, S.H. The above mentioned matter has also considered the effects of Warrants Series I which are exercisable up to May 25, 2011.

In compliance with Bapepam-LK's Regulation No. IX.H.1, Appendix to the Decision Letter of Chairman of Bapepam-LK No. Kep-259/BL/2008 dated June 30, 2008 regarding the "Takeover of Public Company", BRI, as the new controlling shareholder of Bank Agro, obliged to execute Tender Offer on the remaining Bank Agro's shares which are owned by the public. The Tender Offer statement has become effective on May 4, 2011 based on the Chairman of Bapepam-LK's Letter No. S-4985/BL/2011 and was announced on May 5, 2011, in two daily newspapers, Bisnis Indonesia and Investor Daily. The Tender Offer period commenced on May 5, 2011 and concluded on May 24, 2011. At the end of the Tender Offer period, BRI purchased 113,326,500 shares (3.15% of the total shares of Bank Agro). The tender offer price is Rp182 (full amount) per share.

On July 1, 2011, Dapenbun exercised its option to buy 256,375,502 shares at a price of Rp109 (full amount) per share. Based on Bapepam-LK's Regulation No. IX.H.1, the payback period of Tender Offer is within 2 (two) years. However, specifically for Bank Agro, BRI had the obligation to meet minimum public shareholding of 10% at no later than May 24, 2013. This is to comply with the Letter from the Indonesia Stock Exchange No. S-06472/BEI.PPJ/09-2011 dated September 23, 2011. As of December 31, 2011, 500,000 of Bank Agro shares have been successfully sold back to the public resulting in BRI's ownership of 79.78% and Dapenbun's of 14%. While there was no sale of shares during the year 2012 and 2013, 130,000 shares were sold in 2014. Thus, as of December 31, 2014, BRI was unable to meet the requirement of Indonesia Stock Exchange stated on its letter No. S-06472/BEI.PPJ/09-2011 dated September 23, 2011, to have a minimum public shareholding of 10% by May 24, 2013 due to the inactivity of Bank Agro's share price in the capital market.

Based on the Notarial Deed of Meeting Decision Statement No. 30 dated May 16, 2012 of Notary Rusnaldy, S.H., the name PT Bank Agroniaga Tbk was changed into PT Bank Rakyat Indonesia Agroniaga Tbk ("BRI Agro"). This change has been approved by Bank Indonesia in its Governor's Decision Letter No. 14/72/KEP.GBI/2012 dated October 10, 2012.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT Bank Raya Indonesia Tbk (Bank Raya) (continued)

On May 10, 2013, BRI Agro submitted Registration Statement of Limited Public Offering IV ("PUT IV") to the Board of Commissioners of OJK in connection with the issuance of Preemptive Rights of 3,846,035,599 Common Shares with nominal value of Rp100 (full amount) per share. On June 26, 2013, the Board of Commissioners of OJK through its letter No. S-186/D.04/2013, approved the Registration Statement of Limited Public Offering IV, thus increasing the number of its issued capital stock by 3,832,685,599 shares.

As a result of PUT IV, BRI Agro's Articles of Association was amended as stated in Deed of Meeting Decision Statement No. 107 dated July 30, 2013, of Notary M. Nova Faisal, S.H., M.Kn., regarding the increase in issued and fully paid capital, increasing BRI's ownership to 80.43%, Dapenbun's to 14.02% and public's to 5.55%. This amendment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0074249.AH.01.09 Year 2013 dated August 1, 2013.

On May 11, 2015, BRI Agro submitted Registration Statement of Limited Public Offering V ("PUT V") to the Board of Commissioners of OJK in connection with the issuance of Preemptive Rights of 5,588,085,883 Common Shares with nominal value of Rp100 (full amount) per share. On June 17, 2015, the Board of Commissioners of OJK through its letter No. S-259/D.04/2015 notified BRI Agro that its Registration Statement of Limited Public Offering V has become effective, thus increasing the number of its issued capital stock by 4,028,934,521 shares.

As a result of PUT V, BRI Agro's Articles of Association was amended as stated in Notarial Deed of Decision Meeting Statement and Amendment of Articles of Association No. 68 dated July 14, 2015 of Notary M. Nova Faisal, S.H., M.Kn., regarding the increase in issued and fully paid capital, increasing BRI's ownership in BRI Agro to 87.23%, Dapenbun's to 9.10% and public's to 3.67%. This amendment was accepted and recorded in the Legal Entity Administration System by the Minister of Law and Human Rights of the Republic of Indonesia in its Acceptance Letter of PT Bank Rakyat Indonesia Agroniaga Tbk Articles of Association Amendment Notice No. AHU-AH.01.03-0951264 dated July 14, 2015.

On October 17, 2016, BRI Agro submitted Registration Statement of Limited Public Offering VI ("PUT VI") to the Board of Commissioners of OJK in connection with the issuance of Additional Capital with Preemptive Rights of 3,845,996,122 Common Shares at most with nominal value of Rp100 (full amount) per share and the issuance of Warrants Series II of 616,908,103. On November 25, 2016, the Board of Commissioners of OJK through its letter No. S-695/D.04/2016 notified BRI Agro that its Registration Statement of Limited Public Offering VI has become effective, thus increasing the number of its issued capital stock by 3,845,996,122 shares. The period to convert Warrants Series II into BRI Agro shares at Rp130 (full amount) per share is from June 9, 2017 until June 11, 2018.

As a result of PUT VI, BRI Agro's Articles of Association was amended as stated in Notarial Deed of Decision Meeting Statement No. 58 dated December 27, 2016, of Notary M. Nova Faisal, S.H., M.Kn., regarding the increase in issued and fully paid capital, resulting in BRI's ownership di BRI Agro to be at 87.23%, Dapenbun's to be at 7.08% and public's to be at 5.69%. This amendment was accepted and recorded in the Legal Entity Administration System by the Minister of Law and Human Rights of the Republic of Indonesia in its Acceptance Letter of PT Bank Rakyat Indonesia Agroniaga Tbk Articles of Association Amendment Notice No. AHU-AH.01.03-0112637 dated December 27, 2016.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT Bank Raya Indonesia Tbk (Bank Raya) (continued)

Up to June 11, 2018 (the ending period of warrants conversion), total warrants converted into shares are 612,937,654 shares, thereby increasing BRI Agro's capital stock by Rp61,294.

On May 2, 2017, BRI Agro submitted Registration Statement of Limited Public Offering VII ("PUT VII") to the Board of Commissioners of OJK in connection with the issuance of Additional Capital with Preemptive Rights of 2,515,555,707 common shares at most with nominal value of Rp100 (full amount) per share. On June 12, 2017, the Board of Commissioners of OJK through its letter No. S-293/D.04/2017 notified BRI Agro that its Registration Statement of Limited Public Offering VII has become effective, thus increasing the number of its issued capital stock by 2,515,555,707 shares.

As a result of PUT VII, BRI Agro's Articles of Association was amended as stated in Notarial Deed of Decision Meeting Statement No. 19 dated July 21, 2017, of Notary M. Nova Faisal, S.H., M.Kn., regarding the increase in issued and fully paid capital, therefore the ownership of BRI in BRI Agro to be at 87.16%, Dapenbun's to be at 6.44% and the public's to be at 6.39%. This amendment was accepted and recorded in the Legal Entity Administration System by the Minister of Law and Human Rights of the Republic of Indonesia in its Acceptance Letter of PT Bank Rakyat Indonesia Agroniaga Tbk Articles of Association Amendment Notice No. AHU-AH.01.03-0154825 dated July 21, 2017.

In the Deed of the Extraordinary GMS of PT Bank Rakyat Indonesia Agroniaga Tbk No. 51 dated June 26, 2018 has given approval for Additional Capital without Preemptive Rights (PMTHMETD) as regulated in POJK NO. 38/POJK.04/2014 dated December 29, 2014 in the context of the Management and Employee Stock Options Plan (MESOP) Program, a maximum of 350,000,000 shares with a nominal value of Rp100 (full amount) per share thereby increasing the number of its issued capital stock by 249,376,451 shares.

On July 16, 2018, BRI Agro submitted Registration Statement of Limited Public Offering VIII ("PUT VIII") to the Board of Commissioners of OJK in connection with the issuance of Additional Capital with Preemptive Rights of 5,001,089,604 common shares at most with nominal value of Rp100 (full amount) per share. On August 30, 2018, the Board of Commissioners of OJK through its letter No. S-113/D.04/2018 notified BRI Agro that its Registration Statement of Limited Public Offering VIII has become effective, thus increasing the number of its issued capital stock by 2,889,085,049 shares.

As a result of PUT VIII, BRI Agro's Articles of Association was amended as stated in Notarial Deed of Decision Meeting Statement No. 1 dated October 2, 2018, of Notary M. Nova Faisal, S.H., M.Kn., regarding the increase in issued and fully paid capital, Therefore the ownership of BRI in BRI Agro to be at 87.10%, Dapenbun to be at 5.00% and the public to be at 7.90%. This amendment was accepted and recorded in the Legal Entity Administration System by the Minister of Law and Human Rights of the Republic of Indonesia in its Acceptance Letter of PT Bank Rakyat Indonesia Agroniaga Tbk Articles of Association Amendment Notice No. AHU-AH.01.03-0249178 dated October 4, 2018.

As a result of MESOP 2021 that started since 30 trading days from August 1 to September 14, 2021, Articles of Association of BRI Agro was amended as stated in Notarial Deed No. 26 dated September 27, 2021 of Notary M. Nova Faisal S.H., M.Kn., regarding the increase in issued and fully paid capital, therefore the ownership of BRI in BRI Agro to be at 85.70% and the public's to 14.30%. This amendment was accepted and recorded in the Legal Entity Administration System by the Minister of Law and Human Rights of the Republic of Indonesia in its Acceptance Letter of PT Bank Rakyat Indonesia Agroniaga Tbk Articles of Association Amendment Notice No. AHU-AH.01.03-0453530 dated September 27, 2021.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT Bank Raya Indonesia Tbk (Bank Raya) (continued)

Based on the Deed of Meeting Decision Statement No. 24 dated September 27, 2021, Notary M. Nova Faisal S.H., M.Kn., the name was changed from PT Bank Rakyat Indonesia Agroniaga Tbk to PT Bank Raya Indonesia Tbk ("Bank Raya") which has obtained approval from the Minister of Law and Human Rights People of the Republic of Indonesia in accordance with Letter No. AHU0052731.AH.01.02 Year 2021, dated September 27, 2021 and has received approval from the Financial Services Authority through Decree No. Kep-65/PB.1/2021 concerning Determination of the Use of a Business License in the Name of PT Bank Rakyat Indonesia Agroniaga Tbk to become a Business License in the Name of PT Bank Raya Indonesia Tbk on November 1, 2021. The capital structure and composition of the Company's shareholders are issued based on Deed No. 22 dated December 17, 2021.

In the Deed of the Extraordinary GMS of PT Bank Raya Indonesia Tbk No. 23 dated September 27, 2021 of Notary M. Nova Faisal, S.H., M.Kn., has given approval for the issuance of new shares through Additional Capital with Preemptive Rights ("PMHMETD") to shareholders which will be carried out through mechanism of Limited Public Offering IX ("PUT IX").

On September 30, 2021 through letter Number B.562/DIR.01/SKP/09/2021, Bank Raya submitted Registration Statement for a Limited Public Offering in connection with the PMHMETD IX to the Board of Commissioners of OJK with of 2,150,000,000 common shares at most with nominal value of Rp100 (full amount) per share. On November 18, 2021, the Board of Commissioners of OJK through its letter No.S-207/D.04/2021 notified that its Registration Statement of Limited Public Offering has become effective, thus increasing the number of its issued capital stock 1,054,545,185 shares.

As a result of PMHMETD IX, Bank Raya's Articles of Association was amended as stated in Notarial Deed of Decision Meeting Statement No. 22 dated December 17, 2021, of Notary M. Nova Faisal, S.H., M.Kn., regarding the increase in issued and fully paid capital, therefore the ownership of BRI in Bank Raya is 85.72% and the public is 14.28%. This amendment was accepted and recorded in the Legal Entity Administration System by the Minister of Law and Human Rights of the Republic of Indonesia in its Acceptance Letter of PT Bank Raya Indonesia Tbk Articles of Association Amendment Notice No. AHU-AH.01.03-0487031 dated December 17, 2021.

Based on the Deed of Meeting Decision Statement No. 48 dated September 30, 2022, Notary M. Nova Faisal S.H., M.Kn., changes were made to the Articles of Association of PT Bank Raya Indonesia Tbk regarding changes to the address of Bank Raya's head office and changes to Article 3 of Bank Raya's Articles of Association to conform to the 2020 Indonesian Standard Industrial Classification (KLBI 2020) which has obtained approval from the Minister of Law and Human Rights of the Republic of Indonesia in accordance with Letter No. AHU-0070827.AH.01.02 Year 2022, September 30, 2022.

On October 5, 2022 through letter No. B.681/DIR.03/CSC/10/2022, Bank Raya submitted Registration Statement for a Limited Public Offering in connection with the PMHMETD X to the Board of Commissioners of OJK with of 2,320,000,000 common shares at most with nominal value of Rp100 (full amount) per share. On November 30, 2022, the Board of Commissioners of OJK through its letter No. S-250/D.04/2022 notified that its Registration Statement of Limited Public Offering has become effective, thus increasing the number of its issued capital stock 1,993,201,832 shares.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT Bank Raya Indonesia Tbk (Bank Raya) (continued)

The results of PMHMETD X caused Bank Raya's Articles of Association was amended as stated in Notarial Deed of Decision Meeting Statement No. 41 dated December 26, 2022, of Notary M. Nova Faisal, S.H., M.Kn., regarding the increase in issued and fully paid capital in article 4 paragraph (2) of Bank Raya's Articles of Association changed to 24,740,107,814 shares so that BRI's share ownership in Bank Raya increased to 86.85% and the public's 13.15%. This amendment was accepted and recorded in the Legal Entity Administration System by the Ministry of Law and Human Rights of the Republic of Indonesia in its Acceptance Letter of PT Bank Raya Indonesia Tbk Articles of Association Amendment Notice No. AHU-AH.01.03-0410365 dated December 26, 2022.

The latest amendment to Bank Raya's Articles of Association is based on the Deed of PT Bank Raya Indonesia Tbk Meeting Decision Statement No. 14 dated May 23, 2023 has given approval for PMTHMETD as regulated in POJK NO. 38/POJK.04/2014 dated December 29, 2014 in the framework of the Management and Employee Stock Options Plan (MESOP) program, a maximum of 350,000,000 shares with a nominal value of Rp100 (full amount) per share. This change has been received and recorded in the Legal Entity Administration System by the Ministry of Law and Human Rights of the Republic of Indonesia in the Letter of Acceptance of Notice of Changes to the Articles of Association of PT Bank Raya Indonesia Tbk No. AHU-AH.01.03-0066677 dated May 23, 2023. For PMTHMETD for the MESOP program, the total issued and paid-up capital in article 4 paragraph (2) of Bank Raya's Articles of Association changed to 24,740,494,294 shares so that BRI's share ownership in Bank Raya is 86.85% and public's 13.15%.

Total assets of Bank Raya as of June 30, 2023 and December 31, 2022 amounted to Rp12,023,476 and Rp13,949,884 or 0.67% and 0.75% respectively, of the total consolidated assets. Total interest income for the six-month period ended June 30, 2023 and 2022 amounted to Rp446,276 and Rp542,437 or 0.49% and 0.64%, respectively, of the total consolidated interest, sharia, premium income, and revenue from gold sold.

According to Article 3 of its Articles of Association, Bank Raya's scope of business is to conduct commercial banking activities. Bank Raya has obtained its license as a commercial bank based on Bank Indonesia Letter No. 22/1037/UUps/Ps6D dated December 26, 1989.

Bank Raya's head office is located in BRILiaN Tower, Jl. Gatot Subroto No. 177A, Jakarta, and the entity has 8 branch offices, 10 community branch, 8 sub-branch offices, 2 cash offices, and 1 E-Buzz.

BRI Remittance Co. Limited Hong Kong (BRI Remittance)

On December 16, 2011, BRI signed the 'Instrument of Transfer' and the 'Bought and Sold Notes' to acquire 100% or 1,600,000 of BRIngin Remittance Co. Ltd (BRC) Hong Kong's shares at a purchase price of HKD1,911,270 (full amount). This acquisition was legalized by the Hong Kong Inland Revenue Department (IRD) with stamp duty dated December 28, 2011 and approved by Bank Indonesia in its letter No. 13/32/DPB1/TPB1-3/Rahasia dated December 1, 2011.

According to the Annual General Meeting of BRIngin Remittance Company Limited dated July 2, 2012, and the issuance of a Certificate of Change of Name No. 961091 dated October 11, 2012 by the Registrar of Companies Hong Kong Special Administrative Region, the name of BRIngin Remittance Company Limited was officially changed to BRI Remittance Company Limited Hong Kong.

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1. GENERAL (continued)

f. Subsidiaries (continued)

BRI Remittance Co. Limited Hong Kong (BRI Remittance) (continued)

Total assets of BRI Remittance as of June 30, 2023 and December 31, 2022 amounted to Rp22,671 and Rp17,982 or 0.0013% and 0.00096% respectively, of the total consolidated assets.

In accordance with the official business license from the Hong Kong Regulator as a Money Service Operator (MSO) and Money Lender Business, BRI Remittance's scope of business is to conduct remittance services, money exchange, and financing for Indonesian migrant workers and other operational services related to BRI's accounts owned by BRI customers domiciled in Hong Kong in accordance with stipulations permitted by Hong Kong authorities.

BRI Remittance's Local Management Office (LMO) / head office is located in RM1202, 12/F, Park Avenue Tower, No. 5 Moreton Terrace, Causeway Bay, Hong Kong, and the entity has 4 (four) branch offices which are spread across the region of Causeway Bay, Mongkok, Yuen Long and Tsuen Wan.

PT Asuransi BRI Life (BRI Life)

On October 6, 2015, BRI signed a Sale and Purchase of Shares Agreement with the shareholders of PT Asuransi Jiwa Bringin Jiwa Sejahtera ("BRI Life") to acquire 91.001% shares of BRI Life at a purchase price of Rp1,626,643. Based on BRI's Extraordinary General Meeting of Shareholders in accordance with Deed No. 14 dated December 14, 2015 of Notary Fathiah Helmi, S.H., the shareholders have approved the acquisition of BRI Life and has also received approval from Financial Services Authority (OJK) through its letter No. S-151/PB.31/2015 dated December 23, 2015. The acquisition was completed on December 29, 2015 based on Acquisition of PT Asuransi Jiwa Bringin Jiwa Sejahtera Shares Deed No. 41 of Notary Fathiah Helmi, S.H., where BRI has 91.001% of BRI Life issued shares and 8.999% of it was granted to the BRI Employee Welfare Foundation.

Based on Notarial Deed No. 31 dated February 23, 2017, of Notary Dahlia, S.H., surrogate of Fathiah Helmi, S.H., a notary in Jakarta, the name of PT Asuransi Jiwa Bringin Jiwa Sejahtera was changed into PT Asuransi BRI Life and according to the Decision of the Board of Commissioners of OJK No. KEP-140/NB.11/2017 dated March 20, 2017, BRI Life obtained the business license in life insurance in relation to the change of company name.

Based on Deed No. 8 dated March 2, 2021, of Jose Dima Satria, S.H., M.Kn., Notary in Jakarta has received approval from the Ministry of Law and Human Rights of the Republic of Indonesia in the Decree of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0013073.AH.01.02 Year 2021 dated March 2, 2021, which is regulated regarding the changes in nomenclature, composition of the Management, and changes of the Articles of Association, one of which is related to an increase in capital and changes in the ownership structure of BRI Life through the issuance of 936,458 (nine hundred thirty six thousand four hundred and fifty eight) new shares to be subscribed by FWD Financial Services Pte. Ltd. As a result of the new share issuance, as of March 2, 2021, the composition of BRI Life's share ownership become: BRI 63.83%, BRI Employee Welfare Foundation 6.31%, and FWD Financial Services Pte. Ltd. 29.86%. The change in ownership structure was previously approved by OJK through its letter No. S-12/NB.1/2021 dated February 4, 2021.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT Asuransi BRI Life (BRI Life) (continued)

BRI Life's Ownership Structure was changed based on Notarial Deed No. 59 dated October 13, 2021 regarding the Decision Meeting Statement of PT Asuransi BRI Life. The amendment has obtained approval and notice of acceptance in the Legal Entity Administration System in accordance with the Ministry of Law and Human Rights of the Republic of Indonesia's Letters No. AHU.AH.01.03-0460422 dated October 13, 2021, BRI Life Shareholders approved the Transfer of Shares of FWD Financial Services Pte. Ltd. to FWD Management Holding Limited. Thus, starting from October 13, 2021 BRI Life's shareholders composition become: BRI 63.83%, BRI Employee Welfare Foundation 6.31%, and FWD Management Holding Limited 29.86%. The change in ownership structure has previously been approved by Non-Bank Financial Industry of Financial Services Authority (OJK IKNB) through its letter No. S.93/NB.1/2021 dated September 29, 2021 regarding approval the change of BRI Life ownership.

BRI Life's Ownership Structure was changed based on Notarial Deed No. 11 dated March 2, 2023 regarding the Decision Meeting Statement of PT Asuransi BRI Life. The amendment has obtained approval and notice of acceptance in the Legal Entity Administration System in accordance with the Ministry of Law and Human Rights of the Republic of Indonesia's Letters No. AHU.AH.01.03-0033868 dated March 2, 2023, the Shareholders of BRI Life decided and agreed to increase the issued and paid-up capital from Rp339,200 to Rp365,559, by issuing new shares of 263,580 shares or in the nominal value of Rp26,358 which was taken entirely by FWD Management Holdings Limited. Thus, as of March 2, 2023, the composition of BRI Life's shareholdings become: BRI 54.77%, BRI Employee Welfare Foundation 5.42%, and FWD Management Holdings Limited 39.82%. The change in ownership structure has previously approved by OJK IKNB through its letter No. S.315/NB.02/2023 dated February 26, 2023 regarding approval the change of BRI Life ownership.

BRI Life's Articles of Association have undergone several changes and the latest amendment to the Articles of Association is stated in Deed No. 25 dated June 8, 2023 concerning the Statement of Meeting Resolutions on Amendments to the Articles of Association of PT Asuransi BRI Life, made before notary Jose Dima Satria, S.H., M.Kn. The amendments to the Articles of Association have been received and recorded in the Legal Entity Administration System by the Ministry of Law and Human Rights of the Republic of Indonesia in the Letter of Acceptance of Notification of Changes to the Articles of Association of PT Asuransi BRI Life No. AHU-AH.01.03-9978922 dated June 16, 2023 and has received approval for the Amendment to the Articles of Association based on the Decree of the Ministry of Law and Human Rights of the Republic of Indonesia No. AHU-0033982.AH.01.02. 2023 dated June 16, 2023.

Based on the Article 3 of BRI Life's latest Articles of Association, the scope of BRI Life's business is to conduct business in the insurance sector in accordance with statutory provisions.

BRI Life started its operation on January 1, 1989 based on the Decision Letter of the Ministry of Finance of the Republic of Indonesia No. KEP-181/KMK.13/1988 dated October 10, 1988.

BRI Life obtained its license to open its branches and sharia-principled units based on the Ministry of Finance Decision Letter No. KEP-007/KM/6/2003 dated January 21, 2003.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT Asuransi BRI Life (BRI Life) (continued)

Total assets of BRI Life as of June 30, 2023 and December 31, 2022 amounted to Rp23,727,212 and Rp21,627,641 or 1.31% and 1.16%, respectively, of the total consolidated assets. Total interest and premium income for the six-month period ended June 30, 2023 and 2022 amounted to Rp4,424,540 and Rp4,488,650 or 4.70% and 5.27%, respectively, of the total consolidated interest, sharia, premium income, and revenue from gold sold.

BRI Life's head office is located in Graha Irama Building 15th floor, Jl. H.R Rasuna Said Blok X-1 Kav. 1 and 2, Jakarta, and it has 26 Customer Care offices.

PT BRI Multifinance Indonesia (BRI Finance)

On July 12, 2016, BRI signed a Conditional Shares Sale and Purchase Agreement (PPJB) with The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU") to increase BRI's share ownership in PT BTMU-BRI Finance ("BBF") from 45% to 99%. The transaction was executed with a purchase price of Rp378,548. The agreement has been approved by OJK through its letter No. S-102/PB.31/2016 dated September 21, 2016. This transfer of shares was completed on September 30, 2016 as stated in Notarial Deed No. 75, of Fathiah Helmi, S.H., where BRI owned 99% of the total shares issued by PT BRI Multifinance Indonesia (BRI Finance) and BRI's Employee Welfare Foundation (Yayasan Kesejahteraan Pekerja BRI) owned the remaining 1%. As a result of the acquisition of BRI Finance, BRI recorded goodwill amounting to Rp51,915 in "Other Assets".

Based on the Notarial Deed Statement of Decision Letter of the Annual General Meeting of Shareholders No. 67, dated September 15, 2016, made before I Gede Buda Gunamanta, S.H., a notary in Jakarta, the name PT BTMU-BRI Finance was changed into PT BRI Multifinance Indonesia, and in accordance with Board of Commissioners of OJK Decision No. KEP-771/NB.11/2016 dated October 17, 2016, with regards to the change of name, BRI Finance obtained the business license in financing industry for the Business License previously granted to PT Sanwa-BRI Finance, which afterwards changed its name to PT UFJ-BRI Finance and PT BTMU-BRI Finance.

BRI Finance's Articles of Association has been amended several times. The latest amendment as set forth in the Deed of the Decision of the Meeting of PT BRI Multifinance Indonesia No. 237 dated April 23, 2019, made before I Gede Buda Gunamanta, S.H., a Notary domiciled in South Jakarta, was approved by the Ministry of Law and Human Rights in its Decision Letter No. AHU-0023113.AH.01.02 Year 2019 dated April 29, 2019, and was received and recorded in the Legal Entity Administration System Ministry of Law and Human Rights in its Decision Letter No. AHU-AH.01.03-0223685 dated April 29, 2019, and has been announced in State Gazette of the Republic of Indonesia Number 81 dated October 8, 2019, Additional State Gazette Number 35668/2019, regarding changes in the location of BRI Finance from Central Jakarta to South Jakarta, the provisions in the Company's Articles of Association in order to comply with the provisions of Law No. 40 of 2007 concerning Limited Liability Companies, Financial Services Authority Regulation No. 35/POJK.05/2018 concerning the Operation of a Financing Company Business, and the follow up of the the directives of the Controlling Shareholders for adjustments to the Company's Articles of Association in accordance with the provisions of the prevailing laws and regulations.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT BRI Multifinance Indonesia (BRI Finance) (continued)

The latest amendments to the articles of association are stated in the Deed of Statement of Shareholder's Resolutions No. 24 dated June 16, 2023, made before Arry Supratno, S.H., Notary in Jakarta, which has been approved by the Minister of Law and Human Rights based on Decree No. AHU-0034000.AH.01.02 Year 2023 dated June 16, 2023. The amendments to the Articles of Association has a purpose to adjust article 3 of BRI Finance's Articles of Association with the 2020 Indonesian Standard Industrial Classification.

According to Article 3 of its Articles of Association, BRI Finance's scope of business is to conduct financing activities.

Total assets of BRI Finance as of June 30, 2023 and December 31, 2022 amounted to Rp8,047,978 and Rp7,321,870 or 0.45% and 0.39% respectively, of the total consolidated assets. Total interest income for the six-month period ended June 30, 2023 and 2022 amounted to Rp539,579 and Rp397,047 or 0.60% and 0.47%, respectively, of the total consolidated interest, sharia, premium income, and revenue from gold sold.

BRI Finance's head office is located in BRILiaN Tower 22nd, 21st and 1st floor, Jl. Gatot Subroto No. 177A Kav. 64, South Jakarta, and has 26 branches.

PT BRI Ventura Investama (BRI Ventures)

On June 29, 2018, BRI signed the Conditional Sale and Purchase of Shares Agreement of PT Sarana Nusa Tenggara Timur Ventura ("Sarana NTT Ventura") with PT Bahana Artha Ventura ("BAV") to takeover all BAV's share ownership of Sarana NTT Ventura resulting BRI's share ownership to become 97.61% with a purchase price of Rp3,090, and have obtained the approval of the Board of Commissioners of BRI as the representative of the shareholders through its Letter No. R.67-KOM/09/2018, dated September 26, 2018, as well as the approval from OJK through its Letter No. S-112/PB.31/2018 dated September 25, 2018. The shares takeover was effective on December 20, 2018 as stated in the Deed Sale and Purchase of Shares No. 70, made before Ashoya Ratam, S.H., M.Kn., Notary in South Jakarta, where BRI owned 97.61% of the total shares issued by PT BRI Ventura Investama (formerly known as Sarana NTT Ventura).

Based on the Deed of Declaration on the Extraordinary General Meeting of Shareholders Decision No. 74, dated November 14, 2018, made before Zantje Mathilda Voss Tomasowa, S.H., M.Kn., Notary in Kupang, the name of PT Sarana Nusa Tenggara Timur Ventura was changed into PT BRI Ventura Investama ("BRI Ventures"), along with the change of Company's domicile from Kupang to Jakarta, This amendment has been approved by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0030398.AH.01.02 Year 2018, dated December 14, 2018. In accordance with Members of the Board of OJK Commissioners' Decision No. KEP-189/NB.11/2019 dated April 1, 2019, with regard to the change in the company name, BRI Ventures obtained the enactment of business license in venture capital business previously granted to PT Sarana Nusa Tenggara Timur Ventura.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT BRI Ventura Investama (BRI Ventures) (continued)

BRI Ventures' Articles of Association amended and restated through Deed No. 65 dated April 25, 2022 by Notary Ashoya Ratam, S.H., M.Kn., among others, in order to adjust Article 3 Paragraph (1) of the Articles of Association of BRI Ventures with the 2020 Indonesian Standard Industrial Classification and recorded in accordance with the Decree of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0030721.AH.01.02. Year 2022 dated April 27, 2022 ("Articles of Association").

BRI Ventures' Articles of Association have been amended several times, most recently related to the increase in the Company's capital stock based on a Resolution Outside the General Meeting of Shareholders dated March 31, 2023. This decision has been recorded in Notarial Deed No. 45 dated March 31, 2023 by Notary Ashoya Ratam, S.H., M.Kn. This amendment deed has been received and recorded in accordance with the Letter of Acceptance of Notification of Changes to the Articles of Association by the Minister of Law and Human Rights of the Republic of Indonesia No. AHU.01.03.-0048199 dated March 31, 2023.

According to Article 3 of its Articles of Association, BRI Ventures' scope of business is to conduct venture capital activities including management of venture funds, fee-based service activities and other business activities with OJK's approval, and venture capital activities in the form of equity capital in a business partner and/or debtor who has productive business and/or ideas for productive business development.

Total assets of BRI Ventures as of June 30, 2023 and December 31, 2022 amounted to Rp2,598,964 and Rp2,176,790 or 0.14% and 0.12%, respectively, of the total consolidated assets.

BRI Ventures' head office is located in District 8 Office SCBD, Prosperity Tower 16th floor Unit F, Jenderal Sudirman Street No 52-53, Kebayoran Baru, South Jakarta.

PT BRI Danareksa Sekuritas (BRIDS)

On September 27, 2018, BRI signed a Conditional Sale and Purchase of Shares Agreement with PT Danareksa (Persero) to takeover part of the shares ownership of PT Danareksa Sekuritas ("Danareksa Sekuritas") from PT Danareksa (Persero) and to gain 67% ownership, with a purchase price of Rp446,888, and has obtained the approval from OJK based on its Letter No. S-1496/PM.21/2018 dated December 21, 2018. The takeover was effective on December 21, 2018, as stated in the Deed of Shares Takeover No. 53, of Masjuki, S.H., surrogate of M. Nova Faisal, S.H., M.Kn., Notary in Jakarta, where BRI owned 67% and PT Danareksa (Persero) owned 33% of Danareksa Sekuritas' total shares.

BRIDS' Articles of Association has been amended several times. The amendment adjusting its Articles of Association with Law No. 40 year 2007 regarding the Limited Liability Company and the increase in authorized capital and issued and paid-up capital of Danareksa Sekuritas, was stated in the Notarial Deed No. 91 dated August 12, 2008, of Notary Imas Fatimah, S.H. This amendment has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through its Decision Letter No. AHU-83282.AH.01.02 Year 2008, dated November 10, 2008 and has been published in Supplement No. 9870 of the Republic of Indonesia State Gazette No. 28, dated April 7, 2009.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT BRI Danareksa Sekuritas (BRIDS) (continued)

In 2017, there were amendments to the purposes and objectives of BRIDS in accordance with Article 3 of the Articles of Association as stated in the Notarial Deed No. 1, dated July 5, 2017 of Ffidiana, S.H., S.S., M.Kn. This amendment has been approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0013998.AH.01.02 Year 2017 dated July 7, 2017.

Based on Deed No. 27 dated October 9, 2020, which was made before Jose Dima Satria, S.H., Notary in Jakarta, the name of PT Danareksa Sekuritas was changed into PT BRI Danareksa Sekuritas. This amendment has received approval for amendment to the Articles of Association from the Minister of Law and Human Rights Republic of Indonesia No. AHU-0069706.AH.01.02 Year 2020. The amendment has been registered in the Financial Services Authority (OJK) based on Letter No. S-1210/PM.212/2020 dated October 26, 2020.

Based on Deed No. 168 dated June 27, 2022, which was made before Jose Dima Satria, S.H., Notary in Jakarta, there is additional issued and paid-up capital by BRI that has received approval from Financial Services Authority (OJK) through its letter No. S-555/PM.21/2022 dated June 24, 2022. The additional issued and paid-up capital has become effective on June 27, 2022 so that BRI's share ownership to be at 71% of the total BRIDS shares and 29% was owned by PT Danareksa (Persero). This has been announced through the amendment of Articles of Association in accordance with the Decree of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-AH.01.03.0256545 dated June 27, 2022.

The latest amendment to BRIDS' Articles of Association is stated in Deed No. 86 dated April 17, 2023, which was made before Jose Dima Satria, S.H., Notary in Jakarta. The amendment has received approval from the Minister of Law and Human Rights based on the Decree of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0024267.AH.01.02. Year 2023, and announcement of changes has been received and recorded in the Legal Entity Administration System of the Ministry of Law and Human Rights based on Letter No. AHU-AH.01.03-0058587 dated May 2, 2023 regarding Receipt of Notification of Changes to PT BRI Danareksa Sekuritas' Articles of Association.

In accordance with Article 3 of BRIDS' Articles of Association, the scope of its activities comprises underwriting, securities brokerage, and other supporting business activities determined and/or approved by OJK.

BRIDS obtained its business license as a securities broker and an underwriter from the Chairman of the Capital Market Supervisory Agency in accordance with its Decision Letters No. KEP-291/PM/1992 dated October 16, 1992 and No. KEP-292/PM/1992 dated October 16, 1992.

As part of its licensing, BRIDS has obtained approval of supporting business activities as Arranger of Medium Term Notes (MTN), Negotiable Certificates of Deposit (NCD), Hybrid Product as Perpetuity Notes, syndicated loans, Global Medium Term Notes (GMTN), Global Bonds and Financial Advisory from Financial Services Authority (OJK) based on its Letter No. S-143/PM.21/2017 dated March 16, 2017.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT BRI Danareksa Sekuritas (BRIDS) (continued)

Total assets of BRIDS as of June 30, 2023 and December 31, 2022 amounted to Rp949,731 and Rp1,648,173 or 0.05% and 0.09%, respectively, of the total consolidated assets. Total interest income for the six-month period ended June 30, 2023 and 2022 amounted to Rp19,082 and Rp8,264 or 0.02% and 0.01%, respectively, of the total consolidated interest, sharia, premium income, and revenue from gold sold.

BRIDS' head office is located in BRI Tower II 23th floor, Jenderal Sudirman Street Kav 44-46, Jakarta and has 10 branches, 24 booths and 3 partnerships.

PT BRI Asuransi Indonesia (BRI Insurance)

On June 20, 2019, BRI signed a Conditional Share Sale and Purchase Agreement ("PPJBSB") with Dana Pensiun BRI in order to acquire 90% shares of Dana Pensiun BRI in PT BRI Asuransi Indonesia (BRI Insurance), at a purchase price of Rp1,041,000 and has received approval from OJK through letter No. S-135/NB.1/2019 dated September 16, 2019. This transfer of shares was completed on September 26, 2019, as stated in the Deed of Shares Takeover No. 31 made before Dina Chozie, S.H., a replacement notary from Fathiah Helmi, S.H., Notary in Jakarta, where BRI owns 90% of the total shares of BRI Insurance and 10% is owned by the Yayasan Kesejahteraan Pekerja (YKP) BRI.

Based on Deed No. 3 dated January 31, 2020, made by Tri Wahyuwidayati, S.H., M.Kn., Notary in Jakarta, the name in article 1 paragraph 1 which was originally PT Asuransi Bringin Sejahtera Artamakmur became PT BRI Asuransi Indonesia (BRI Insurance). This amendment has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through its Decision Letter No. AHU-0011603.AH.01.02 dated February 10, 2020.

BRI Insurance's Articles of Association has undergone several changes and the latest amendment to the Articles of Association is contained in Deed No. 26 dated June 26, 2023 made before Hj. Zun Nur Ain Fauzia, S.H., M.Kn., Notary in Jakarta. The amendment to the Articles of Association has received approval from the Minister of Law and Human Rights based on the Decree of the Minister of Law and Human Rights No. AHU-00388682. AH.01.02.Year 2023 dated July 10, 2023, and announcement of the amendment has been received and recorded in the Legal Entity Administration System of the Ministry of Law and Human Rights based on Letter No. AHU-AH.01.03-0089063 dated July 6, 2023 regarding Receipt of Notification of Changes to PT BRI Asuransi Indonesia's Articles of Association.

In accordance with the provisions of article 3 of the Articles of Association, the scope of activities of PT BRI Asuransi Indonesia (BRI Insurance) business is to conduct business in the general insurance sector, make and close agreements of general insurance, non-conventional loss insurance, including agreements, reinsurance, except life insurance.

BRI Insurance obtained its license to do general insurance business on August 26, 1989 through the Decree of the Ministry of Finance of the Republic of Indonesia No. Kep-128/KM.13/1989. In accordance with the Decree of Board of Commissioners of OJK No. KEP-105/NB.11/2020 dated March 6, 2020, BRI Insurance obtained the enforcement of business license in general insurance on the basis of business that had previously been given to PT Asuransi Bringin Sejahtera Artamakmur which changed its name to PT BRI Asuransi Indonesia.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT BRI Asuransi Indonesia (BRI Insurance) (continued)

BRI Insurance obtained permission to open a branch office with Sharia principles in accordance with the Decree of the Minister of Finance No. KEP-006/KM.6/2003 dated January 21, 2003.

Total assets of BRI Insurance as of June 30, 2023 and December 31, 2022 amounted to Rp5,560,364 and Rp4,891,250 or 0.31% and 0.26% of the total consolidated assets, respectively. Total interest, sharia and premium income for the six-month period ended June 30, 2023 and 2022 amounted to Rp730,850 and Rp577,558 or 0.76% and 0.68%, respectively, of the total consolidated interest, sharia, premium income, and revenue from gold sold.

BRI Insurance's head office is located in Graha BRI Insurance, Jl. Mampang Prapatan Raya No. 18, South Jakarta, and it has 21 branches, 2 sharia branches, 13 marketing representative offices, 2 sharia marketing representative offices, 42 marketing channels and 21 sharia marketing offices.

PT Pegadaian (Pegadaian)

On September 13, 2021, The Government of Indonesia, as represented by the Minister of SOEs, signed the Sale and Purchase of Shares Agreement with BRI to transfer its shares in PT Pegadaian (Pegadaian) to increase the ownership in BRI, it was documented in Notarial Deed No. 13 dated September 13, 2021. Through the agreement, The Government of Indonesia transferred its right of all Series B shares in Pegadaian to BRI amounting to 6,249,999 series B shares with nominal value of Rp48,670,528. Thus, starting September 13, 2021, BRI owned Pegadaian's shares and has the right as the owner of the transferred shares.

Pegadaian's Articles of Association has been amended several times. The latest amendment was documented in the Deed of Declaration No. 15 dated September 23, 2021, of Nanda Fauz Iwan, S.H., M.Kn., a Notary in Jakarta. The amendment to the articles of association has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia No. AHU-0053287.AH.01.02 dated September 29, 2021 and has received a Letter of Acceptance of Notification of Amendment to the Articles of Association of PT Pegadaian No. AHU-AH.01.03-0454524, September 29, 2021.

According to its Articles of Association, Pegadaian's scope of business is to conduct loan disbursement businesses in the form of pawnshops, both conventional and sharia, based on information technology/digital platforms (IT) and non-IT, optimize the utilization of Pegadaian's resources to produce high quality and highly competitive services to gain benefits in order to increase Pegadaian's value by implementing the principles of limited liability company.

Total assets of Pegadaian as of June 30, 2023 and December 31, 2022 amounted to Rp77,146,149 and Rp72,920,622 or 4.27% and 3.91% respectively, of the total consolidated assets. Total interest, sharia income, and revenue from gold sold for the six-month periods ended June 30, 2023 and 2022 amounted to Rp11,098,356 and Rp10,197,407 or 11.78% and 11.98%, respectively, of the total consolidated interest, sharia, premium income, and revenue from gold sold.

Pegadaian's head office is located in Jl. Kramat Raya No.162 Central Jakarta 10430 and has 12 regional offices, 61 area offices, 642 branches, and 3,444 branch service unit offices.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT Permodalan Nasional Madani (PNM)

On September 13, 2021, BRI signed the Sale and Purchase of Shares Agreement to receive The Government of Indonesia shares in PT Permodalan Nasional Madani (PNM) to increase the ownership of Government of Indonesia in BRI. The Government of Indonesia, as represented by the Minister of SOEs, transferred its Series B shares in PNM to BRI amounting to 3,799,999 series B shares with nominal value of Rp6,100,068. Thus, starting September 13, 2021, BRI owned PNM's shares of the transferred shares and has the right as the owner of the transferred shares.

The Articles of Association of PNM has been amended several times. The latest amendment is set out forth in Deed No. 59 dated October 28, 2021, made by Hadijah, S.H., Notary in Jakarta, which has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through its Decision Letter No. AHU-0061225.AH.01.02 Year 2021 dated November 2, 2021 and has been received and recorded in the database of the Legal Entity Administration System by the Ministry of Law and Human Rights of the Republic of Indonesia in its Acceptance Letter of Notification of Association Amendment Notice No. AHU-AH.01.03-0468155 dated November 2, 2021.

According to Article 3 of its Articles of Association, PNM's scope of business is financing services but not limited to program loan and/or joint responsibility financing, participation in Lembaga Keuangan Mikro/Syariah (LKM/S) and Bank Perkreditan Rakyat (BPR/S) alongside with management and partnership services.

Total assets of PNM as of June 30, 2023 and December 31, 2022 amounted to Rp50,420,006 and Rp46,744,758 or 2.79% and 2.51%, respectively, of the total consolidated assets. Total interest and sharia income for the six-month period ended June 30, 2023 and 2022 amounted to Rp6,716,093 and Rp5,548,145 or 7.13% and 6.52%, respectively, of the total consolidated interest, sharia, premium income, and revenue from gold sold.

PNM's head office is located in PNM Tower, Jl. Kuningan Mulia, Menteng Atas, Setiabudi, South Jakarta, DKI Jakarta and has 62 branches PNM, 3,843 unit offices Mekaar, and 642 unit offices ULamm (include of 20 representative unit offices).

PT Danareksa Investment Management (DIM)

On September 27, 2018, BRI signed a Conditional Sale and Purchase of Shares Agreement ("PJBS") with PT Danareksa (Persero) to acquire PT Danareksa Investment Management ("DIM") shares from PT Danareksa (Persero) to BRI in the amount of 10,500,000 shares or equivalent to 35% of all DIM shares, with a purchase price of Rp371,959 which has granted its approval from OJK through letter No. S-1453/PM.21/2018 dated December 14, 2018. This share sale and purchase transaction was carried out on December 20, 2018, installed in the Deed of Sale and Purchase of Shares No. 47 dated December 20, 2018 made before Masjuki, S.H., Substitute Notary of M. Nova Faisal, S.H., M.Kn.

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1. GENERAL (continued)

f. Subsidiaries (continued)

PT Danareksa Investment Management (DIM) (continued)

Furthermore, on November 30, 2022 BRI has signed another PJBS with PT Danareksa (Persero) to acquire DIM's share ownership from PT Danareksa (Persero) to BRI with 9,000,000 shares or equivalent to 30% of DIM's total outstanding shares, with a purchase price of Rp360,000 which has granted its approval from OJK through letter No. S-889/PM.21/2022 dated October 5, 2022 regarding Approval of the Planned Change in the Ownership Composition of PT Danareksa Investment Management Shareholders. This share sale and purchase transaction was carried out on November 30, 2022, as stated in the Deed of Sale and Purchase of Shares No. 32 dated November 30, 2022 made before Fathiah Helmi, S.H., Notary in Jakarta, thereby BRI owns 19,500,000 shares or equivalent to 65% of the total outstanding shares of DIM.

DIM's Articles of Association have been amended several times. The overall changes to the articles of association have been contained in the deed dated February 1, 2019 No. 01 made before M. Nova Faisal S.H., M.Kn., Notary in South Jakarta and has received approval from the Minister of Law and Human Rights of the Republic of Indonesia with a Decree dated February 11, 2019 No. AHU-0006825.AH.01.02 Year 2019 and notification of Amendments to its Articles of Association have been received and recorded by the Minister of Law and Human Rights of the Republic of Indonesia in a letter dated February 11, 2019 No. AHU-AH.01.03-0079597 and has been announced in the State Gazette of the Republic of Indonesia dated March 29, 2019 No. 26, Supplement No. 10084.

The last amendment as stated in Deed No. 2 dated October 16, 2019, made before Notary Ffidiana, S.H., S.S., M.Kn. The amendment to the articles of association has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia No. AHU-0083200.AH.01.02. Year 2019 dated October 16, 2019.

Based on the Deed of Articles of Association, the purposes and objectives of DIM are to carry out investment portfolio management business activities for customers or manage collective investment portfolios for a group of customers (investment managers) including but not limited to mutual funds, conduct activities to provide advice to other parties regarding sales or purchases investing assets, conducting business activities to initiate or seeking to obtain a business license for a mutual fund (mutual fund promoter), conducting investment activities in private equity and carrying out other activities related to the activities mentioned above based on laws and regulations.

DIM's total assets as of June 30, 2023 and December 31, 2022 amounted to Rp270,531 and Rp276,520 or 0.01% and 0.01%, respectively, of the total consolidated assets. Total interest income for the six-month period ended June 30, 2023 amounted to Rp377 or 0.0004%, of the total consolidated interest, sharia, premium income, and revenue from gold sold.

DIM is located in South Jakarta at Plaza BP Jamsostek, 11th Floor, Jl. H.R. Rasuna Said Kav. 112 Block B Jakarta 12910.

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2. SUMMARY OF ACCOUNTING POLICIES

Statement of Compliance

The consolidated financial statements as of June 30, 2023, and for the six-month period ended, are prepared and presented in accordance with Indonesian Financial Accounting Standards, which include the Statements and Interpretations issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants and Bapepam-LK's Regulation No. VIII.G.7, Appendix of the Decision of the Chairman of Bapepam-LK No. KEP-347/BL/2012 dated June 25, 2012 regarding the "Guidelines on Financial Statements Presentations and Disclosures for Issuers or Public Companies".

a. Basis of preparation of the consolidated financial statement

The consolidated financial statements have been prepared in accordance with Statements of Financial Accounting Standards (SFAS) No. 1, "Presentation of Financial Statements".

The consolidated financial statements have been presented on a historical cost basis, except for some accounts that were assessed using another measurement basis as explained in the accounting policies of the account. The consolidated financial statements have been prepared on accrual basis, except the consolidated statement of cash flows.

The consolidated statement of cash flows has been prepared using the direct method by classifying cash flows into operating, investing and financing activities. For the purposes of the consolidated statement of cash flows, cash and cash equivalents consists of cash, current accounts with Bank Indonesia and current accounts with other banks, placements with Bank Indonesia and other financial institutions, Bank Indonesia Certificates and Bank Indonesia Deposit Certificates maturing within 3 (three) months from the date of acquisition, provided they are neither pledged as collateral for fund borrowings nor restricted.

The presentation currency used in the consolidated financial statement is the Indonesian Rupiah (Rp) which is also the functional currency of every entity in the group except the entity certain subsidiaries and branch office that have a functional currency of the United States Dollar, Singaporean Dollar, Hong Kong Dollar and New Taiwan Dollar. Unless otherwise stated, all figures presented in the consolidated financial statement are rounded off to millions of Rupiah.

b. Principles of consolidation

The consolidated financial statement includes the financial statements of BRI and its subsidiaries whose majority of shares are owned or controlled by BRI.

When control over a subsidiary began or ceased during the period, the results of operations of a subsidiary are included in the consolidated financial statement limited only to the results from the date that control was acquired or up to the date that control has ceased.

Control is acquired when BRI is exposed, or has the rights of variable returns from its involvement in a subsidiary and has the ability to affect those returns through its power over the subsidiary.

BRI controls a subsidiary if, and only if, BRI has the following:

- a) Power over a subsidiary (existing rights that provide the current ability to direct the relevant activities that significantly affect the returns of a subsidiary).
- b) Exposure or right of variable returns from its involvement in a subsidiary.
- c) The ability to use its power over the subsidiary to affect BRI's returns.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

b. Principles of consolidation (continued)

Business combination transactions between entities under common control are recorded based on SFAS No. 38 "Business Combination of Entities Under Common Control", where the difference between the acquisition cost and the carrying value of net assets acquired is recorded in additional paid-in capital in equity.

All significant intercompany balances and transactions, including unrealized gain or loss, are eliminated to reflect the financial position and results of BRI and subsidiaries' operations as a single entity.

The consolidated financial statements are prepared using accounting policies for similar events and transactions in identical circumstances. If the subsidiaries' financial statements use accounting policies that are different from those adopted in the consolidated financial statements, then appropriate adjustments are made to the subsidiaries' financial statements.

The non-controlling interest are stated at the non-controlling shareholders' proportionate share in the net income and equity of the subsidiaries based on the percentage of ownership of the non-controlling shareholders in the subsidiaries.

Changes in the parent entity's share of ownership in subsidiaries that do not result in loss of control are recorded as equity transactions.

c. Financial assets and financial liabilities

Financial assets consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other financial institutions, securities, export bills and other receivables, securities purchased under agreement to resell, derivative receivables, loans, sharia loans, finance receivables, acceptance receivables, investment in associated entities and other assets.

Financial liabilities consist of liabilities due immediately, deposits from customers, deposits from other banks and financial institutions, securities sold under agreement to repurchase, derivative payables, acceptance payables, marketable securities issued, fund borrowings, other liabilities and subordinated loans and marketable securities.

(i) Classification

To determine categories and classifications, BRI and its subsidiaries assess all financial assets, except equity and derivative instruments, based on a combination of asset management business models and the characteristics of contractual cash flow related instruments. These are the classification of financial assets at the time of initial recognition:

- Financial assets measured at amortized cost;
- Financial assets, in this case debt instruments, as measured at fair value through other comprehensive income, with gains/losses recognized at the time of derecognition;
- Financial assets, in this case equity instruments, as measured at fair value through other comprehensive income with an unrecognized profit/loss on profit or loss at the time of derecognition;
- Financial assets measured at fair value through profit or loss.

BRI and its subsidiaries classify and measure derivative instruments and trading portfolios on financial assets recognized at fair value through profit or loss.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(i) Classification (continued)

Financial assets are measured at amortized cost if they meet the following conditions:

- Financial assets are managed in a business model that aims to have financial assets in order to obtain contractual cash flow; and
- The contractual terms of the financial asset provide rights on a certain date for cash flow obtained solely from payment of principal and interest on the principal amount owed.

Financial assets are measured at fair value through other comprehensive income if they meet the following conditions:

- Financial assets are managed in a business model that aims to obtain contractual cash flow and sell financial assets; and
- The contractual terms of the financial asset provide rights on a certain date for cash flow obtained solely from payment of principal and interest on the principal amount owed.

Other financial assets that do not meet the requirements to be classified as financial assets measured at amortized cost or fair value through other comprehensive income, are classified as measured at fair value through profit or loss.

At initial recognition, BRI and subsidiaries can make an irrevocable determination to measure assets that meet the requirements to be measured at amortized cost or fair value through other comprehensive income at fair value through profit or loss, if the determination eliminates or significantly reduces the measurement or recognition inconsistencies (sometimes referred to as "accounting mismatch").

At initial recognition, BRI and subsidiaries may make an irrevocable choice to present equity instruments that are not held for trading at fair value through other comprehensive income.

Valuation of business models

The business model is determined at a level that reflects how groups of financial assets are managed together to achieve certain business objectives.

The evaluation of the business model is carried out by considering, but not limited to, the following:

- a. How the performance of the business model and financial assets held in the business model are evaluated and reported to the BRI and subsidiaries key management personnel;
- b. What risks affect the performance of the business model (including financial assets held in the business model) and specifically how the financial assets are managed; and
- c. How to evaluate the performance of financial asset manager (for example, whether performance appraisals are based on the fair value of the managed assets or the contractual cash flows obtained).

Financial assets held for trading and performance appraisals based on fair value are measured at fair value through profit or loss.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(i) Classification (continued)

Evaluation of contractual cash flows obtained solely from payment of principal and interest

For the purpose of this valuation, principal is defined as the fair value of financial assets at initial recognition. Interest is defined as compensation for the time value of money and credit risk in relation to the principal amount owed over a certain period of time and also the risk and standard borrowing costs, as well as profit margins.

An assessment of contractual cash flows obtained solely from principal and interest payments is made by considering contractual terms, including whether financial assets contain contractual terms that can change the timing or amount of contractual cash flows. In conducting the assessment, BRI and subsidiaries consider:

- a. Contingency events that will change the time or amount of contractual cash flow;
- b. Leverage feature;
- c. Terms of advance payment and contractual extension;
- d. Requirements regarding limited claims for cash flows from specific assets; and
- e. Features that can change the time value of money.

BRI and its subsidiaries classify financial liabilities in the following categories:

- a. Financial liabilities measured at fair value through profit or loss; and
- b. Financial liabilities measured at amortized acquisition costs.

Financial liabilities measured at fair value through profit or loss consist of two sub-categories:

- a. Financial liabilities classified as traded.
- b. Financial liabilities that at the time of initial recognition have been determined by BRI and its subsidiaries to be measured at fair value through profit or loss.

Financial liabilities are classified as traded if acquired primarily for the purpose of being sold or repurchased in the near future or if they are part of a portfolio of certain financial instruments that are jointly managed and there is evidence of current short-term profit-taking patterns. Derivatives are classified as traded liabilities unless determined and effective as hedging instruments.

BRI and subsidiaries classify all financial liabilities after initial recognition is measured at amortized acquisition costs, except:

- Financial liabilities measured at fair value through profit or loss;
- Financial liabilities arising when the transfer of financial assets do not qualify for termination of recognition or when an ongoing engagement approach is implemented;
- Financial guarantee contracts;
- Commitment to provide loans with below-market interest rates; or
- Contingency rewards recognized by the acquirer in a combination of businesses.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(ii) Initial recognition

- a. Purchase or sale of financial assets that requires transfer of assets within a time frame specified by regulations and normal course of business is recognized on the settlement date.
- b. Financial assets and financial liabilities are initially recognized at fair value. For those financial assets or financial liabilities not measured at fair value through profit or loss, the fair value includes directly attributable transaction costs. The subsequent measurement of financial assets and financial liabilities depends on their classification.

Transaction costs only include costs that are directly attributable to the acquisition of a financial asset or issuance of a financial liability and are additional costs that would not occur if the financial instrument is not acquired or issued. For financial assets, transaction costs are added to the amount recognized in the initial recognition of the asset, while for financial liabilities, transaction costs are deducted from the amount of debt recognized in the initial recognition of a liability. These transaction costs are amortized over the life of the instrument based on the effective interest rate method and recorded as part of interest income for transaction costs related to the financial asset or as part of interest expense for transaction costs related to financial liabilities.

(iii) Subsequent measurement

Financial assets held at fair value through other comprehensive income are measured at fair value and changes in fair value are recorded in other comprehensive income. Financial assets and liabilities held at fair value through profit or loss are measured at fair value and changes are recognized in profit or loss.

Financial assets and liabilities measured at amortized cost are measured using the effective interest rate method.

(iv) Derecognition

- a. Financial assets are derecognized when:

- 1) The contractual rights to receive cash flows arising from the financial assets have expired; or
- 2) BRI and subsidiaries have transferred their rights to receive cash flows arising from the financial assets or has assumed an obligation to pay the cash flows received in full without significant delay to third parties under a pass-through arrangement; and either (a) BRI and subsidiaries have substantially transferred all the risks and rewards of the assets, or (b) BRI and subsidiaries have neither transferred nor retained substantially all the risks and rewards of the assets, but have transferred control of the assets.

When BRI and subsidiaries has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset or has not transferred the control of the asset, the asset is recognized to the extent of BRI and subsidiaries implication of the asset.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(iv) Derecognition (continued)

a. Financial assets are derecognized when (continued):

BRI and subsidiaries derecognize financial assets, such as loans, when the terms and conditions have been negotiated substantially, so that the granted loan becomes new, with the difference being recorded as a profit or loss from the derecognition, if the impairment loss has not been recorded. Such loan will be classified as Stage 1 for Expected Credit Losses (ECL) assessment, unless the granted loan is considered a purchased or derived financial asset (Purchased or Originated Credit-Impaired Financial Assets - "POCI").

If the modification will not result in a cash flow that is substantially different, then the modification will not result in the derecognition of the asset. Based on the difference in cash flow discounted at the initial Effective Interest Rate (EIR), BRI will record gains or losses resulting from modifications, up to the amount of impairment losses that have not been recognized.

Loans are written off when there is no longer a realistic prospect of loan repayment or the normal relationship between BRI and subsidiaries and the debtors have ended. These uncollectible loans, are written off against allowance for impairment losses.

When a financial asset is derecognized or an impairment occurs, the cumulative gain or loss previously recognized both in equity must be reclassified to the consolidated statement of profit or loss and other comprehensive income.

b. Financial liabilities are derecognized when they end, that is when the liabilities under the contract is discharged, cancelled or has expired.

When an existing financial liability is replaced by another from the same creditor on a substantially different terms, or the terms of an existing liability are substantially modified, then the exchange or modification is treated as derecognition of the initial liability amount and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss and other comprehensive income.

(v) Income and expense recognition

- a. Interest income and expense on financial assets measured at fair value through other comprehensive income as well as financial assets and financial liabilities recorded at amortized cost are recognized in the consolidated statement of profit or loss and other comprehensive income using the effective interest method.
- b. Gains and losses arising from changes in the fair value of the financial assets and liabilities measured at fair value through profit or loss are included in the consolidated statement of profit or loss and other comprehensive income.
- c. Gains and losses arising from changes in the fair value of financial assets classified as at fair value through other comprehensive income are recognized directly in equity, except for gains or losses due to changes in the exchange rate of monetary items, derecognition or impairment of the financial asset.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(v) Income and expense recognition (continued)

The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusted by allowance for impairment.

In calculating interest income and expenses, the effective interest rate is applied to the gross carrying amount of an asset (when the asset is not a deteriorated financial asset) or to the amortized cost of a liability.

For financial assets that have deteriorated after initial recognition, interest income is calculated by applying an effective interest rate to the amortized cost of the financial assets. If the asset no longer deteriorates, the calculation of interest income will be calculated by applying an effective interest rate to the gross carrying amount of the financial asset.

For financial assets that have deteriorated at initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial assets. If the asset no longer deteriorates, the calculation of interest income will still be calculated by applying the effective interest rate to the amortized cost of the financial asset.

(vi) Reclassification of financial assets

The Bank and subsidiaries reclassifies financial assets if and only if, the business model for managing financial assets changes. There is no reclassification for financial liabilities.

(vii) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position if and only if, BRI and its subsidiaries has a legal right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business, event of default, or bankruptcy of the entity over all the counterparties.

Income and expenses are presented on a net basis only when permitted by the Financial Accounting Standards.

(viii) Amortized cost measurement

The amortized cost of a financial asset or financial liability is the amount of the financial asset or financial liability measured at initial recognition, less principal repayments, plus or minus the cumulative amortization using the effective interest rate method calculated from the difference between the amount at initial recognition and the amount at maturity, less any impairment.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(ix) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the assumption that the transaction to sell an asset or to transfer a liability takes place either:

- In the principal market for the assets and liabilities; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when determining the price of the asset and liability assuming that market participants act in their own best economic interest.

BRI and its subsidiaries use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statement are classified within a fair value hierarchy, based on the lowest input level significant to the overall fair value measurement:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.
- Level 2: Inputs other than quoted prices included in level 1 for the assets and liabilities, which is directly or indirectly observable.
- Level 3: Unobservable inputs for the assets and liabilities.

For assets and liabilities recognized in the consolidated financial statement on a recurring basis, BRI and subsidiaries determine whether transfers have occurred between levels in the hierarchy re-assesses the categories (based on the lowest input level significant to the fair value measurement) at the end of each reporting period.

For the fair value disclosures purposes, BRI and subsidiaries have determined the classes of assets and liabilities based on the nature, characteristics, risks of the asset and liability, and the level of the fair value hierarchy (Note 40).

(x) Sukuk financial assets

Based on SFAS No. 110, BRI and subsidiaries determine the classification of investment in sukuk as follows:

a. Measured at acquisition cost

- The investment is owned in a business model whose main purpose is to obtain contractual cash flows and there are contractual requirements in determining a certain date for the payment of principal and/or results.
- Sukuk acquisition costs include transaction costs, and the difference between acquisition cost and par value is amortized in a straight line over the term of the sukuk and recognized in profit and loss.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(x) Sukuk financial assets (continued)

Based on SFAS No. 110, BRI and subsidiaries determine the investment classification in sukuk as follows (continued):

b. Measured at fair value through other comprehensive income

- The investment is owned in a business model whose main purpose is to obtain contractual cash flow and make sukuk sales, there are contractual requirements in determining a certain date for the payment of principal and/or proceeds.
- Sukuk acquisition costs include transaction costs, and the difference between acquisition cost and par value is amortized in a straight line over the term of the sukuk and recognized in profit and loss.
- The gain or loss from the change in fair value is recognized in other comprehensive income after accounting for the balance of the difference between acquisition cost and unamortized par value and the accumulated balance of the gain or loss of fair value that has been recognized in other previous comprehensive income. When sukuk investments derecognized, accumulated gains or losses previously recognized in other comprehensive income are reclassified to profit and loss.

c. Measured at fair value through profit and loss

The cost of sukuk acquisition does not include transaction costs, and the difference between fair value and carrying amount is recognized in profit and loss.

d. Transactions with related parties

BRI and subsidiaries engage in transactions with related parties as defined in SFAS No. 7 on "Related Parties Disclosures".

A party is considered a related parties to BRI and subsidiaries if:

- 1) Directly or indirectly, through one or more intermediaries, a party (i) controls, or is controlled by, or is under common control with BRI and subsidiaries; (ii) has an interest in BRI and subsidiaries that provides significant influence on BRI and subsidiaries; or (iii) has joint control over BRI and subsidiaries;
- 2) It is a related entity with BRI and subsidiaries;
- 3) It is a joint venture in which BRI and subsidiaries have ventured in;
- 4) It is a member of key management personnel in BRI and subsidiaries or the parent entity;
- 5) It is a close family member of the individual described in clause (1) or (4);
- 6) It is an entity that is controlled, jointly controlled or significantly influenced by or for whom has significant voting rights in several entities, directly or indirectly, by the individual described in clause (4) or (5); and
- 7) It is a post-employment benefit plan for the employees benefit of either BRI and subsidiaries or entities related to BRI and subsidiaries.

Transactions with related parties are carried out based on terms agreed between both parties, which may not be the same as other transactions carried out with unrelated parties.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

d. Transactions with related parties (continued)

All transactions done by BRI have complied with Capital Market and Financial Institution Supervisory Agency Regulation No. IX.E.1 regarding "The Affiliate Transactions and Conflict of Interest of Certain Transactions", at the time the transactions were made. All material transactions and balances with related parties are disclosed in the relevant notes to the consolidated financial statement and the details have been presented in Note 44 of the consolidated financial statement. Furthermore, material transactions and balances between BRI and subsidiaries and the Government of the Republic of Indonesia and other entities related to the Government of the Republic of Indonesia are also disclosed in Note 44.

e. Allowance for impairment losses on financial assets

BRI and subsidiaries recognize the allowance for expected credit losses on financial instruments that are not measured at fair value through profit or loss.

BRI and subsidiaries measure the allowance for losses for the lifetime of an expected credit loss, except for the following, which are measured according to 12 months expected credit loss:

- a. debt instruments that have low credit risk at the reporting date; and
- b. other financial instruments for which credit risk has not increased significantly since initial recognition.

BRI and subsidiaries consider debt instruments to have low credit risk when the credit risk rating is at par with the globally accepted definition of investment grade.

The 12 months expected credit loss is part of the expected credit loss throughout its lifetime that represents an expected credit loss arising from a default on financial instruments that might occur 12 months after reporting date.

The loss that occurred is recognized in the consolidated statements of profit or loss and other comprehensive income and recorded on the allowance account for impairment losses as a deduction for financial assets recorded at amortized acquisition costs. If in the following period, the amount of impairment losses decreases and the deduction can be objectively attributed to events that occur after the impairment is recognized (such as the increase in the debtor or issuer's credit rating), then the previously recognized impairment loss must be recovered, by adjusting the backup account. The amount of recovery of financial assets is recognized in the consolidated statements of profit or loss and other comprehensive income in the current period.

Expected credit losses for debt instruments measured at fair value through other comprehensive income do not reduce the carrying value in financial assets in the consolidated statements of financial position, i.e. fair value. Expected credit losses are recognized as an increase in other comprehensive income in the statement of financial position.

Equity instruments measured at fair value are not assessed for impairment in accordance with SFAS No. 71.

Recovery for financial assets that have been written-off, in the current year are credited with adjusting the allowance for impairment losses account. Recovery for financial assets that have been written-off in previous years are recorded as operating income other than interest.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets (continued)

Measurement of Expected Credit Losses

Expected Credit Loss is an estimate of the weighted probability of a credit loss measured as follows:

- Financial assets that do not deteriorate at the reporting date, the expected credit loss is measured at the difference between the present value of all cash shortages (i.e. the difference between the cash flows owed to the Bank in accordance with the contract and the cash flows expected to be received by the Bank);
- Financial assets that deteriorate at the reporting date, the expected credit loss is measured at the difference between the gross carrying amount and the present value of estimated future cash flows;
- Undisbursed loan commitments, expected credit losses are measured at the difference between the present value of the amount of cash flow if the commitments is withdrawn and the cash flow expected to be received by the Bank;
- Financial guarantee contracts, expected credit losses are measured at the difference between the estimated payments to replace the holder for the credit losses incurred less the amount estimated to be recoverable.

Restructured Financial Assets

If the terms of the financial assets are renegotiated or modified or the existing financial assets are replaced with new ones due to the borrower's financial difficulties, an assessment is made whether recognition of existing financial assets must be derecognized and expected credit losses measured as follows:

- If the restructuring does not result in the termination of recognition of existing assets, then the estimated cash flows arising from the modified financial assets are included in the calculation of cash shortages of existing assets.
- If the restructuring will result in a derecognition of the existing assets, the fair value of the new asset is treated as the final cash flow of the existing financial assets at the time of derecognition. This amount is included in the calculation of cash shortages from existing financial assets which are discounted from the date of derecognition to the reporting date using the original effective interest rate of the existing financial assets.

Deteriorated Financial Assets

At each reporting date, BRI and subsidiaries assess whether the financial assets recorded at amortized cost and the financial assets of debt instruments which are recorded at fair value through other comprehensive income are impaired (deteriorated) in credit value. Financial assets deteriorate when one or more events that have an adverse effect on the estimated future cash flows of the financial assets have occurred.

Evidence that financial assets are impaired (deteriorated) credit including observable data regarding the following events:

- Significant financial difficulties experienced by the issuer or the borrower;
- Breach of contract, such as a default or arrears;
- The lender, for economic or contractual reasons in relation to the financial difficulties experienced by the borrower, has given concessions to the borrower which is not possible if the borrower does not experience such difficulties;
- It is probable that the borrower will enter bankruptcy or other financial reorganization;

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets (continued)

Deteriorated Financial Assets (continued)

Evidence that financial assets are impaired (deteriorated) credit including observable data regarding the following events (continued):

- Loss of an active market for financial assets due to financial difficulties;
- Purchase or issuance of financial assets at a very large discount reflecting credit losses in the event of; or
- It is difficult to identify a single discrete event, however, the combined impact of multiple events can cause financial assets to experience a decrease in credit value.

Purchased or originated credit-impaired financial assets - POCI

Financial assets are categorized as POCI if there is objective evidence of impairment at initial recognition. At initial recognition, no allowance for credit losses is recognized because the purchase price or value has included estimated credit losses for the entire lifetime. Furthermore, changes in credit losses over their lifetime, whether positive or negative, are recognized in the statement of profit or loss as part of the allowance for credit losses.

Based on the above process, BRI and its subsidiaries classify financial assets on Stage 1, Stage 2, Stage 3 and POCI, as follows:

- Stage 1: includes financial instruments that do not have a significant increase in credit risk since initial recognition or have low credit risk as of the reporting date. For these financial instruments, a 12 months ECL calculation will apply. Financial assets in Stage 1 include facilities where credit risk has improved and financial assets can be reclassified from Stage 2.
- Stage 2 : includes financial instruments that have experienced an increase in credit risk since the initial recognition (unless BRI and its subsidiaries consider the credit risk is relatively low as of the reporting date), but there has been no evidence of an objective impairment. For these instruments, a lifetime ECL calculation will apply. Lifetime ECL is the expected credit loss of all possible default events during the estimated life of the financial instrument. Stage 2 also includes facilities where credit risk has improved and financial assets have been reclassified from Stage 3.
- Stage 3 : includes financial instruments that have been objectively impaired as of the reporting date. This classification usually consists of debtors who have defaulted. BRI and its subsidiaries record lifetime ECL allowances.
- POCI : POCI assets are financial assets that experience impairment based on credit risk assessment at the time of initial recognition. The asset is recorded at fair value at the time of initial recognition, and interest income will be further recognized based on the adjusted effective interest rate method. ECL allowances are only recorded or reversed if there are further changes to expected credit losses.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets (continued)

There are qualitative and quantitative criteria to ensure financial assets are covered in certain stages that have been formalized in the Bank Circular Letter.

Individual impairment are calculated for significant financial assets that have experienced default or restructuring. Aside from individual impairment, the impairment will be calculated collectively.

Individual Impairment

The calculation method of individual impairment will take into account 3 (three) possible return scenarios, namely: (i) the base scenario, (ii) the bad scenario, and (iii) the worst-case scenario. Scenario creation is done using discounted cash flow (DCF) method and considering confidence level that describes the condition of the industry and related companies. ECL generated by each scenario will later be weighted against the weight of the scenario that has been set.

Collective Impairment

The collective impairment evaluation is based on the concepts of Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD) that consider information from past, current, and future events.

BRI and its subsidiaries use the (i) Skalar Bayesian model, (ii) Credit Index, and (iii) Vasicek and other approaches in determining the PD value of each debtor.

BRI and its subsidiaries use the (i) Historical, (ii) Diminish Balance, and (iii) Value to Loan methods in determining the LGD value of each debtor. LGD describes the nominal percentage of facilities that the Bank will not be able to cover against defaulted debtors. LGD is usually calculated with a 1-Recovery Rate. Recovery rate is calculated considering the Time Value of Money from the return of the obligation that has defaulted. The interest rate used to calculate the Time Value of Money from Recovery is the initial Effective Interest Rate (EIR).

Exposure at Default (EAD) is an estimation of the book value at the time of default, which consider the cash flow of relevant financial instruments, as well as the possibility of additional withdrawals from the credit limit up to the date of default. EAD also considers payment schedules and amortization as well as changes in the utilization of undrawn loan facilities ahead of the default. EAD modeling is conducted based on the characteristics of related financial instruments, which are divided into several categories: (i) installment credits, (ii) revolving credits, (iii) trade finance, and (iv) treasury.

ECL measurements based on SFAS No. 71 requires the Bank to model ECL according to existing forward-looking scenarios, taking into account the possibilities of economic conditions. Therefore, the ECL value generated by the Bank must be based on the probability results of three scenarios (normal economic cases, good and bad). PD and LGD will be calculated according to three scenarios with macro-economic values according to those scenarios. For secured loan segmentation, LGD will also be calculated based on three scenarios when data is already sufficient. The weight of good, normal, and bad scenarios can be adjusted in line with changes in economic conditions and the Bank and subsidiaries' discretion.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets (continued)

Presentation of Expected Credit Loss Allowance in statement of Financial Position

The allowance for expected credit loss is presented in the statement of financial position as follow:

- For financial assets measured at amortized cost, allowance for expected credit losses is presented as a deduction from the gross carrying amount of the asset;
- For loan commitments and financial guarantee contracts, generally allowance for expected credit losses is presented as a provision;
- For debt instruments measured at fair value through other comprehensive income, allowance for expected loan losses are not recognized in the statement of financial position because the carrying amounts of these assets are their fair values. However, allowance for expected loan losses is disclosed and recognized in other comprehensive income in consolidated of financial position.

Write-off

Loans and debt instruments are written off when there is no realistic prospect of recovering financial assets in whole or in part. This generally occurs when the Bank determines that the borrower does not have assets or sources of income that can generate sufficient cash flow to pay the amount written off. However, the written off financial assets can still be carried out in accordance with the Bank's mitigation procedures in order to recover the amount due.

In compliance with Bank Indonesia and Financial Services Authority (OJK), BRI and subsidiaries apply Financial Services Authority Regulation (POJK) No. 40/POJK. 03/2019 dated December 19, 2019 regarding "The Quality Assessment of the Bank Assets".

The assessment criteria of collateral value that can be reduced in the provision of allowance for impairment losses is in accordance with Financial Services Authority Regulation (POJK).

f. Current accounts with Bank Indonesia and other banks

Current accounts with Bank Indonesia and other banks are recognized at amortized cost using the effective interest rate method minus the allowance for impairment losses. Current accounts with Bank Indonesia and other banks are classified as amortized cost.

g. Placement with Bank Indonesia and other Financial Institutions

Placements with Bank Indonesia and other Financial Institutions are investment funds in Bank Indonesia in the form of Deposit Facility and Term Deposits, while placement of funds to other financial institutions are investment in the form of placement in the money market (Inter-bank call money), time deposits, deposit on call, and banker's acceptance.

Placements with Bank Indonesia and other Financial Institutions are stated at amortized cost using the effective interest rate method minus the allowance for impairment losses. The placements with Bank Indonesia and other Financial Institutions are classified respectively as amortized cost.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

h. Securities

Securities consist of securities traded in the money and capital market such as Bank Indonesia Certificates, Bank Indonesia Deposit Certificates, Sharia Bank Indonesia Certificates, Government bonds, subordinated bonds, mutual fund units, Medium-Term Notes, U.S. Treasury Bonds, U.S. Treasury Bills, Singapore Government Securities, Negotiable Certificates of Deposit, Monetary Authority of Singapore (MAS) bills, Taiwan government Bonds, and other commercial bonds traded in the stock exchange.

Securities include bonds issued by the Government that are not related with the recapitalization program such as Government Debentures (Surat Utang Negara or SUN), Government Treasury Bills (Surat Perbendaharaan Negara or SPN) and Government bonds in foreign currency obtained from primary and secondary markets.

Securities are initially recorded at fair value. After initial recognition, the securities are recorded based on its category at amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

Securities measurement are based on the following classification:

- 1) Held to maturity Securities are recorded at amortized acquisition cost using effective interest rate method.
- 2) Securities classified as trading (fair value through profit or loss) are stated at fair value. Gains and losses arising from changes in fair value of Securities are recognized in the consolidated statements of profit or loss and other comprehensive income.
- 3) Securities classified as fair value through other comprehensive income are stated at fair value. Interest income is recognized in the consolidated statements of profit or loss and other comprehensive income by using effective interest rate methods. The profit or loss from the exchange rate for the Securities are recognized in the consolidated statements of profit or loss and other comprehensive income. Other fair value changes are directly recognized in equity until the Securities are sold or impaired, and cumulative gains and losses which previously recognized in equity should be recognized in the consolidated statements of profit or loss and other comprehensive income.

i. Export bills and other receivables

Export bills and other receivables are export bills that are negotiated on a discounted basis and guaranteed by other banks while notes receivable is a bill or billing document in the form of a bill of exchange to the collectible party/drawee on the basis of a discount or a particular financing. Export bills and other receivables are recorded at amortized costs after deducting allowance for impairment losses.

j. Loans

Loans represent the granting of money or other similar form of receivables under agreements or borrowing and lending commitments with debtors, whereby the debtors are required to repay their debts after a specified period of time in return for interest.

Loans are initially measured at fair value plus transaction costs that are directly attributable and incremental costs to obtain the financial assets and after the initial recognition measured at amortized cost using the effective interest rate method less allowance for impairment losses.

Loans are classified as amortized cost.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

j. Loans (continued)

Syndicated loans are stated at the loans' principal amount to the extent of the risks borne by BRI and subsidiaries.

Restructured loans are stated at the lower of the carrying amount on the date of restructuring or the present value of future cash receipts after the restructuring. Losses resulting from the difference between the carrying amount on the date of restructuring and the present value of future cash inflows after the restructuring are recognized in the consolidated statement of profit or loss and other comprehensive income. After the restructuring, all future cash inflows specified by the new terms are recorded as a principal payment of loans and interest income in accordance with the terms of the restructuring.

Loans are written-off when there is no realistic prospect of collections in the future and all collateral have been sought to be realized or foreclosed. The uncollectible loans are written-off against the allowance for impairment losses. Subsequent payment of loans that was written-off of previous years are credited to operating income other than interest.

k. Sharia loans

These receivables consist of *murabahah* receivables, *mudharabah* financing and *musyarakah* financing.

Murabahah is a sale and purchase contract between the customer and subsidiary, whereby the subsidiary finance the consumption, investment and working capital needs of the customers that are sold with a principal price plus a given margin that is mutually informed and agreed. Payments on this financing is made in installments for a specified period of time.

Murabahah receivables are initially measured at fair value plus directly attributable transaction costs and is the additional cost to obtain the financial assets. After the initial recognition, *Murabahah* receivables are measured at amortized cost using the effective margin method less allowance for impairment losses.

Mudharabah is a joint financing contract between subsidiaries as the owner of the funds (*shahibul maal*) and the customer as a business executor (*mudharib*) for a certain period of time. The profit sharing from the project or business is determined in accordance with the mutually agreed *nisbah* (pre-determined ratio). On the statement of financial position date, *mudharabah* financing is stated at the outstanding financing balance less allowance for impairment losses which is provided based on the management's review of the existing financing quality.

Musyarakah is a partnership contract among capital owners (*musyarakah* partners) to joint the capital and conduct a business on a joint basis through partnership with an agreed profit-sharing *nisbah*, while the losses are borne proportional to the capital contribution. On the statement of financial position date, *musyarakah* financing is stated at the outstanding financing balance less allowance for impairment losses which is provided based on the management's review on the existing financing quality.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

l. Finance receivables

Determining whether an arrangement is a lease agreement or an agreement containing leases is based on the substance of the agreement at lease inception date and whether the fulfillment of the agreement depends on the use of an asset and the agreement provides a right to use the asset.

Leases are classified as finance leases if the lease transfer substantially all the risks and rewards related to the ownership of the asset. A lease is classified as operating lease if the lease does not transfer substantially all the risks and rewards that relate to the ownership of the asset.

Finance receivables are recognized at the net investment which is the fair value less administrative income plus transaction cost (if any) that is directly attributable and subsequently measured at amortized cost using the effective interest rate method. Finance receivables are classified as amortized cost.

At initial recognition, the fair value of net investment in finance lease is finance receivables plus the residual value which will be received at the end of the lease term less deferred finance income and collateral deposit. The difference between the gross receivable amount and the present value of finance receivables is recognized as unrecognized finance income. Unrecognized finance lease income is allocated as current year income using the effective interest rate.

m. Acceptances receivable and payable

Acceptances receivable and payable represent letters of credit (L/C) and Domestic Document Letter of Credit transactions that are accepted by the accepting banks.

Acceptances receivable and payable are stated at amortized cost. Acceptances receivable are presented net of allowance for impairment losses.

Acceptance receivables are classified as amortized cost although acceptance payables are classified as financial liabilities measured at amortized cost.

n. Investment in associated entities

BRI's investments in its associated entities are measured using the equity method. An associated entity is an entity in which BRI has significant influence or share ownership more than 20% of the voting rights. The initial recognition of investments in associated entities are recognized at acquisition cost and the carrying amount is added or deducted to recognize BRI's portion of profit or loss of the associated entities after the acquisition date. BRI's portion of profit or loss of the associated entities is recognized in profit or loss of BRI. Receipt of distributions from associated entities reduces the carrying amount of the investment.

The consolidated statement of profit or loss and other comprehensive income reflects the share of the results of operations of the associated entities. If there is any change recognized directly in the equity of the associated entities, BRI recognizes its share of these changes and discloses this, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between BRI and the associated entities are eliminated to the extent of BRI's interest in the associated entities.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

n. Investment in associated entities (continued)

After applying the equity method, BRI determines each reporting date whether it is necessary to recognize additional impairment loss on BRI's investment in its associated entities. BRI determines at each reporting date whether there is any objective evidence indicating that the investment in the associated entities is impaired. In this case, BRI calculates the amount of impairment as the difference between the recoverable amount of the investment in the associated entities and its carrying value, and recognizes it in the consolidated statement of profit or loss and other comprehensive income.

BRI's investment in its associated entities with no significant influence or share ownership under 20% is recorded at fair value in accordance with SFAS No. 71.

o. Premises and equipment

Premises and equipment are initially recognized at acquisition cost, which comprises its purchase price and additional costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Subsequent to initial recognition, premises and equipment, except lands, are stated at acquisition cost less accumulated depreciation and impairment losses.

Premises and equipment acquired in exchange for a non-monetary asset or a combination of monetary and non-monetary assets are measured at fair values, unless:

- (i) the exchange transaction lacks commercial substance, or
- (ii) the fair value of the assets received or the assets given up cannot be measured reliably.

Depreciation of an asset begins when it is ready for its intended use and is calculated using the straight-line method based on the estimated economic useful lives of use the assets as follows:

	Years
Buildings	15
Motor vehicles	5
Vessels	15
Computers and machineries	3 - 8
Furniture and fixtures	3 - 8
E-Channel	3 - 5
Satellite	15
Main System	5
Non Main System	3

Premises and equipment valuation is carried out on the impairment and possible impairment of the fair value of asset if an event or change in circumstances indicates that the carrying amount may not be fully realized.

The carrying amount of an item of premises and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition is recognized in profit or loss in the year of the derecognition.

The residual values, useful lives and depreciation methods are evaluated at the end of each year and adjusted prospectively, if necessary.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

o. Premises and equipment (continued)

Land is initially stated at acquisition cost and not depreciated. Subsequent to initial recognition, land is measured at fair value at the revaluation date less any accumulated impairment losses after the revaluation date. Valuation of land is performed by appraisers with professional qualifications, and is conducted periodically to ensure that the carrying amount does not differ materially from its fair value at the end of the reporting period (Note 16).

If the fair value of the revalued asset experiences significant and fluctuating changes, it has to be revalued annually, whereas if the fair value of the revalued asset does not experience significant and fluctuating changes, it has to be revalued once every 3 (three) years.

Increase in the carrying amount arising from revaluation is recorded in "Revaluation Surplus arising from Premises and Equipment" and presented in other comprehensive income. However, the increase is recognized in profit or loss, to the extent of the amount of impairment of the same assets due to revaluation previously recognized in profit or loss. A decrease in the carrying amount arising from the revaluation is recognized in profit or loss.

Maintenance and repairment expenses are charged to profit or loss when incurred. Restoration and addition expenses in significant amounts are capitalized to the carrying amount of the related premises and equipment when it is probable that the future economic benefits exceeded the predefined initial performance standard and are depreciated over the remaining useful life of the related premises and equipment.

Assets under construction are stated at cost, including capitalized borrowing costs and other costs incurred regarding the financing of the assets under constructions. The accumulated costs will be reclassified to the appropriate "Premises and Equipment" account when the construction is completed and the assets are ready for their intended use. Assets under construction are not depreciated as these are not yet available for use.

The legal cost of landrights in the form of Business Usage Rights ("Hak Guna Usaha" or "HGU"), Building Usage Right ("Hak Guna Bangunan" or "HGB") and Usage Rights ("Hak Pakai" or "HP") when the land was initially acquired are recognized as part of the acquisition cost of the land under the "Premises and Equipment" account. The legal extension or renewal costs of landrights are recognized as intangible assets and amortized over life of the legal rights or the economic life of the land, whichever is shorter.

Lease

A lease is classified as a financing lease if the lease substantially diverts all the risks and benefits associated with ownership of the asset. A lease is classified as an operating lease if the lease does not divert substantially all the risks and benefits associated with ownership of the asset.

BRI and its subsidiaries apply SFAS No. 73: lease for all leases by recognizing right-of-use assets and related liabilities. BRI applies leases which include SFAS No. 73 for class of asset for land building and four-wheeled vehicles with underlying assets valued above Rp75,000,000 (full amount) and has a lease period of more than 12 months.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

o. Premises and equipment (continued)

Lease (continued)

On the date of the inception of a contract, BRI and subsidiaries assess whether a contract is, or contains, a lease. A contract constitutes, or contains, a lease if the contract grants the right to control the use of an asset for a certain period of time to gain compensation. To assess whether a contract grants a right to control an identifying asset, BRI and Subsidiaries assess whether:

- The contracts involve the use of an identifying asset;
- BRI and subsidiaries have the right to substantially acquire all of the economic benefits of using the asset during the period of use; and
- BRI and subsidiaries have the right to control identifying assets in the form of:
 - a. BRI and subsidiaries have the right to operate assets.
 - b. BRI and subsidiaries have the right to determine for what objectives will the asset be used.

On the date of the inception or at the time of reassessment of a contract that contains a lease component, BRI and its subsidiaries allocated the reward in the contract to each component of the lease based on its own relative price of the lease component. Lease payments included in the measurement of lease liabilities include:

- a. Upfront payment;
- b. Fixed installment payment; and
- c. The lease installment payment changed which relies on the fluctuations in the rental payments that are determined by the counterpart.

BRI and subsidiaries recognize right-of-use assets and lease liabilities on the commencement date of the lease. Right-of-use assets are initially measured at the cost of acquisition, consist of the initial measurement amount of the lease liabilities adjusted to the rental payments made on or before the commencement date, added with the initial direct cost incurred.

After the initial date, the right-of-use assets is measured by the cost model. The right-of-use assets is measured by the acquisition price subtracted by accumulated depreciation and accumulated impairment and adjusted to the remeasurement of lease liabilities. Lease liabilities are measured at amortized cost using effective interest rate methods.

Short-term leases with a duration of less than 12 months and leases of low-value assets, as well as elements of such leases, partially or entirely do not apply the recognition principles specified by SFAS No. 73 will be treated equally to operating leases on SFAS No. 30. BRI and its subsidiaries will recognize such lease payments on a straight-line basis during the lease period in the consolidated statements of profit or loss and other comprehensive income. This expense is indicated on general and administrative expenses in the income statement.

p. Impairment of Non-Financial Assets

BRI assesses, at the end of each reporting period, whether there is an indication that an asset may be impaired. If any such indication exists, or when the testing at the reporting date, impairment is required for a certain asset (i.e. an intangible asset with an indefinite useful life, an intangible asset not yet available for use, or goodwill acquired in a business combination), then BRI and subsidiaries will make an estimate of the asset's recoverable amount.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

p. Impairment of Non-Financial Assets (continued)

The specified recoverable amount for an individual asset is the higher amount between an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal, and its value in use, unless the asset does not generate cash inflows that are largely independent from other assets or groups of assets. If the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and the asset's carrying amount is reduced to its recoverable amount. Impairment losses from continuing operations are recognized in the consolidated statement of profit or loss and other comprehensive income as "impairment losses". In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

In determining the fair value less costs of disposal, refer to SFAS No. 68, "Fair Value Measurements" (Note 2c).

Impairment losses from continuing operations, if any, are recognized in the consolidated statement of profit or loss and other comprehensive income in accordance with expense categories that are consistent with the functions of other impaired assets.

q. Foreclosed collaterals

Foreclosed collaterals in relation to the settlement of loans (presented in "Other Assets") are recognized at net realizable values or the carrying amount of the loans, whichever is lower. Net realizable value is the fair value of the collateral after deducting the estimated costs of disposal. The excess in loan balances, which has not been paid by debtors over the value of foreclosed collaterals, is charged as provisions for allowance for possible losses on loans in the current year. The difference between the value of the foreclosed collateral and the proceeds from the sale are recognized as a gain or loss at the time of sale of the collateral.

BRI and subsidiaries evaluate the value of foreclosed collaterals periodically. The allowance for losses on foreclosed collaterals is assessed based on the impairment of the foreclosed collaterals.

Reconditioning costs arising after the foreclosure of the collateral are capitalized in the accounts of the foreclosed collaterals.

r. Prepaid expenses

Prepaid expenses are amortized over the useful lives using the straight-line method.

s. Liabilities due immediately

Liabilities due immediately represent the liability of BRI and subsidiaries to external parties which by nature should be paid immediately in accordance with the requirements in the agreement which have been previously determined. Liabilities due immediately is classified as financial liabilities and measured at amortized cost.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

t. Deposits from customers and other banks and financial institutions

Demand deposits are funds deposited by customers whereby the withdrawal can be done at any time using a cheque, or through transfer with a bank draft or other forms of payment order. Demand deposits are stated at the amount due to the account holder.

Saving deposits are the funds deposited by customers which can only be withdrawn under certain agreed conditions. Saving deposits are stated at the amount due to the account holders.

Time deposits are funds deposited by customers that may only be withdrawn after a certain time based on agreement between the depositor and BRI and Bank Raya. Time deposits are stated at the nominal amount stated in the certificates of deposit or at the amount stated in the agreement.

Deposits from other banks and financial institutions consist of liabilities to other banks, either domestic or overseas, in the form of demand deposits, saving deposits, time deposits, deposit on call and inter-bank call money with promissory notes with a term of up to 90 (ninety) days and stated at the amount due to other banks and financial institutions.

Deposits from customers and other banks and financial institutions are classified as financial liabilities measured at amortized cost using effective interest rate. Additional costs directly attributable to the acquisition of deposits from customers are deducted from the amount of the deposits received.

u. Securities purchased under agreement to resell and securities sold under agreement to repurchase

Securities purchased under agreement to resell

Securities purchase under agreements to resell are presented as the financial asset in the consolidated statements of financial at the resale prices less unamortized interest income and allowance for impairment losses. The difference between the purchase price and the agreed resale price is treated as a deferred interest income (unamortized) and recognized as income over the period commencing from the acquisition date to the resale date using the effective interest rate.

Securities purchased under agreement to resell are classified as amortized costs.

Securities sold under agreement to repurchase

Securities sold under agreement to repurchase are presented as financial liabilities in the consolidated statement of financial position at the repurchase prices less unamortized prepaid interest. The difference between the selling and the repurchase price is treated as prepaid expense and recognized as expense over the period commencing from the selling date to the repurchase date using effective interest rate.

Securities sold under agreement to repurchase are classified as financial liabilities measured at amortized cost.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

v. Marketable securities issued

Securities issued by BRI, BRI Multifinance, Pegadaian and PNM are Bonds, Medium Term Notes (MTN), Long Term Notes (LTN) and Sukuk *Mudharabah*. Securities issued were initially recognized at fair value and subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. The amortized cost is calculated by taking into account any discount or premium related to the initial recognition and transaction costs that are an integral part of the effective interest rate.

w. Fund borrowings

Fund borrowings represent funds received from other banks, Bank Indonesia or other parties with a repayment obligation in accordance with the terms of the borrowing agreements.

Fund borrowings are recognized initially at fair value and subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. The amortized cost is calculated by taking into account any discount or premium related to the initial recognition and transaction costs that are an integral part of the effective interest rate.

x. Subordinated loans and marketable securities

Subordinated loans and marketable securities are recognized initially at fair value and subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. The amortized cost is calculated by taking into account any discount or premium related to the initial recognition and transaction costs that are an integral part of the effective interest rate.

y. Provisions

Provisions are recognized when BRI and subsidiaries have a current obligation (both legal or constructive) that, as a result of past events, the settlement of these obligations will likely result in an outflow of resources that contain economic benefits and a reliable estimation of the amount of the obligation can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the best estimate. If the outflow of resources to settle the obligation is unlikely to occur, then the provision is reversed.

z. Interest income and interest expense

Interest income and expense for all interest bearing financial instruments are recognized in the consolidated statement of profit or loss and other comprehensive income using the effective interest rate method. The effective interest rate is the interest rate that precisely discounts the estimated future cash payments or inflows through the expected life of the financial asset or financial liability (or, if more precise, a shorter period) to obtain the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, BRI and subsidiaries estimate the future cash flows by considering all contractual terms in the financial instruments except the future credit losses. This calculation includes all commissions, provisions and other fees received between parties of the contract that are an integral part of the effective interest rate, transaction costs and all other premium or discounts.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

z. Interest income and interest expense (continued)

If a financial asset or group of similar financial assets have been impaired as a result of impairment losses, then the interest income subsequently obtained is recognized based on the interest rate used to discount the future cash flows in calculating the impairment losses.

aa. Fees and commissions income

Fees and commissions income directly related to lending activities, or fees and commissions income related to a specific period of time, are amortized over the term of the contract using the effective interest rate and classified as part of interest income in the consolidated statement of profit or loss and other comprehensive income.

Fees and commissions income not related to the lending activities or a specific period of time and/or related to provision of a service, are recognized as income at the time that the transaction occurred and recorded in other operating income account.

ab. Sharia income and expense

Sharia income consists of income from transaction of *Murabahah* receivables, profit sharing from *Mudharabah* and *Musyarakah* financing.

Income from *Murabahah* receivables is recognized using the effective margin method. Effective margin is the margin that precisely discounts the estimated future cash payments or inflows through the expected life of the *Murabahah* receivables. When calculating the effective margin, BRI's subsidiaries estimates the future cash flows by considering all contractual terms in the financial instrument, except the future credit losses. This calculation includes all commissions, fees and other forms received by the parties in the contract that are inseparable from the effective margin, transaction costs and all other premiums or discounts.

Mudharabah and *Musyarakah* financing profit sharing income are recognized upon receipt or in a period when the right of profit sharing occurred in accordance with the agreed profit-sharing portion (*nisbah*).

ac. Premium income and claim expense

Premiums of short-term insurance contracts are recognized as income within the contract period in accordance with the proportion of the amount of the insurance protection provided. Premiums of non short-term insurance contracts are recognized as income when due from the policy holders. Premiums received prior to the issuance of insurance policies or premium due date are recorded as premium deposit.

Premiums related to investment contract and the amount of financial risk component of insurance contract are recorded as deposit through the consolidated statement of financial position as an adjustment to the investment contract liabilities accounts.

Gross reinsurance premiums are recognized as expenses when paid or on the date when the policy becomes effective.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

ac. Premium income and claim expense (continued)

Insurance claims and benefits are approved claims. These claims and benefits are recognized as expense when the liabilities to cover the claims are incurred. A portion of claims from the reinsurers is recognized and recorded as reinsurance claim in the same period as the recognition of claim expenses.

Insurance claims and benefits related to investment contract and the amount of financial risk component of insurance contract are recorded as withdrawal through the consolidated statement of financial position as an adjustment to the investment contract liabilities accounts.

ad. Insurance contract liabilities and reinsurance

Insurance contract liabilities

a. Liabilities for future policy benefits

Liabilities for future policy benefits represent the present value of estimated payments of all the agreed benefits including all the available options, the estimated present value of all costs incurred and also considering the future premium receipt. Liabilities for future policy benefits represent liabilities of non short-term insurance contracts.

The increase in liability for future policy benefits is recognized as expense in the profit or loss for the period, while the decrease in liability for future policy benefits is recognized as income in the profit or loss for the year. The liabilities are derecognized when the contract has expired, discharged or cancelled.

b. Estimated claim liabilities

Estimated claim liabilities represents claims in the settlement process which are determined based on the estimated loss from claims that are still in settlement process at the consolidated statement of financial position date, including claims that have incurred but not reported ("IBNR").

The changes in estimated claim liabilities are recognized in the profit or loss for the period. The liabilities are derecognized when the contract has expired, discharged or cancelled.

c. Unearned premium

Unearned premium represents part of the premiums that were already received but not yet earned, because the insurance coverage period were not yet due at the end of the year. Unearned premium represents liabilities of short-term insurance contract.

Unearned premium is calculated individually from each coverage, where the amount determined proportionally to the amount of protection provided during the coverage period or risk period, consistent with the recognition of short-term insurance premium income.

The increase in unearned premium is recognized as expense in the profit or loss for the year, while the decrease in unearned premium is recognized as income in the profit or loss for the year. The liabilities are derecognized when the contract has expired, discharged or cancelled.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

ad. Insurance contract liabilities and reinsurance (continued)

Reinsurance

BRI Life and BRI Insurance cedes insurance risk in the normal course of business for each of its business line.

The benefits of BRI Life and BRI Insurance on reinsurance contracts owned are recognized as reinsurance assets. These assets consist of receivables that depend on the expected claims and benefits arising under the related reinsurance contracts. As required by SFAS No. 62, reinsurance assets are not offset against the related insurance contract liabilities.

Reinsurance receivables are estimated consistently with approved claims related to the reinsurer's policies and in accordance with the related reinsurance contract.

BRI Life and BRI Insurance reinsure a portion of risk of the expectation of obtained coverage to other insurance and reinsurance companies. The amount of the premium paid or the premium portion of the prospective reinsurance transaction is recognized as reinsurance premium over the reinsurance contract period proportional to the protection provided. Payment or obligation for retrospective reinsurance transaction is recognized as reinsurance receivable in the equivalent amount to the recorded liability related to the reinsurance contract.

Reinsurance assets include balances expected to be paid by the reinsurance companies for ceded liability for future policy benefits, ceded estimated claim liabilities, and ceded unearned premium. The amounts of benefits borne by the reinsurers are estimated consistently with the liability associated with the reinsurance policy.

Reinsurance asset is impaired if there is objective evidence, as a result of an event that occurred after initial recognition of the reinsurance asset, that BRI Life and BRI Insurance may not receive the whole amount because it is under the terms of the contract, and the impact of the amount to be received from the reinsurer can be measured reliably.

If the reinsurance asset is impaired, BRI Life and BRI Insurance reduce the carrying amount and recognizes the impairment loss in the profit or loss for the year.

Reinsurance assets or liabilities are derecognized when the contractual rights are extinguished or expired or when the contract is transferred to other parties.

ae. Employee benefits

Short-term employee benefits

Short-term employee benefits such as salaries, social security contributions, short-term leaves, bonuses and other non-monetary benefits are recognized during the period when the services are rendered. Short-term employee benefits are calculated using undiscounted amounts.

Defined contribution pension plan

Defined contribution pension plan is the contribution to pension fund at a certain percentage of salaries of employees who are participants of BRI's defined contribution pension plan. The contribution is accrued and recognized as expense when services have been rendered by the qualified employees and actual payments are deducted from the contribution payable. Contribution payable is measured using undiscounted amounts.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

ae. Employee benefits (continued)

Defined benefit plan and other long-term employee benefits

The post-employment benefits and other long-term employee benefits such as gratuity for services, grand leaves and BPJS post-employment health program are accrued and recognized as expense when services have been rendered by these employees. The benefits are determined based on BRI's policy and applicable regulations.

The post-employment benefits and other long-term employee benefits are determined using the Projected Unit Credit method by an actuary.

Remeasurement of net defined benefit liabilities (assets), which is recognized as other comprehensive income, consist of:

- (i) Actuarial gains and losses.
- (ii) Return on defined benefit plan assets, excluding amounts that are included in the net interest on liabilities (assets).
- (iii) Any change in the impact of the asset limit, excluding amounts that are included in the net interest on the liabilities (assets).

Remeasurement of net defined benefit liabilities (assets) is recognized as other comprehensive income which is not reclassified to profit or loss in the subsequent period.

For other long-term employee benefits, the current service cost, the net interest expense on net defined benefit liabilities (assets), and the remeasurement of net defined benefit liabilities (assets) are recognized immediately in the current period consolidated statement of profit or loss and other comprehensive income.

Past service costs are recognized as expense at the earlier date between the occurrence of the amendment or curtailment program and when the restructuring or severance costs are recognized, therefore, unvested past service cost can no longer be deferred and recognized over the future vesting period.

af. Stock option

The stock compensation cost at the issuance date is calculated based on the fair value of the stock options and recognized in "Salaries and Employee Benefits Expense" based on the cliff-vesting scheme using the straight-line method over the vesting period. The accumulation of stock compensation cost is recognized as "Stock Option" in equity. The fair values of the stock options are assessed using the Black-Scholes option pricing model.

ag. Earnings per share

Basic earnings per share is calculated by dividing the income for the year attributable to the Parent Entity (BRI) with the weighted average number of issued and fully paid shares during the related year.

Diluted earnings per share is calculated after making the necessary adjustments to the weighted average number of ordinary shares outstanding.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

ah. Foreign currency transactions and balances

BRI and its subsidiaries maintain their accounting records in Indonesian Rupiah. Transactions involving foreign currency are recorded at the prevailing exchange rates at the time of the transactions. As of June 30, 2023 and December 31, 2022, all foreign currency denominated monetary assets and liabilities are translated into Rupiah using the Reuters spot rates at 4.00 p.m. WIB (Western Indonesian Time). The resulting gains or losses are recognized in the consolidated statement of profit or loss and other comprehensive income.

The exchange rates used in the translation of foreign currency amounts into Rupiah are as follows (full Rupiah):

	June 30, 2023	December 31, 2022
1 United States Dollar	14,992.50	15,567.50
1 Great Britain Pound Sterling	19,092.95	18,786.09
1 Japanese Yen	104.46	117.81
1 European Euro	16,401.80	16,581.72
1 Hong Kong Dollar	1,914.00	1,996.55
1 Saudi Arabian Riyal	3,996.50	4,139.00
1 Singaporean Dollar	11,109.26	11,592.88
1 Malaysian Ringgit	3,213.83	3,533.66
1 Australian Dollar	10,058.47	10,557.88
1 Renminbi	2,079.52	2,238.91
1 Thailand Baht	425.80	450.71
1 Swiss Franc	16,762.64	16,827.00
1 Canadian Dollar	11,424.60	11,486.39
1 Bruneian Dollar	11,076.43	11,538.75
1 Danish Krone	2,202.25	2,229.65
1 South Korean Won	11.53	12.35
1 New Zealand Dollar	9,284.11	9,851.12
1 Papua New Guinean Kina	4,156.68	4,421.19
1 United Arab Emirates Dirham	4,081.81	4,238.88
1 Swedish Krone	1,403.20	1,487.84
1 Norwegian Krone	1,402.57	1,572.28
1 Indian Rupee	182.83	188.11
1 Phillipine Peso	270.94	279.44
1 New Taiwanese Dollar	483.23	506.13
1 Vietnamese Dong	0.64	0.66

ai. Translation of the financial statements of Overseas Branch and Representative Office

BRI has 1 (one) Subsidiary in Hong Kong, 5 (five) Branch Offices in New York, Cayman Islands, Singapore, Timor-Leste and Taipei and 1 (one) Representative Office in Hong Kong which are considered as separate foreign entities.

For consolidated financial statement purposes, all accounts of subsidiary, overseas branch and representative office are translated into Rupiah with the following exchange rates:

- a. Assets and liabilities, as well as commitments and contingencies - use Reuters spot rates at 4.00 p.m. WIB on the statement of financial position date.
- b. Income, expenses, gains and losses - use the average middle rate prevailing in the related month. The year-end balances is the sum of the monthly balances of income, expenses, gains and losses during the year.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

ai. Translation of the financial statements of Overseas Branch and Representative Office (continued)

For consolidated financial statement purposes, all accounts of subsidiary, overseas branch and representative office are translated into Rupiah with the following exchange rates (continued):

- c. Equity - Capital Stock and Additional Paid-in Capital use historical rates.
- d. Statement of cash flows - use the Reuters spot rates at 4.00 p.m. WIB on the statement of financial position date, except for the profit and loss accounts which use middle rates and equity accounts which use historical rates.

The difference arising from the translation process of the financial statements are presented in equity as "Differences Arising from The Translation of Foreign Currency Financial Statements".

aj. Derivatives Instruments

Derivatives financial instruments are assessed and recognized in the consolidated statement of financial position at fair value. Each derivatives contract is recorded as asset when the fair value is positive and as liability when the fair value is negative.

Derivatives receivable and payable are classified as financial assets and liabilities measured at fair value through profit or loss.

Gains or losses resulting from fair value changes are recognized in the consolidated statement of profit or loss and other comprehensive income.

The fair value of derivatives instruments are determined based on discounted cash flows and pricing models or quoted prices from the brokers of other instruments with similar characteristics, which refers to SFAS No. 68: "Fair Value Measurement" (Note 2c).

Embedded derivatives are no longer separated from major non-derivative contracts which are financial assets/financial liabilities, the Bank and its subsidiaries classify financial assets/liabilities as a whole based on its business model and contractual term as disclosed in Note 2c.

ak. Taxation

Current tax expense is determined based on the estimated taxable income for the current year. Deferred tax assets and liabilities are recognized for temporary differences between the commercial and the fiscal reporting of assets and liabilities at each reporting date.

Deferred tax assets are recognized for all deductible temporary differences and uncompensated tax loss balance to the extent that it is probable that the temporary differences and uncompensated tax loss balance will be utilized to deduct the future taxable profit.

The carrying value of deferred tax assets is reviewed at each financial position date and is reduced if it is no longer probable that sufficient taxable profits will be available to compensate part or all of the benefit of the deferred tax assets.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

ak. Taxation (continued)

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply on the year when the asset is realized or the liability is settled based on the tax regulations that have been enacted or substantively enacted at the statement of financial position date. The tax effect related to the provisions for and/or reversals of all temporary differences during the year, including the effect of change in tax rates, are recognized as "Income Tax Benefit (Expense), Deferred" and included in the net income or loss for the year, except for transactions previously charged or credited directly to equity.

Amendments to tax obligations are recorded when the tax assessment is received or, if the BRI and subsidiaries submitted an appeal, when the decision on the appeal is determined.

For each of the consolidated entity, the tax effects on temporary differences and accumulated tax loss, which can be either asset or liability, are presented in the net amounts for each of the entity.

Assets and liabilities on deferred tax and current tax can be offset if there is a legal enforceable right to offset.

al. Segment information

Segment is a distinguishable component of the BRI and subsidiaries that engaged either in providing certain products (operational segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The segment income, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on an appropriate basis to that segment. The segment items are determined before intercompany balances and transactions are eliminated as part of consolidation process.

BRI and subsidiaries present operational segments based on the internal consolidated report that is presented to the Board of Directors as the operational decision maker.

BRI has identified and disclosed financial information based on main business (operational segments) classified into micro, retail, corporate and others as well as subsidiaries, and based on geographical segments.

The geographical segment includes provision of products or services within a particular economic environment with different risks and returns compared to other operating segments in other economic environments. BRI's geographical segments are Indonesia, United States of America, Hong Kong, Singapore, Timor-Leste, and Taipei.

am. Use of significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statement for BRI and subsidiaries requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. Uncertainty about these assumptions and estimates could result in material adjustments to the carrying amounts of the assets and liabilities in the subsequent reporting periods.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

am. Use of significant accounting judgments, estimates and assumptions (continued)

Judgments

The following judgments are made by management in applying BRI and subsidiaries' accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statement for BRI and subsidiaries, as follows:

Fair value of financial instruments

All assets and liabilities in which fair value is measured or disclosed in the consolidated financial statement are classified within fair value hierarchy, based on the lowest level of input that is significant to the overall fair value measurement:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.
- Level 2: Inputs other than quoted prices included in level 1 for the assets and liabilities, which is directly or indirectly observable.
- Level 3: Unobservable inputs for the assets and liabilities.

Contingencies

The management of BRI and subsidiaries are currently involved in legal proceedings. The estimates of the probable cost for the settlement of claims have been developed through consultation with the aid of the legal consultant of BRI and subsidiaries and are based on the analysis of potential results. BRI and subsidiaries' management does not believe that the outcome of this matter will affect the results of operations. It is probable, however, that future results of operations could be materially affected by changes in the estimates or effectiveness of the strategies related to these proceedings.

Estimates and Assumptions

The key assumptions concerning the future and other key sources for estimates uncertainty at the reporting date that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities for the subsequent year are disclosed below. BRI and subsidiaries based its assumptions and estimates used on the parameters available when the consolidated financial statement were prepared.

Assumptions and circumstances regarding future developments may change due to market changes or circumstances arising beyond the control of BRI and subsidiaries. These changes are reflected in the assumptions used when they occur.

Allowance for impairment losses on loans, sharia loans and finance receivables

The management of BRI and subsidiaries review its loans, sharia loans and finance receivables portfolio to assess impairment on an annual basis by updating the allowance for impairment losses formed during the required period based on the continuing analysis and monitoring of individual accounts by the loan officers.

In determining whether impairment loss should be formed in the consolidated statement of profit or loss and other comprehensive income, BRI and subsidiaries assess for any observable data indicating the existence of measurable decrease in the estimated future cash flows from loan portfolio before the decrease could be individually identified in the portfolio.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

am. Use of significant accounting judgments, estimates and assumptions (continued)

Estimates and Assumptions (continued)

Allowance for impairment losses on loans, sharia loans and finance receivables (continued)

This evidence may include observable data indicating that there has been adverse change in the payment status of the borrower group, or national or local economic conditions that correlate with the default on assets in the group. BRI and subsidiaries use estimates in determining the amount and timing of future cash flows when determining the level of allowance for impairment losses required. These estimations are based on assumptions of several factors and actual results may differ resulting in changes in the amount of allowance for impairment losses in the future.

Impairment of securities

The management of BRI determines that securities are impaired based on the same criteria as for financial assets recorded at amortized cost.

Impairment of non-financial assets

BRI and subsidiaries assess impairment of non-financial assets whenever events or changes in circumstances indicate that the carrying amount of non-financial asset may not be recoverable. The factors that considered important which may lead to impairment assessment are as follow:

- a) Significant underperformance against historical expectation or projection of operating results in the future;
- b) Significant changes in the manner of use of the assets or the overall business strategy; and
- c) Significant negative industry or economic trends.

The management of BRI and subsidiaries recognizes an impairment loss if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher amount between the fair value less the costs of disposal and the use of asset value (or cash-generating unit). The recoverable amounts are estimated for individual assets or, if not possible, for the cash-generating unit to which the asset belongs to the unit.

Recognition of deferred tax assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that the taxable income will be available to be compensated against the losses that can be used. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, in accordance with the timing and amount of future taxable income in line with tax planning strategies.

BRI reviews its deferred tax assets at each statement of financial position date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable income will be available to compensate part or all of the deferred tax assets.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

am. Use of significant accounting judgments, estimates and assumptions (continued)

Estimates and Assumptions (continued)

Present value of employee benefits

The cost of defined pension plan and other post employment benefits is determined using actuarial valuations. The actuarial valuation involves the use of assumptions regarding discount rates, expected rates of return on assets, future salary increases, mortality rates and disability rates. Due to the long-term nature of these plans, then the estimates are subject to significant uncertainty.

Estimated claim liability

Estimated claims liability is a liability set aside to provide for the incurred and still in the settlement process claims liability arising from insurance policies in force. BRI's management judgment is required to determine the recognizable amount of estimated claims liability.

Liabilities for future policy benefits

BRI records long-term insurance contract liabilities using the present value method of estimated payment for all agreed benefits including all the available options plus the present value of all estimated expenses that will be incurred and considering the future receipt of premium. The main assumption underlying this method is the past claim experience and discount rate.

an. Allowance for impairment losses non-productive assets

In accordance with Letter of Bank Indonesia (BI) No. 13/658/DPNP/IDPnP dated December 23, 2011, BRI and Bank Raya are no longer required to provide allowance for impairment losses on non-productive assets, but the management of BRI is required to continue calculating the allowance for impairment losses in accordance with the applicable accounting standards.

For non-productive assets, the management of BRI and Bank Raya determines the impairment losses at the lower amount between the carrying amount and the fair value after deducting the cost of disposal.

ao. Gold Sales Revenue and Expenses

Revenue from the sale of gold is recognized when the performance obligation is satisfied by the subsidiary at the point in time when the control of goods has been transferred to the customer. Revenue on gold business is also recognized when the product delivered to customers or has met the criteria of "bill and hold" scheme. BRI and its subsidiary adopted SFAS No. 72, "Revenue from Contract with Customer". Revenue is shown net of value added tax, returns, rebates and discounts. Expenses are recognized as incurred on an accrual basis.

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2. SUMMARY OF ACCOUNTING POLICIES (continued)

ap. Treasury Stock

Reacquired BRI equity instruments (treasury shares) are recognized at reacquisition price and deducted from equity. No gain or loss is recognized in profit or loss on the acquisition, resale, issuance or cancellation of BRI equity instruments. The difference between the carrying amount and receipts, if reissued, is recognized as part of additional paid-in capital in equity.

aq. Changes in accounting policies and disclosures

BRI and its subsidiaries have implemented accounting standards on January 1, 2023, which is considered relevant to the consolidated financial statements, namely:

- a. Amendment to SFAS No. 1 "Presentation of Financial Statements related to Disclosure of Accounting Policies". This amendment adopts amendments to IAS No. 1 "Presentation of Financial Statements: Disclosure of Accounting Policies". This amendment clarifies that not all accounting policy information related to material transactions, events or other conditions is material to the financial statements.
- b. Amendment to SFAS No. 16 "Fixed Assets related to Proceeds before Intended Use". This amendment adopts amendments to IAS No. 16 "Property, Plant and Equipment: Proceeds before Intended Use". This amendment clarifies the examples of costs that are directly attributable as the cost of fixed assets.
- c. Amendment to SFAS No. 25 "Accounting Policies, Changes in Accounting Estimates and Errors related to the Definition of Accounting Estimates". This amendment adopts amendments to IAS No. 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates". This amendment explains the definition of accounting estimates and clarifies changes in accounting estimates.
- d. Amendment to SFAS No. 46 "Income Taxes Related to Deferred Tax Assets and Liabilities Arise from a Single Transaction". This amendment is adopted from amendments to IAS No. 12 "Income Taxes: Deferred Tax Related to Assets and Liabilities Arise from a Single Transaction". This amendment clarifies a description and exception to the initial recognition of deferred tax assets and liabilities.

The implementation of SFAS above does not cause significant change to the financial reporting and disclosure in the consolidated financial statements.

ar. Social and environmental responsibility

Based on PER-05/MBU/04/2021, the term PEDP (Partnership and Environmental Development Program) is no longer used and changed to SER (Social & Environmental Responsibility). The allocation of funds is not allocated from the balance of earnings based on the results of the General Meeting of Shareholders (GMS) decision but is recognized and charged to the consolidated statement of profit or loss and other comprehensive income for the current year.

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3. CASH

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Rupiah</u>		25,814,619		25,980,803
<u>Foreign currency</u>				
United States Dollar	85,574,354	1,282,973	41,494,434	645,965
Singaporean Dollar	54,186,349	601,970	17,835,516	206,765
Saudi Arabian Riyal	67,132,547	268,295	15,344,795	63,512
European Euro	12,366,029	202,825	10,089,844	167,307
Australian Dollar	11,282,002	113,480	13,146,160	138,796
Malaysian Ringgit	8,673,033	27,874	31,255,724	110,447
Great Britain Pound Sterling	1,290,536	24,640	1,360,951	25,567
United Arab Emirates Dirham	3,536,225	14,434	5,329,735	22,592
Bruneian Dollar	836,613	9,267	810,707	9,355
Japanese Yen	80,289,794	8,387	42,609,961	5,020
Canadian Dollar	624,360	7,133	351,860	4,042
Swiss Franc	413,570	6,933	238,930	4,020
New Zealand Dollar	716,058	6,648	575,438	5,669
Hong Kong Dollar	3,187,669	6,101	4,555,056	9,094
Renminbi	2,039,545	4,241	1,795,579	4,020
Phillipine Peso	6,780,420	1,837	6,075,560	1,698
New Taiwanese Dollar	1,530,807	740	575,978	292
Vietnamese Dong	1,139,382,989	729	899,812,000	593
Thailand Baht	755,790	322	3,277,430	1,477
South Korean Won	26,283,591	303	19,834,591	245
Indian Rupee	716,256	131	600,712	113
Papua New Guinean Kina	19,643	82	19,540	86
		2,589,345		1,426,675
Total		28,403,964		27,407,478

Cash balance includes cash in ATM (Automatic Teller Machines) amounting to Rp4,827,717 and USD786,580 (full amount) as of June 30, 2023, and Rp4,554,211 and USD809,680 (full amount) as of December 31, 2022.

As of June 30, 2023 and December 31, 2022, there was no unusable cash that was pledged as collateral by BRI and its subsidiaries.

Restricted cash that will be used to pay obligations that will mature within 1 (one) year is presented as part of Other Assets (Note 17).

4. CURRENT ACCOUNTS WITH BANK INDONESIA

Current accounts with Bank Indonesia consist of:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
Rupiah		81,765,436		141,071,603
United States Dollar	486,000,629	7,286,364	633,598,631	9,863,547
Total		89,051,800		150,935,150

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4. CURRENT ACCOUNTS WITH BANK INDONESIA (continued)

Current account balances with Bank Indonesia are provided to meet the Minimum Statutory Reserves (GWM) requirements from Bank Indonesia. As of June 30, 2023 and December 31, 2022, the GWM was calculated in accordance with Bank Indonesia Regulation (PBI) PBI No. 20/3/PBI/2018 dated March 29, 2018 which has been amended four times with the latest amendments are PBI No. 24/4/PBI/2022 dated February 25, 2022 which is explained by the Regulation of Members of the Board of Governors (PADG) No. 24/8/PADG/2022 concerning Implementing Regulations for the Fulfillment of Minimum Mandatory Demand Deposits in Rupiah and Foreign Exchange for Conventional Commercial Banks, Sharia Commercial Banks, and Sharia Business Units dated June 30, 2022 as amended by latest amendment to PADG No. 2 Year 2023 dated March 24, 2023.

Bank Indonesia has strengthened incentive policy to stimulate the role of the banking industry in financing to priority sectors in accordance with Bank Indonesia Regulation (PBI) No. 24/5/PBI/2022 dated February 25, 2022 concerning Incentives for Banks Providing Funds for Certain and Inclusive Economic Activities, as further regulated through PADG No. 24/4/PADG/2022 dated March 1, 2022 concerning Incentive Implementation Regulations for banks that Provide Funds for Certain and Inclusive Economic Activities as last amended by PADG No. 1 Year 2023 on dated February 15, 2023.

The Macroprudential Liquidity Buffer Ratio (PLM) is calculated through PBI No. 20/4/PBI/2018 concerning Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional Commercial Banks, Islamic Commercial Banks, and Islamic Business Units which have been amended four times with the latest amendment namely PBI No. 24/16/PBI/2022 dated October 31, 2022 which is explained through PADG No. 21/22/PADG/2019 November 28, 2019 which has been amended five times with the latest amendment, namely PADG No. 24/14/PADG/2022 dated October 31, 2022.

The calculation of GWM ratio is determined as follows:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
Primary GWM	6.50%	7.00%
(i) GWM daily	0.00	0.00
(ii) GWM average*)	6.50	7.00
Macroprudential Liquidity Buffer Ratio (PLM)	6.00	6.00
<u>Foreign currency</u>	4.00%	4.00%
(i) GWM daily	2.00	2.00
(ii) GWM average	2.00	2.00

*) For Banks that provide funds for certain and inclusive economic activities, the Bank receives an incentive to loosen the obligation to meet the reserve requirement in rupiah in June 2023 and December 2022 at 2.50% and 2.00%.

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4. CURRENT ACCOUNTS WITH BANK INDONESIA (continued)

Based on PBI No. 20/4/PBI/2018 dated March 29, 2018, Loan to Funding Ratio (LFR) changed to Macroprudential Intermediation Ratio (RIM), and RIM fulfillment obligations are applicable starting on July 16, 2018. RIM is the minimum deposit the Bank is obliged to maintain in the form of Current Account balance at Bank Indonesia at a certain percentage of third-party funds which calculation is based on the difference between the RIM held by the Bank and the Targeted RIM. RIM is charged if the Bank's RIM is below Bank Indonesia's minimum targeted RIM (84%) or above Bank Indonesia's maximum targeted RIM (94%) with Bank's Minimum Capital Adequacy Ratio (CAR) smaller than Bank Indonesia's Incentive KPMM of 14%. The regulation has been refined 4 (four) times into PBI No. 21/12/PBI/2019 dated November 25, 2019, PBI No. 22/17/PBI/2020 dated September 30, 2020, PBI No. 23/17/PBI/2021 dated December 17, 2021, and PBI No. 24/16/PBI/2022 dated October 31, 2022. The PBI is explained through PADG No. 21/22/PADG/2019 dated November 28, 2019, as amended 5 (five) times to PADG No. 22/11/PADG/2020 dated April 29, 2020, PADG No. 22/30/PADG/2020 dated October 5, 2020, PADG No. 23/7/PADG/2021 dated April 26, 2021, PADG No. 23/31/PADG/2021 dated December 31, 2021, and PADG No. 24/14/PADG/2022 dated October 31, 2022.

GWM ratios of BRI (parent entity) as of June 30, 2023 and December 31, 2022 are as follows:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Rupiah</u>		
Primary GWM *)	7.04%	12.11%
(i) GWM daily	0.00	0.00
(ii) GWM average*)	7.04	12.11
PLM (Formerly Secondary GWM)	11.34	14.40
<u>Foreign currency</u>	4.04%	4.24%
(i) GWM daily	2.00	2.00
(ii) GWM average	2.04	2.24

*) After deducting incentives based on PADG No. 1 Year 2023.

As of June 30, 2023 and December 31, 2022, BRI has complied with Bank Indonesia's regulations regarding ratios mentioned above.

5. CURRENT ACCOUNTS WITH OTHER BANKS

a) By Currency:

	<u>June 30, 2023</u>		<u>December 31, 2022</u>	
	<u>Notional Amount Foreign Currency (Full Amount)</u>	<u>Rupiah Equivalent</u>	<u>Notional Amount Foreign Currency (Full Amount)</u>	<u>Rupiah Equivalent</u>
<u>Third parties</u>				
<u>Rupiah</u>		422,325		328,752
<u>Foreign currency</u>				
United States Dollar	679,825,282	10,192,281	1,057,828,412	16,467,742
Japanese Yen	9,262,195,916	967,529	3,474,319,128	409,310
Singaporean Dollar	72,215,353	802,259	99,800,149	1,156,971
European Euro	47,602,303	780,763	27,256,867	451,966
Renminbi	367,123,138	763,440	310,302,142	694,739
Great Britain Pound Sterling	18,162,821	346,782	21,217,574	398,595
Australian Dollar	28,380,292	285,462	27,828,214	293,807
Hong Kong Dollar	116,503,975	222,988	100,637,976	200,929
New Zealand Dollar	17,441,316	161,927	19,893,130	195,970
Canadian Dollar	6,374,925	72,831	2,587,730	29,724
Saudi Arabian Riyal	4,224,150	16,882	6,228,883	25,781
New Taiwanese Dollar	31,931,837	15,430	8,615,531	4,361

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5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)

a) By Currency (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties (continued)</u>				
<u>Foreign currency (continued)</u>				
Swiss Franc	622,922	10,442	5,783,698	97,322
Malaysian Ringgit	3,220,964	10,352	798,540	2,822
United Emirat Arab Dirham	2,270,051	9,266	2,909,039	12,331
Norwegian Croner	3,831,802	5,374	4,024,099	6,327
Thailand Baht	3,562,890	1,517	911,145	411
Swedish Krone	893,675	1,254	8,466,273	12,596
		14,666,779		20,461,704
		15,089,104		20,790,456
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>		590,698		670,798
<u>Foreign currency</u>				
United States Dollar	1,073,310,276	16,091,604	1,038,224	16,163
Hong Kong Dollar	7,663,528	14,668	5,517,809	11,017
		16,106,272		27,180
		16,696,970		697,978
Total		31,786,074		21,488,434
Allowance for impairment losses		(48,213)		(18,577)
Total - Net		31,737,861		21,469,857

b) By Bank:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
PT Bank Central Asia Tbk	116,329	64,628
PT Bank Muamalat Indonesia Tbk	74,065	38,497
Standard Chartered Bank	58,281	41,470
PT Bank DKI	53,607	52,809
PT Bank Mega Syariah	26,117	14,739
PT Bank Maybank Indonesia Tbk	17,145	16,861
PT Bank Permata Tbk - Unit Usaha Syariah	8,912	16,263
Others	67,869	83,485
	422,325	328,752

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5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)

b) By Bank (continued):

	June 30, 2023	December 31, 2022
<u>Third parties (continued)</u>		
<u>Foreign currency</u>		
J.P. Morgan Chase Bank, N.A.	6,744,624	13,015,929
Standard Chartered Bank	2,558,466	1,920,914
Citibank N.A.	780,397	1,141,030
Bank of China, Ltd	761,344	682,272
MUFG Bank, Ltd	574,613	265,884
Bank of America	558,500	930,161
OCBC Bank Singapore	412,162	622,220
Others	2,276,673	1,883,294
	14,666,779	20,461,704
	15,089,104	20,790,456
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT Bank Negara Indonesia (Persero) Tbk	201,086	200,538
PT Bank Syariah Indonesia Tbk	153,905	127,372
PT Bank Mandiri (Persero) Tbk	129,620	205,434
PT Bank Tabungan Negara (Persero) Tbk	106,029	137,390
PT Bank Hibank Indonesia (formerly PT Bank Mayora)	48	49
Lembaga Pembiayaan Ekspor Indonesia	10	15
	590,698	670,798
<u>Foreign currency</u>		
PT Bank Mandiri (Persero) Tbk	16,084,709	8,361
PT Bank Negara Indonesia (Persero) Tbk	21,563	18,819
	16,106,272	27,180
	16,696,970	697,978
Total	31,786,074	21,488,434
Allowance for impairment losses	(48,213)	(18,577)
Net	31,737,861	21,469,857

c) Collectibility:

As of June 30, 2023 and December 31, 2022, all current accounts with other banks are classified as "Current".

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5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)

d) Average interest rate:

	June 30, 2023	December 31, 2022
Rupiah	0.10%	0.08%
Foreign currency	2.91	2.63

e) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category:

June 30, 2023				
	Stage 1- 12- months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Impaired	Total
<u>Current accounts with Others banks</u>				
Carrying value beginning balance	21,488,434	-	-	21,488,434
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	10,297,640	-	-	10,297,640
New financial assets issued or purchased	-	-	-	-
Derecognized financial assets	-	-	-	-
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	-	-	-	-
Carrying value ending balance	31,786,074	-	-	31,786,074

December 31, 2022				
	Stage 1- 12- months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Impaired	Total
<u>Current accounts with Others banks</u>				
Carrying value beginning balance	14,065,097	-	-	14,065,097
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	7,423,337	-	-	7,423,337
New financial assets issued or purchased	-	-	-	-
Derecognized financial assets	-	-	-	-
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	-	-	-	-
Carrying value ending balance	21,488,434	-	-	21,488,434

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5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)

- e) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category: (continued)

June 30, 2023				
	Stage 1- 12- months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Impaired	Total
<u>Current accounts with Others banks</u>				
Allowance for expected credit loss beginning balance	18,577	-	-	18,577
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	29,706	-	-	29,706
New financial assets issued or purchased	-	-	-	-
Derecognized financial assets	-	-	-	-
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(70)	-	-	(70)
Allowance for expected credit loss ending balance	48,213	-	-	48,213

December 31, 2022				
	Stage 1- 12- months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Impaired	Total
<u>Current accounts with Others banks</u>				
Allowance for expected credit loss beginning balance	29,078	-	-	29,078
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	(10,722)	-	-	(10,722)
New financial assets issued or purchased	-	-	-	-
Derecognized financial assets	-	-	-	-
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	221	-	-	221
Allowance for expected credit loss ending balance	18,577	-	-	18,577

As of June 30, 2023 and December 31, 2022 there were no current accounts with other banks that were restricted in use.

As of June 30, 2023 and December 31, 2022 current accounts with other banks are measured collectively.

Management believes that the allowance for impairment losses is adequate as of June 30, 2023 and December 31, 2022.

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6. PLACEMENTS WITH BANK INDONESIA AND OTHER FINANCIAL INSTITUTIONS

a) By Currency and Type:

	June 30, 2023	December 31, 2022
	Notional Amount Foreign Currency (Full Amount)	Notional Amount Foreign Currency (Full Amount)
	Rupiah Equivalent	Rupiah Equivalent
<u>Third parties</u>		
<u>Rupiah</u>		
Bank Indonesia		
Deposit Facility	7,456,957	5,873,912
Term Deposits	-	14,995,561
	7,456,957	20,869,473
Inter-bank call money		
PT BPD Jawa Tengah	500,000	-
PT BPD Jawa Barat dan Banten Tbk	250,000	200,000
PT Bank UOB Indonesia	200,000	-
PT Bank DKI	200,000	400,000
PT Bank Nationalnobu Tbk	150,000	-
PT Bank Danamon Indonesia	100,000	-
PT BPD Kalimantan Selatan	100,000	-
PT Bank CTBC Indonesia	50,000	-
PT Bank Permata Tbk	50,000	-
PT Bank Muamalat Indonesia Tbk	26,550	-
PT Bank Ina Perdana Tbk	13,000	-
PT Bank OCBC NISP Tbk	-	250,000
PT BPD Sumatera Utara	-	200,000
Other Financial Institutions	18,300	-
	1,657,850	1,050,000
Time Deposits		
PT Allo Bank Indonesia Tbk	298,752	-
PT BPD Riau Kepri Syariah	200,502	-
PT Bank Mayapada Internasional Tbk	128,077	59,500
PT BPD Sumatera Selatan dan Bangka Belitung	110,000	-
PT Bank Mega Tbk	104,000	22,500
PT Bank Panin Dubai Syariah Tbk	100,000	-
PT Bank Neo Commerce Tbk	78,782	-
PT Bank Victoria International Tbk	75,752	-
PT Bank MNC Internasional Tbk	75,000	75,000
PT Bank Jtrust Indonesia Tbk	70,702	-
PT BPD Sulawesi Utara Gorontalo	51,600	20,600
PT Bank DKI	50,500	89,000
PT BPD Jawa Barat dan Banten Tbk	50,100	35,800
PT Bank Permata Tbk	40,000	40,000
PT BPD Sumatera Utara	35,000	-
PT Bukopin Syariah	14,000	13,000
PT Bank Jawa Barat dan Banten Syariah	11,000	10,000
Standard Chartered Bank	10,800	-
PT Bank Capital Indonesia Tbk	10,000	-
PT Bank Danamon Indonesia Tbk	-	195,000
PT BPD Jawa Tengah	-	18,000
Other Financial Institutions	143,070	58,659
	1,657,637	637,059
	10,772,444	22,556,532

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6. PLACEMENTS WITH BANK INDONESIA AND OTHER FINANCIAL INSTITUTIONS (continued)

a) By Currency and Type (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties (continued)</u>				
<u>United States Dollar</u>				
Bank Indonesia				
Term Deposits	899,742,222	13,489,385	2,204,538,946	34,319,160
		13,489,385		34,319,160
Inter-bank call money				
Federal Reserve Bank	332,753,778	4,988,811	309,356,898	4,815,913
Wells Fargo Bank, N.A.	108,000,000	1,619,190	70,896,213	1,103,677
JP Morgan Chase Bank, N.A.	11,740,991	176,027	1,830,000	28,489
PT Bank BNP Paribas Indonesia	8,325,648	124,822	27,662,978	430,643
Standard Chartered Bank	5,262,161	78,893	22,854,648	355,790
The Bank of New York Mellon Corporation		-	87,500,000	1,362,156
Other Financial Institutions	612,307	9,180	366,045	5,699
		6,996,923		8,102,367
Time Deposits				
U.S. Bankcorp	742,352	11,130	803,060	12,502
Other Financial Institutions	135,623	2,033	294,638	4,587
		13,163		17,089
Other Placements				
<i>Banker's Acceptance</i>				
PT Bank IBK Indonesia Tbk	30,000,000	449,775		-
PT Bank KEB Hana	10,000,000	149,925		-
PT Bank Maybank Indonesia Tbk		-	75,000	1,167,562
PT Bank Woori Saudara Indonesia 1906 Tbk		-	40,000	622,700
		599,700		1,790,262
		21,099,171		44,228,878
<u>European Euro</u>				
Inter-bank call money				
ING Bank N.V.		-	34,000,000	563,778
		-		563,778
<u>New Taiwanese Dollar</u>				
Inter-bank call money				
CTBC Bank Co, Ltd	129,000,000	62,336		-
		62,336		-
		21,161,507		44,792,656
		31,933,951		67,349,188

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6. PLACEMENTS WITH BANK INDONESIA AND OTHER FINANCIAL INSTITUTIONS (continued)

a) By Currency and Type (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Inter-bank call money				
PT Bank Syariah Indonesia Tbk		-		200,000
		-		200,000
Deposits On Call				
PT Bank Tabungan				
Negara (Persero) Tbk		100,000		-
		100,000		-
Time Deposits				
PT Bank Tabungan				
Negara (Persero) Tbk		666,685		502,857
PT Bank Syariah Indonesia Tbk		130,578		125,250
PT Bank Negara Indonesia				
(Persero) Tbk		36,550		44,156
PT Bank Mandiri (Persero) Tbk		3,500		1,000
		837,313		673,263
		937,313		873,263
<u>United States Dollar</u>				
Inter-bank call money				
PT Bank Mandiri (Persero) Tbk	85,000,000	1,274,363	90,000,000	1,401,075
PT Bank Negara Indonesia				
(Persero) Tbk		-	50,000,000	778,375
		1,274,363		2,179,450
		2,211,676		3,052,713
Total		34,145,627		70,401,901
Less allowance for impairment losses		(2,504)		(1,981)
Net		34,143,123		70,399,920

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6. PLACEMENTS WITH BANK INDONESIA AND OTHER FINANCIAL INSTITUTIONS (continued)

b) By Time Period:

The classifications of placements based on their remaining period to maturity are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	10,532,890	22,488,062
> 1 month - 3 months	208,554	51,500
> 3 months - 1 year	31,000	16,970
	<u>10,772,444</u>	<u>22,556,532</u>
<u>Foreign currency</u>		
≤ 1 month	20,561,807	43,516,829
> 1 month - 3 months	449,775	497,452
> 3 months - 1 year	149,925	778,375
	<u>21,161,507</u>	<u>44,792,656</u>
	<u>31,933,951</u>	<u>67,349,188</u>
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
≤ 1 month	807,313	867,707
> 1 month - 3 months	130,000	5,506
> 3 months - 1 year	-	50
	<u>937,313</u>	<u>873,263</u>
<u>Foreign currency</u>		
≤ 1 month	-	934,050
> 3 months - 1 year	1,274,363	1,245,400
	<u>1,274,363</u>	<u>2,179,450</u>
	<u>2,211,676</u>	<u>3,052,713</u>
Total	34,145,627	70,401,901
Allowance for impairment losses	(2,504)	(1,981)
Net	<u>34,143,123</u>	<u>70,399,920</u>

c) Collectibility:

As of June 30, 2023 and December 31, 2022, all placements with Bank Indonesia and other financial institutions are classified as "Current".

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6. PLACEMENTS WITH BANK INDONESIA AND OTHER FINANCIAL INSTITUTIONS (continued)

d) Average interest rate:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
Placement with Bank Indonesia	5.00%	5.04%
Placement with other financial institutions	5.98	5.38
<u>Foreign Currency</u>		
Placement with Bank Indonesia	5.16%	4.32%
Placement with other financial institutions	5.19	3.17

e) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category:

	June 30, 2023			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Not Impaired	Total
<u>Placement with Bank Indonesia and other financial institutions</u>				
Carrying value beginning balance	70,401,901	-	-	70,401,901
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	-	-	-	-
New financial assets issued or purchased	34,134,408	-	-	34,134,408
Derecognized financial assets	(70,401,901)	-	-	(70,401,901)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	11,219	-	-	11,219
Carrying value ending balance	34,145,627	-	-	34,145,627

	December 31, 2022			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Not Impaired	Total
<u>Placement with Bank Indonesia and other financial institutions</u>				
Carrying value beginning balance	58,982,842	-	-	58,982,842
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	-	-	-	-
New financial assets issued or purchased	70,395,245	-	-	70,395,245
Derecognized financial assets	(58,976,186)	-	-	(58,976,186)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	-	-	-	-
Carrying value ending balance	70,401,901	-	-	70,401,901

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6. PLACEMENTS WITH BANK INDONESIA AND OTHER FINANCIAL INSTITUTIONS (continued)

- e) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	June 30, 2023			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Not Impaired	Total
<u>Placement with Bank Indonesia and other financial institutions</u>				
Allowance for expected credit loss beginning balance	1,981	-	-	1,981
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	-	-	-	-
New financial assets issued or purchased	2,483	-	-	2,483
Derecognized financial assets	(1,981)	-	-	(1,981)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	21	-	-	21
Allowance for expected credit loss ending balance	2,504	-	-	2,504

	December 31, 2022			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Not Impaired	Total
<u>Placement with Bank Indonesia and other financial institutions</u>				
Allowance for expected credit loss beginning balance	6,177	-	-	6,177
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	-	-	-	-
New financial assets issued or purchased	2,270	-	-	2,270
Derecognized financial assets	(6,177)	-	-	(6,177)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(289)	-	-	(289)
Allowance for expected credit loss ending balance	1,981	-	-	1,981

Management believes that the allowance for impairment losses is adequate as of June 30, 2023 and December 31, 2022.

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6. PLACEMENTS WITH BANK INDONESIA AND OTHER FINANCIAL INSTITUTIONS (continued)

As of June 30, 2023 and December 31, 2022, placement with Bank Indonesia and other financial institutions are measured collectively.

On June 30, 2023 and December 31, 2022, there are no blocked funds.

As of June 30, 2023 and December 31, 2022, there were no placements with Bank Indonesia and other financial institutions that were impaired and whose use was restricted.

7. SECURITIES

a) By Purpose, Currency and Type:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Fair value through profit or loss</u>				
<u>Third parties</u>				
<u>Rupiah</u>				
Mutual Fund		936,804		2,091,040
Bonds		164,340		148,223
Subordinated Bonds		47,596		47,633
Others		1,562,002		1,619,738
		2,710,742		3,906,634
<u>United States Dollar</u>				
U.S. Treasury Bonds	3,982,093	59,702		-
Mutual Fund	574,834	8,618	569,718	8,869
		68,320		8,869
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Indonesian Government Bonds		13,730,108		10,389,097
Mutual Fund		1,259,111		4,985,002
Bonds		83,796		170,826
Negotiable Certificate of Deposit		19,290		18,554
Subordinated Bonds		2,015		2,036
Others		1,260,651		1,257,373
		16,354,971		16,822,888
<u>United States Dollar</u>				
Indonesian Government Bonds	31,276,091	468,907	13,927,146	216,811
Bonds	11,485,050	172,190	10,320,912	160,671
		641,097		377,482
		19,775,130		21,115,873

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7. SECURITIES (continued)

a) By Purpose, Currency and Type (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
Fair value through other comprehensive income				
<u>Third parties</u>				
<u>Rupiah</u>				
Mutual Fund		7,737,711		6,972,076
Bonds		4,490,525		3,377,496
Subordinated Bonds		49,935		93,617
Others		87,992		86,002
		12,366,163		10,529,191
<u>United States Dollar</u>				
Certificate of Bank Indonesia	217,306,287	3,257,965	56,127,490	873,765
U.S. Treasury Bonds	153,145,422	2,296,033	112,707,139	1,754,568
Mutual Fund	50,540,000	757,721	50,620,000	788,027
Bonds	37,942,830	568,858	24,845,860	386,788
U.S. Treasury Bills	9,901,087	148,442		-
		7,029,019		3,803,148
<u>Singaporean Dollar</u>				
Monetary Authority of Singapore (MAS) Bills	134,603,526	1,495,346	145,317,508	1,684,648
Singapore Government Securities (SIGB)	48,092,972	534,277	48,848,395	566,294
Bonds	939,442	10,437	939,204	10,888
		2,040,060		2,261,830
<u>New Taiwanese Dollar</u>				
Taiwan Government Bonds	303,023,000	146,428	302,445,950	153,075
Negotiable Certificate of Deposit	100,000,000	48,323	435,000,000	220,164
		194,751		373,239

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7. SECURITIES (continued)

a) By Purpose, Currency and Type (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Fair value through other comprehensive income (continued)</u>				
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Indonesian Government Bonds		67,036,750		75,152,636
Bonds		7,468,076		7,564,070
Mutual Fund		5,354,807		3,662,568
Medium-Term Note		271,350		285,543
Subordinated Bonds		25,181		25,454
Negotiable Certificate of Deposit		9,645		9,277
Others		103,646		106,778
		<u>80,269,455</u>		<u>86,806,326</u>
<u>United States Dollar</u>				
Indonesian Government Bonds	2,566,517,898	38,478,520	2,704,497,254	42,102,261
Bonds	244,723,244	3,669,013	263,039,300	4,094,864
Negotiable Certificate of Deposit		-	20,300,000	316,020
		<u>42,147,533</u>		<u>46,513,145</u>
<u>Japanese Yen</u>				
Indonesian Government Bonds	2,330,807,535	243,476	2,329,747,301	274,468
		<u>243,476</u>		<u>274,468</u>
<u>European Euro</u>				
Indonesian Government Bonds	14,765,805	242,186	14,547,325	241,220
		<u>242,186</u>		<u>241,220</u>
		<u>144,532,643</u>		<u>150,802,567</u>

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7. SECURITIES (continued)

a) By Purpose, Currency and Type (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Amortized costs</u>				
<u>Third parties</u>				
<u>Rupiah</u>				
Bonds		25,146		25,161
		25,146		25,161
<u>United States Dollar</u>				
Bonds	2,995,807	44,915	2,994,680	46,620
U.S. Treasury Bonds		-	7,943,535	123,661
Others	1,236,420,186	18,537,030	1,466,142,152	22,824,168
		18,581,945		22,994,449
<u>Singaporean Dollar</u>				
Bonds	9,489,897	105,426	9,575,258	111,005
		105,426		111,005
<u>Great Britain Pound Sterling</u>				
Others	20,170,875	385,122		-
		385,122		-
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Indonesian Government Bonds		95,777,241		102,477,479
Bonds		551,719		628,726
Medium-Term Note		11,000		11,000
Subordinated Bonds		7,000		7,000
		96,346,960		103,124,205
<u>United States Dollar</u>				
Indonesian Government Bonds	1,876,728,294	28,136,849	1,981,372,686	30,845,019
Bonds	19,723,513	295,705	27,249,237	424,202
Others	35,992,866	539,623	15,000,000	233,513
		28,972,177		31,502,734
<u>European Euro</u>				
Indonesian Government Bonds	35,995,942	590,398	39,128,846	648,824
		590,398		648,824
		145,007,174		158,406,378
Total		309,314,947		330,324,818
Less Allowance for Impairment Losses		(80,757)		(82,835)
Net		309,234,190		330,241,983

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7. SECURITIES (continued)

b) By Collectibility:

As of June 30, 2023 and December 31, 2022 all securities are classified as "Current".

c) By Remaining Period to Maturity:

The classifications of securities based on their remaining period to maturity are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	15,076,905	14,435,825
> 1 year	25,146	25,161
	<u>15,102,051</u>	<u>14,460,986</u>
<u>Foreign currency</u>		
≤ 1 month	15,370,241	14,760,973
> 1 month - 3 months	7,911,128	6,107,782
> 3 months - 1 year	4,972,931	8,526,161
> 1 year	150,343	157,624
	<u>28,404,643</u>	<u>29,552,540</u>
	<u>43,506,694</u>	<u>44,013,526</u>
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
≤ 1 month	97,139,850	103,629,214
> 1 month - 3 months	874,391	153,953
> 3 months - 1 year	5,361,306	8,689,228
> 1 year	89,595,839	94,281,024
	<u>192,971,386</u>	<u>206,753,419</u>
<u>Foreign currency</u>		
≤ 1 month	43,813,914	48,032,461
> 1 month - 3 months	-	481,486
> 3 months - 1 year	3,361,189	1,678,235
> 1 year	25,661,764	29,365,691
	<u>72,836,867</u>	<u>79,557,873</u>
	<u>265,808,253</u>	<u>286,311,292</u>
Total	309,314,947	330,324,818
Less		
Allowance for Impairment Losses	(80,757)	(82,835)
Net	<u>309,234,190</u>	<u>330,241,983</u>

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7. SECURITIES (continued)

d) By Type and Issuer:

d.1. Government Bonds

Government bonds represent bonds issued by the government of a country in connection with the management of Government debentures portfolio, such as Government Debentures (SUN), Government Treasury Bills (SPN) and Government bonds issued in foreign currency which are obtained from the primary and secondary markets, including U.S. Treasury Bonds, U.S. Treasury Bills, Singapore Government Securities and Taiwan Government Bonds. The details of Government bonds are as follows:

	Fair Value/Carrying Value	
	June 30, 2023	December 31, 2022
<u>Fair value through profit or loss</u>		
<u>Rupiah</u>		
Government Treasury Bills	7,653,723	7,246,094
Fixed Rate Government Bonds	4,759,180	2,456,006
Sharia Government Treasury Bills	744,200	-
Sukuk Government Bonds	465,169	488,608
Republic of Indonesia Bonds	107,836	198,389
	13,730,108	10,389,097
<u>Foreign currency</u>		
United States Dollar Fixed Rate		
Government Bonds	309,866	111,056
Sukuk Government Bonds	159,041	105,755
U.S. Treasury Bonds	59,702	-
	528,609	216,811
	14,258,717	10,605,908
<u>Fair value through other comprehensive income</u>		
<u>Rupiah</u>		
Fixed Rate Government Bonds	46,819,344	49,232,653
Sukuk Government Bonds	17,224,265	22,700,073
Republic of Indonesia Bonds	2,993,141	3,022,520
Government Treasury Bills	-	197,390
	67,036,750	75,152,636

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.1. Government Bonds (continued)

Government bonds represent bonds issued by the government of a country in connection with the management of Government debentures portfolio, such as Government Debentures (SUN), Government Treasury Bills (SPN) and Government bonds issued in foreign currency which are obtained from the primary and secondary markets, including U.S. Treasury Bonds, U.S. Treasury Bills, Singapore Government Securities and Taiwan Government Bonds. The details of Government bonds are as follows (continued):

	Fair Value/ Carrying Value	
	June 30, 2023	December 31, 2022
<u>Fair value through other comprehensive income</u>		
<u>(continued)</u>		
<u>Foreign currency</u>		
United States Dollar Fixed Rate		
Government Bonds	20,945,861	22,920,721
Sukuk Government Bonds	17,532,659	19,181,540
U.S. Treasury Bonds	2,296,033	1,754,568
Singapore Government Securities (SIGB)	534,277	566,294
Japanese Yen Government Bonds	243,476	274,468
European Euro Government Bonds	242,186	241,220
U.S. Treasury Bills	148,442	-
Taiwanese Government Bonds	146,428	153,075
	42,089,362	45,091,886
	109,126,112	120,244,522
<u>Amortized costs</u>		
<u>Rupiah</u>		
Fixed Rate Government Bonds	81,979,571	83,781,068
Sukuk Government Bonds	13,777,529	18,676,160
Republic of Indonesia Bonds	20,141	20,251
	95,777,241	102,477,479
<u>Foreign currency</u>		
United States Dollar Fixed Rate		
Government Bonds	15,996,323	17,863,289
Sukuk Government Bonds	12,140,526	12,981,730
European Euro Government Bonds	590,398	648,824
U.S. Treasury Bonds	-	123,661
	28,727,247	31,617,504
	124,504,488	134,094,983
Total	247,889,317	264,945,413

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.1. Government Bonds (continued)

Information regarding interest rates and maturity date as follows:

	June 30, 2023		December 31, 2022	
	Annual Interest rate (%)	Maturity Date	Annual Interest rate (%)	Maturity Date
<u>Rupiah</u>				
Government Treasury Bills	Various	Various	Various	Various
Fixed Rate Government Bonds				
FR0044	10.00	Sep 15, 2024	10.00	Sep 15, 2024
FR0056	8.38	Sep 15, 2026	8.38	Sep 15, 2026
FR0058	8.25	June 15, 2032	8.25	June 15, 2032
FR0059	7.00	May 15, 2027	7.00	May 15, 2027
FR0062	6.38	Apr 15, 2042	6.38	Apr 15, 2042
FR0064	6.13	May 15, 2028	6.13	May 15, 2028
FR0065	6.63	May 15, 2033	6.63	May 15, 2033
FR0067	8.75	Feb 15, 2044	8.75	Feb 15, 2044
FR0068	8.38	March 15, 2034	8.38	March 15, 2034
FR0070	8.38	March 15, 2024	8.38	March 15, 2024
FR0063	-	-	5.63	May 15, 2023
Sharia Government Treasury Bills	Various	Various	Various	Various
Sukuk Government Bonds				
PBS003	6.00	Jan 15, 2027	6.00	Jan 15, 2027
PBS004	6.10	Feb 15, 2037	6.10	Feb 15, 2037
PBS005	6.75	Apr 15, 2043	6.75	Apr 15, 2043
PBS017	6.13	Oct 15, 2025	6.13	Oct 15, 2025
PBS029	6.38	March 15, 2034	6.38	March 15, 2034
PBS030	5.88	July 15, 2028	5.88	July 15, 2028
PBS031	4.00	July 15, 2024	4.00	July 15, 2024
PBS032	4.88	July 15, 2026	4.88	July 15, 2026
PBS033	6.75	June 15, 2047	6.75	June 15, 2047
SR013	6.05	Sep 10, 2023	6.05	Sep 10, 2023
Republic of Indonesia Bonds				
ORI017	6.40	July 15, 2023	6.40	July 15, 2023
ORI018	5.70	Oct 15, 2023	5.70	Oct 15, 2023
ORI019	5.57	Feb 15, 2024	5.57	Feb 15, 2024
ORI020	4.95	Oct 15, 2024	4.95	Oct 15, 2024
ORI021	4.90	Feb 15, 2025	4.90	Feb 15, 2025
ORI022	5.95	Oct 15, 2025	5.95	Oct 15, 2025
<u>Foreign currency</u>				
Sukuk Government Bonds				
INDOIS 24	4.35	Sep 10, 2024	4.35	Sep 10, 2024
INDOIS 24A	3.90	Aug 20, 2024	3.90	Aug 20, 2024
INDOIS 25	4.33	May 28, 2025	4.33	May 28, 2025
INDOIS 25A	2.30	June 23, 2025	2.30	June 23, 2025
INDOIS 26	4.55	March 29, 2026	4.55	March 29, 2026
INDOIS 27	4.15	March 29, 2027	4.15	March 29, 2027
INDOIS 27A	4.40	June 6, 2027	4.40	June 6, 2027
INDOIS 28	4.40	March 1, 2028	4.40	March 1, 2028
INDOIS 29	4.45	Feb 20, 2029	4.45	Feb 20, 2029
INDOIS 30	2.80	June 23, 2030	2.80	June 23, 2030
INDOIS 23	-	-	3.75	March 1, 2023

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.1. Government Bonds (continued)

Information regarding interest rates and maturity date as follows (continued):

	June 30, 2023		December 31, 2022	
	Annual Interest rate (%)	Maturity Date	Annual Interest rate (%)	Maturity Date
Foreign currency (continued)				
Fixed Rate Government Bonds				
United States Dollar				
RI1023	5.38	Oct 17, 2023	5.38	Oct 17, 2023
RI0124	5.88	Jan 15, 2024	5.88	Jan 15, 2024
RI0224	4.45	Feb 11, 2024	4.45	Feb 11, 2024
RI0125	4.13	Jan 15, 2025	4.13	Jan 15, 2025
RI0127	4.35	Jan 8, 2027	4.35	Jan 8, 2027
RI0727	3.85	July 18, 2027	3.85	July 18, 2027
RI0128	3.50	Jan 11, 2028	3.50	Jan 11, 2028
RI0128	4.55	Jan 11, 2028	-	-
RI0428	4.10	Apr 24, 2028	4.10	Apr 24, 2028
RI0331	1.85	March 12, 2031	1.85	March 12, 2031
RI0123	-	-	2.95	Jan 11, 2023
RI0423	-	-	3.38	Apr 15, 2023
European Euro Government Bonds				
RIEUR0725	3.38	July 30, 2025	3.38	July 30, 2025
RIEUR0227	0.90	Feb 14, 2027	0.90	Feb 14, 2027
RIEUR0729	1.00	July 28, 2029	1.00	July 28, 2029
RIEUR0334	1.35	March 23, 2034	1.35	March 23, 2034
RIEUR0623	-	-	2.63	June 14, 2023
Japanese Yen Government Bonds				
RIJPY0524	0.33	May 27, 2024	0.33	May 27, 2024
RIJPY0624	0.26	June 7, 2024	0.26	June 7, 2024
RIJPY0526	0.57	May 27, 2026	0.57	May 27, 2026
Taiwanese Government Bonds				
A08101	0.63	Jan 14, 2024	0.63	Jan 14, 2024
A10109	0.25	Aug 26, 2023	0.25	Aug 26, 2023
A11106	1.00	June 23, 2027	1.00	June 23, 2027
A95107	2.13	Nov 10, 2026	2.13	Nov 10, 2026
U.S. Treasury Bonds	Various	Various	Various	Various
U.S. Treasury Bills	Various	Various	Various	Various
Singapore Government Securities				
SIGB 0625	2.38	June 1, 2025	2.38	June 1, 2025
SIGB 1125	0.50	Nov 1, 2025	0.50	Nov 1, 2025
SIGB 0626	2.13	June 1, 2026	2.13	June 1, 2026
SIGB 0528	2.36	May 1, 2028	2.36	May 1, 2028

Market values of Government bonds classified as "Fair Value through Profit or Loss" and "Fair Value through Other Comprehensive Income" ranged from 94.75% to 128.28% and 89.19% to 128.35% as of June 30, 2023 and December 31, 2022, respectively.

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds

	Fair Value/Carrying Value	
	June 30, 2023	December 31, 2022
<u>Fair value through profit or loss</u>		
<u>Third parties</u>		
<u>Rupiah</u>		
PT Adira Dinamika Multi Finance Tbk	41,667	59,424
PT Merdeka Copper Gold Tbk	41,643	20,250
PT Federal International Finance	24,979	-
PT Indah Kiat Pulp & Paper Tbk	20,993	19,143
PT Medco Power Indonesia	13,686	15,000
PT Indosat Tbk	10,781	10,636
PT Medco Energi Internasional Tbk	10,591	3,916
PT Astra Sedaya Finance	-	19,854
	164,340	148,223
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT Sarana Multi Infrastruktur (Persero)	32,460	5,037
PT Perusahaan Listrik Negara (Persero)	21,945	150,434
PT Waskita Beton Precast Tbk	15,900	-
PT Kereta Api Indonesia (Persero)	5,230	-
PT Timah (Persero) Tbk	5,044	5,046
PT Perusahaan Pengelola Aset (Persero)	3,217	-
PT Bank Tabungan Negara (Persero) Tbk	-	10,309
	83,796	170,826
<u>United States Dollar</u>		
PT Bank Mandiri (Persero) Tbk	172,190	160,671
	172,190	160,671
	420,326	479,720

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

	Fair Value/Carrying Value	
	June 30, 2023	December 31, 2022
<u>Fair value through other comprehensive income</u>		
<u>Third parties</u>		
<u>Rupiah</u>		
PT Astra Sedaya Finance	687,499	763,352
PT Adira Dinamika Multi Finance Tbk	596,326	514,923
PT Federal International Finance	395,790	331,205
PT Chandra Asri Petrochemical Tbk	310,499	294,263
PT Indah Kiat Pulp & Paper Tbk	279,403	90,552
PT Indomobil Finance Indonesia	199,911	14,929
PT Indosat Tbk	194,675	204,187
PT Profesional Telekomunikasi Indonesia	193,584	-
PT Maybank Indonesia Finance	192,887	183,595
PT Merdeka Copper Gold Tbk	168,453	-
Others	1,271,498	980,490
	4,490,525	3,377,496
<u>United States Dollar</u>		
PT Indonesia Infrastructure Finance	132,312	66,500
PT Indofood Sukses Makmur Tbk	128,863	-
Toronto-Dominion Bank, N.A.	111,527	115,259
CIMB Bank Berhad	53,610	54,634
Bank of America	8,369	8,529
Citigroup, Inc.	7,499	7,756
The Royal Bank of Canada	5,602	5,825
JP Morgan Chase Bank, N.A.	5,507	7,303
Bank of Nova Scotia	5,289	5,485
Stanley Black & Decker, Inc.	5,239	5,401
Others	105,041	110,096
	568,858	386,788
<u>Singaporean Dollar</u>		
House and Development Board Singapore	10,437	10,888
	10,437	10,888

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

	Fair Value/ Carrying Value	
	June 30, 2023	December 31, 2022
<u>Fair value through other comprehensive income (continued)</u>		
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT Sarana Multi Infrastruktur (Persero)	1,395,159	1,344,197
PT Sarana Multigriya Finansial (Persero)	1,358,853	1,280,122
PT Pupuk Indonesia (Persero)	992,363	945,463
PT Perusahaan Listrik Negara (Persero)	779,978	905,677
PT Bank Mandiri (Persero) Tbk	580,342	697,645
PT Bank Tabungan Negara (Persero) Tbk	436,725	558,095
PT Kereta Api Indonesia (Persero)	360,350	352,945
PT Perusahaan Pengelola Aset (Persero)	353,118	226,456
Lembaga Pembiayaan Ekspor Indonesia	266,123	349,949
PT Waskita Karya (Persero) Tbk	196,065	194,446
Others	749,000	709,075
	7,468,076	7,564,070
<u>United States Dollar</u>		
PT Indonesia Asahan Aluminium (Persero)	1,321,032	1,043,810
PT Perusahaan Listrik Negara (Persero)	607,753	490,180
PT Pertamina (Persero)	486,683	1,233,446
PT Bank Mandiri (Persero) Tbk	434,899	397,304
PT Perusahaan Gas Negara (Persero) Tbk	403,088	417,438
PT Pelabuhan Indonesia II (Persero)	192,101	196,433
PT Sarana Multi Infrastruktur (Persero)	172,474	162,883
PT Pelabuhan Indonesia III (Persero)	37,152	139,262
PT Hutama Karya (Persero)	13,831	14,108
	3,669,013	4,094,864
	16,206,909	15,434,106

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

	Fair Value/Carrying Value	
	June 30, 2023	December 31, 2022
<u>Amortized costs</u>		
<u>Third parties</u>		
<u>Rupiah</u>		
PT Indosat Tbk	15,146	15,161
PT Bank CIMB Niaga Tbk	10,000	10,000
	<u>25,146</u>	<u>25,161</u>
<u>United States Dollar</u>		
United Overseas Bank	44,915	46,620
	<u>44,915</u>	<u>46,620</u>
<u>Singaporean Dollar</u>		
House and Development Board Singapore	105,426	111,005
	<u>105,426</u>	<u>111,005</u>
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT Perusahaan Listrik Negara (Persero)	291,299	294,662
Lembaga Pembiayaan Ekspor Indonesia	79,490	79,681
PT Sarana Multigriya Finansial (Persero)	75,000	75,000
PT Kereta Api Indonesia (Persero)	35,000	35,000
PT Sarana Multi Infrastruktur (Persero)	30,000	30,000
PT Bank Mandiri Taspen	17,506	17,677
PT Industri Kereta Api (Persero)	10,000	10,000
PT Telekomunikasi Indonesia (Persero) Tbk	5,160	5,161
PT Bank Mandiri (Persero) Tbk	5,038	5,123
PT Perusahaan Pengelola Aset (Persero)	3,226	3,511
PT Bank Tabungan Negara (Persero) Tbk	-	72,911
	<u>551,719</u>	<u>628,726</u>
<u>United States Dollar</u>		
PT Perusahaan Listrik Negara (Persero)	171,385	177,877
PT Perusahaan Gas Negara (Persero) Tbk	60,250	62,466
PT Pelabuhan Indonesia II (Persero)	40,533	41,904
PT Pelabuhan Indonesia III (Persero)	23,537	24,501
PT Pertamina (Persero)	-	117,454
	<u>295,705</u>	<u>424,202</u>
	<u>1,022,911</u>	<u>1,235,714</u>
Total	<u>17,650,146</u>	<u>17,149,540</u>

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Information regarding interest rates, maturity dates and ratings are as follows:

	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}	
			June 30, 2023	December 31, 2022
Third parties				
Rupiah				
PT Adira Dinamika Multifinance Tbk				
<i>Berkelanjutan</i> IV Phase III Year 2018				
Series E	9.25	August 16, 2023	idAAA	idAAA
<i>Berkelanjutan</i> IV Phase IV Year 2019				
Series C	9.50	January 23, 2024	idAAA	idAAA
<i>Berkelanjutan</i> IV Phase V Year 2019				
Series C	9.15	April 16, 2024	idAAA	idAAA
<i>Berkelanjutan</i> IV Phase VI Year 2019				
Series C	8.10	October 4, 2024	idAAA	idAAA
<i>Berkelanjutan</i> V Phase I Year 2020				
Series B	7.90	July 7, 2023	idAAA	idAAA
<i>Berkelanjutan</i> V Phase II Year 2021				
Series B	5.50	July 23, 2024	idAAA	idAAA
<i>Berkelanjutan</i> V Phase III Year 2022				
Series B	5.60	March 22, 2025	idAAA	idAAA
Series C	6.25	March 22, 2027	idAAA	idAAA
PT Astra Sedaya Finance				
<i>Berkelanjutan</i> IV Phase III Year 2019				
Series C	7.95	October 23, 2024	idAAA	idAAA
<i>Berkelanjutan</i> V Phase II Year 2021				
Series B	6.35	April 15, 2024	idAAA	idAAA
<i>Berkelanjutan</i> V Phase III Year 2021				
Series B	5.30	October 22, 2024	idAAA	idAAA
<i>Berkelanjutan</i> V Phase IV Year 2022				
Series B	5.70	March 22, 2025	idAAA	idAAA
<i>Berkelanjutan</i> V Phase V Year 2022				
Series B	6.35	August 26, 2025	idAAA	idAAA
PT Chandra Asri Petrochemical Tbk				
<i>Berkelanjutan</i> I Phase I Year 2018				
Series C	9.00	March 1, 2025	idAA-	idAA-
<i>Berkelanjutan</i> III Phase III Year 2021				
Series B	8.50	April 15, 2026	idAA-	idAA-
<i>Berkelanjutan</i> III Phase V Year 2022				
Series A	7.20	March 8, 2027	idAA-	idAA-
Series B	8.10	March 8, 2029	idAA	idAA-
<i>Berkelanjutan</i> IV Phase I Year 2022				
Series A	8.00	August 9, 2027	idAA-	idAA-
<i>Berkelanjutan</i> IV Phase II Year 2023				
Series A	8.40	February 28, 2028	idAA-	-
PT Merdeka Copper Gold Tbk				
<i>Berkelanjutan</i> I Phase II Year 2020				
Series B	10.25	September 9, 2023	idA+	idA+
<i>Berkelanjutan</i> III Phase III Year 2022				
Series A	5.50	September 8, 2023	idA+	idA+
<i>Berkelanjutan</i> IV Phase I Year 2022	10.30	December 13, 2023	idA+	idA+
PT Indah Kiat Pulp & Paper Tbk				
<i>Berkelanjutan</i> I Phase II Year 2020				
Series B	10.50	September 16, 2023	idA+	-
<i>Berkelanjutan</i> III Phase I Year 2022				
Series A	6.25	August 15, 2023	idA+	-
Series C	10.00	August 5, 2027	idA+	-
<i>Berkelanjutan</i> II Phase III Year 2022				
Series B	8.75	February 24, 2025	idA+	idA+

*) Based on the rank published by PT Pemeringkat Efek Indonesia (Pefindo)

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Information regarding interest rates, maturity dates and ratings are as follows (continued):

	Annual Interest Rate (%)	Maturity Date	Rating ¹⁾	
			June 30, 2023	December 31, 2022
Third parties (continued)				
Rupiah (continued)				
PT Indah Kiat Pulp & Paper Tbk (continued)				
<i>Berkelanjutan</i> III Phase II Year 2022				
Series A	6.00	October 21, 2023	idA+	idA+
<i>Berkelanjutan</i> III Phase III Year 2022				
Series A	7.00	December 26, 2023	idA+	idA+
<i>Sukuk Mudharabah Berkelanjutan</i> II Phase II				
Year 2022 Series A	6.00	October 21, 2023	idA+(sy)	idA+(sy)
<i>Sukuk Mudharabah Berkelanjutan</i> II Phase IV				
Year 2023 Series A	7.00	September 7, 2024	idA+(sy)	-
PT Federal International Finance				
<i>Berkelanjutan</i> IV Phase II Year 2020				
Series B	7.25	October 7, 2023	idAAA	idAAA
<i>Berkelanjutan</i> V Phase I Year 2021				
Series B	6.25	June 8, 2024	idAAA	idAAA
<i>Berkelanjutan</i> V Phase II Year 2021				
Series B	5.30	October 27, 2024	idAAA	idAAA
<i>Berkelanjutan</i> V Phase V Year 2023				
Series B	6.80	February 24, 2026	idAAA	-
PT Bank Maybank Indonesia Tbk				
<i>Berkelanjutan</i> II Phase I Year 2017				
Series C	8.65	July 11, 2027	idAAA	AAA***
<i>Berkelanjutan</i> II Phase III Year 2018				
Series C	8.80	October 26, 2023	idAAA	AAA***
<i>Berkelanjutan</i> IV Phase I Year 2022				
Series B	6.25	July 8, 2025	idAAA	AAA***
PT Maybank Indonesia Finance				
<i>Berkelanjutan</i> III Phase I Year 2021	6.30	June 23, 2024	AAA(idn)	AA+(idn)
<i>Berkelanjutan</i> III Phase II Year 2022	5.80	March 30, 2025	AAA(idn)	AA+(idn)
PT Indosat Tbk				
<i>Sukuk Ijarah Berkelanjutan</i> I Phase III				
Year 2015 Series B	11.20	December 8, 2025	idAAA(sy)	idAAA(sy)
<i>Berkelanjutan</i> I Phase III Year 2015				
Series D	11.20	December 8, 2025	idAAA	idAAA
<i>Berkelanjutan</i> II Phase I Year 2017				
Series E	9.25	May 31, 2027	idAAA	idAAA
<i>Berkelanjutan</i> II Phase II Year 2017				
Series E	8.65	November 9, 2027	idAAA	idAAA
<i>Berkelanjutan</i> II Phase III Year 2018				
Series E	8.70	May 3, 2028	idAAA	idAAA
<i>Berkelanjutan</i> III Phase II Year 2019				
Series D	10.00	July 23, 2029	idAAA	idAAA
<i>Berkelanjutan</i> IV Phase I Year 2022				
Series A	7.00	October 26, 2025	idAAA	idAAA
Series B	7.70	October 26, 2027	idAAA	idAAA
United states dollar				
Toronto-Dominion Bank, N.A.				
Year 2024	1.25	December 13, 2024	A1**)	A1**)
Year 2027	2.80	March 10, 2027	A1**)	A**)
CIMB Bank Berhad				
Year 2027	2.13	July 20, 2027	A3**)	A3**)

^{*)} Based on the rank published by PT Pemeringkat Efek Indonesia (Pefindo)

^{**)} Based on the rank published by Moody's

^{***)} Based on the rank published by Fitch Ratings

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Information regarding interest rates, maturity dates and ratings are as follows (continued):

	Annual Interest Rate (%)	Maturity Date	Rating ¹⁾	
			June 30, 2023	December 31, 2022
Third parties (continued)				
United states dollar (continued)				
Bank of America				
Year 2026	1.32	June 19, 2026	A1**)	A2**)
Year 2026	3.50	April 19, 2026	A1**)	A2**)
Year 2031	2.50	February 13, 2031	A1**)	A2**)
Year 2031	1.92	October 24, 2031	A1**)	A2**)
The Bank of Nova Scotia				
Year 2024	0.70	April 15, 2024	A2**)	A2**)
Year 2025	1.30	June 11, 2025	A2**)	A2**)
Year 2025	4.50	December 16, 2025	Baa1**)	A2**)
Citigroup, Inc.				
Year 2024	3.75	June 16, 2024	A3**)	A3**)
Year 2028	3.52	October 27, 2028	A3**)	A3**)
Year 2031	2.67	January 29, 2031	A3**)	A3**)
JP Morgan Chase Bank, N.A				
Year 2026	2.01	March 13, 2026	A1**)	A2**)
Year 2029	4.45	December 5, 2029	A1**)	A2**)
PT Indonesia Infrastructure Finance				
Year 2026	1.50	January 27, 2026	BBB***)	BBB***)
The Royal Bank of Canada				
Year 2024	2.55	July 16, 2024	A1**)	A2**)
Year 2025	1.15	June 10, 2025	A1**)	A2**)
Year 2026	4.65	January 27, 2026	A3**)	Baa1**)
United Overseas Bank				
Year 2025	3.06	April 7, 2025	Aa1**)	AA-
PT Indofood Sukses Makmur Tbk				
Year 2031	3.40	June 9, 2031	BBB-**)	-
Singaporean dollar				
Housing and Development Board Singapore				
Year 2025	2.63	September 17, 2025	AAA***)	AAA***)
Year 2028	2.32	January 24, 2028	AAA***)	AAA***)
Year 2028	1.54	October 12, 2028	AAA***)	AAA***)
Year 2029	1.97	January 25, 2029	AAA***)	AAA***)
Year 2029	3.95	January 29, 2029	AAA***)	AAA***)
Year 2029	3.44	September 13, 2028	AAA***)	AAA***)
Related parties (Note 44)				
Rupiah				
PT Bank Mandiri (Persero) Tbk				
<i>Berkelanjutan I Phase I Year 2016</i>				
Series B	8.50	September 30, 2023	idAAA	idAAA
Series C	8.65	September 30, 2026	idAAA	idAAA
<i>Berkelanjutan I Phase II Year 2017</i>				
Series B	8.50	June 15, 2024	idAAA	idAAA
Series C	8.65	June 15, 2027	idAAA	idAAA
<i>Berkelanjutan I Phase III Year 2018</i>				
<i>Berkelanjutan II Phase I Year 2020</i>	8.50	September 21, 2023	idAAA	idAAA
Series A	7.75	May 12, 2025	idAAA	idAAA
Series B	8.30	May 12, 2027	idAAA	-
PT Bank Tabungan Negara (Persero) Tbk				
<i>Berkelanjutan II Phase I Year 2015</i>				
Series D	10.50	July 8, 2025	idAAA	idAA+
<i>Berkelanjutan III Phase I Year 2017</i>				
Series C	8.70	July 13, 2024	idAAA	idAA+
Series D	8.90	July 13, 2027	idAAA	idAA+

*) Based on the rank published by PT Pemeringkat Efek Indonesia (Pefindo)

***) Based on the rank published by Moody's

****) Based on the rank published by Fitch Ratings

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Information regarding interest rates, maturity dates and ratings are as follows (continued):

	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}	
			June 30, 2023	December 31, 2022
Related parties (Note 44) (continued)				
Rupiah (continued)				
PT Bank Tabungan Negara (Persero) Tbk (continued)				
<i>Berkelanjutan</i> III Phase II Year 2019 Series C	9.00	June 28, 2024	idAAA	idAA+
<i>Berkelanjutan</i> IV Phase I Year 2020 Series B	7.80	August 19, 2023	idAAA	idAA+
<i>Berkelanjutan</i> IV Phase II Year 2022 Series A	5.50	May 24, 2025	idAAA	idAA+
PT Bank Mandiri Taspen				
<i>Berkelanjutan</i> I Phase I Year 2019 Series B	8.20	November 26, 2024	idAAA	idAA
<i>Berkelanjutan</i> I Phase II Year 2021 Series A	6.50	April 28, 2024	idAAA	idAA
Series B	7.25	April 28, 2026	idAAA	idAA
PT Utama Karya (Persero)				
<i>Berkelanjutan</i> I Phase I Year 2016	8.55	December 21, 2026	idAAA	idAAA
<i>Berkelanjutan</i> I Phase II Year 2017	8.07	June 6, 2027	idAAA	idAAA
PT Industri Kereta Api (Persero)				
<i>Mudharabah</i> I Year 2020	10.59	February 24, 2025	idBBB+(sy)	idBBB+(sy)
PT Kereta Api Indonesia (Persero)				
<i>Berkelanjutan</i> II Year 2017 Series B	8.25	November 21, 2024	idAA+	idAA+
<i>Berkelanjutan</i> II Year 2019 Series A	7.75	December 13, 2024	idAA+	idAA+
Series B	8.20	December 13, 2026	idAA+	idAA+
<i>Berkelanjutan</i> I Year 2022 Series A	7.10	August 5, 2027	idAA+	idAA+
PT Perusahaan Listrik Negara (Persero)				
<i>Berkelanjutan</i> I Phase I Year 2013 Series B	8.25	July 5, 2023	idAAA	idAAA
<i>Berkelanjutan</i> I Phase II Year 2013 Series B	9.60	December 10, 2023	idAAA	idAAA
<i>Berkelanjutan</i> II Phase I Year 2017 Series C	8.50	July 11, 2027	idAAA	idAAA
<i>Berkelanjutan</i> II Phase II Year 2017 Series D	8.70	November 3, 2032	idAAA	idAAA
<i>Berkelanjutan</i> II Phase III Year 2018 Series C	7.25	February 22, 2028	idAAA	idAAA
<i>Berkelanjutan</i> III Phase II Year 2018 Series B	9.00	October 10, 2025	idAAA	idAAA
<i>Berkelanjutan</i> III Phase III Year 2019 Series B	9.10	February 19, 2024	idAAA	idAAA
Series D	9.60	February 19, 2029	idAAA	idAAA
<i>Berkelanjutan</i> III Phase IV Year 2019 Series A	8.00	August 1, 2024	idAAA	idAAA
Series B	8.50	August 1, 2026	idAAA	idAAA
Series C	8.70	August 1, 2029	idAAA	idAAA
<i>Berkelanjutan</i> III Phase V Year 2019				
Series A	7.90	October 1, 2024	idAAA	idAAA
Series B	8.40	October 1, 2026	idAAA	idAAA
Series D	9.40	October 1, 2034	idAAA	idAAA
<i>Berkelanjutan</i> III Phase VI Year 2020				
Series A	7.20	February 18, 2025	idAAA	idAAA
Series B	7.70	February 18, 2027	idAAA	idAAA
Series C	8.00	February 18, 2030	idAAA	idAAA
Series D	8.70	February 18, 2035	idAAA	idAAA

*) Based on the rank published by PT Pemeringkat Efek Indonesia (Pefindo)

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Information regarding interest rates, maturity dates and ratings are as follows (continued):

	Annual Interest Rate (%)	Maturity Date	Rating ¹⁾	
			June 30, 2023	December 31, 2022
Related parties (Note 44) (continued)				
Rupiah (continued)				
PT Perusahaan Listrik Negara (Persero)				
(continued)				
Berkelanjutan III Phase VII Year 2020				
Series D	9.10	May 6, 2030	idAAA	-
Berkelanjutan IV Phase I Year 2020				
Series A	6.70	September 8, 2025	idAAA	idAAA
Sukuk Ijarah Berkelanjutan I Phase II				
Year 2013 Series B	9.60	December 10, 2023	idAAA	idAAA
Sukuk Ijarah Berkelanjutan II Phase I				
Year 2017 Series B	8.50	July 11, 2027	idAAA	idAAA
Sukuk Ijarah Berkelanjutan II Phase II				
Year 2017 Series C	8.70	November 3, 2032	idAAA	idAAA
Sukuk Ijarah Berkelanjutan II Phase III				
Year 2018 Series B	7.25	February 22, 2028	idAAA	idAAA
Sukuk Ijarah Berkelanjutan III Phase II				
Year 2018 Series B	9.00	October 10, 2025	idAAA	idAAA
Sukuk Ijarah Berkelanjutan III Phase V				
Year 2019 Series A	7.90	October 1, 2024	idAAA	idAAA
Sukuk Ijarah Berkelanjutan III Phase IV				
Year 2019 Series B	8.50	August 1, 2026	idAAA	idAAA
Sukuk Ijarah Berkelanjutan III Phase VI				
Year 2020 Series C	8.75	February 18, 2035	idAAA	idAAA
PT Pupuk Indonesia (Persero)				
Berkelanjutan I Phase I Year 2017				
Series B	8.60	July 12, 2024	AAA***)	AAA***)
Berkelanjutan II Phase I Year 2020				
Series A	7.00	September 3, 2023	AAA***)	AAA(idn)
Series B	7.70	September 3, 2025	AAA***)	AAA(idn)
Series C	8.30	September 3, 2027	AAA***)	-
Berkelanjutan II Phase II Year 2021				
Series A	5.60	March 10, 2024	AAA***)	AAA(idn)
Series B	6.20	March 10, 2026	AAA***)	AAA(idn)
Series C	7.20	March 10, 2028	AAA***)	AAA(idn)
PT Sarana Multigriya Finansial (Persero)				
Berkelanjutan IV Phase VII Year 2019				
Series C	9.25	February 12, 2024	idAAA	idAAA
Berkelanjutan V Phase II Year 2019				
Series B	8.10	August 28, 2024	idAAA	idAAA
Berkelanjutan V Phase III Year 2020				
Series B	7.50	February 18, 2025	idAAA	idAAA
Berkelanjutan V Phase IV Year 2020				
Series B	8.10	July 14, 2025	idAAA	idAAA
Berkelanjutan V Phase V Year 2021				
Series B	5.75	February 10, 2024	idAAA	idAAA
Berkelanjutan VI Phase II Year 2021	6.00	November 17, 2026	idAAA	idAAA
Berkelanjutan VI Phase III Year 2022	6.95	September 21, 2027	idAAA	idAAA
Berkelanjutan VI Phase IV Year 2023	6.85	February 22, 2028	idAAA	-
Sukuk Mudharabah Berkelanjutan II				
Phase I Year 2021	5.60	July 8, 2024	idAAA	idAAA
EBA SP SMF BTN05 Class A Series A1	8.50	May 7, 2032	idAAA	idAAA
PT Perusahaan Pengelola Aset (Persero)				
Bonds II Year 2022				
Series A	7.00	July 8, 2025	idAA	idAA
Series B	7.80	July 8, 2027	idAA	idAA
Bonds I Year 2020				
Series A	9.95	September 1, 2023	idAA	idAA
Series B	10.55	September 1, 2025	idAA	idAA
SBK II PT Perusahaan Pengelola Aset 2022	7.25	December 13, 2023	B+***)	-

^{*)} Based on the rank published by PT Pemeringkat Efek Indonesia (Pefindo)

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Information regarding interest rates, maturity dates and ratings are as follows (continued):

	Annual Interest Rate (%)	Maturity Date	Rating ¹⁾	
			June 30, 2023	December 31, 2022
Related parties (Note 44) (continued)				
Rupiah (continued)				
PT Sarana Multi Infrastruktur (Persero)				
<i>Berkelanjutan</i> II Phase II Year 2019				
Series D	8.50	August 28, 2026	idAAA	idAAA
<i>Berkelanjutan</i> II Phase III Year 2019				
Series C	7.95	October 30, 2024	idAAA	idAAA
Series D	8.30	October 30, 2026	idAAA	idAAA
<i>Berkelanjutan</i> V Phase II Year 2019				
Series B	8.10	August 28, 2024	idAAA	idAAA
Sukuk Mudharabah I Phase II Year 2019				
Series D	8.55	August 28, 2026	idAAA	idAAA
<i>Berkelanjutan</i> II Phase IV Year 2020				
Series B	7.60	July 21, 2023	idAAA	idAAA
<i>Berkelanjutan</i> II Phase V Year 2020				
Series A	6.30	December 11, 2023	idAAA	idAAA
Series B	6.70	December 11, 2025	idAAA	idAAA
<i>Berkelanjutan</i> III Phase II Year 2022	6.98	November 8, 2025	idAAA	idAAA
<i>Berkelanjutan</i> III Phase I Year 2022				
Series B	5.75	August 5, 2025	idAAA	idAAA
<i>Berkelanjutan</i> III Phase III Year 2023				
Series B	6.70	May 17, 2026	idAAA	-
Series C	6.80	May 17, 2027	idAAA	-
Foreign currency				
PT Bank Mandiri (Persero) Tbk				
Year 2024	3.75	April 11, 2024	BBB-***)	BBB-***)
Year 2025	4.75	May 13, 2025	BBB-***)	BBB-***)
Year 2026	2.00	April 19, 2026	BBB-***)	BBB-***)
PT Hutama Karya (Persero) Tbk				
Year 2030	3.75	May 11, 2030	BBB-***)	BBB-***)
PT Indonesia Asahan Aluminium (Persero)				
Year 2023	5.71	November 15, 2023	BBB-***)	BBB-***)
Year 2025	4.75	May 15, 2025	BBB-***)	BBB-***)
Year 2028	3.02	November 15, 2028	BBB-***)	BBB-***)
Year 2030	5.45	May 15, 2030	BBB-***)	BBB-***)
PT Pelabuhan Indonesia II (Persero)				
Year 2025	4.25	May 5, 2025	BBB-***)	BBB-***)
PT Pelabuhan Indonesia III (Persero)				
Year 2024	4.88	October 1, 2024	BBB-***)	BBB-***)
PT Pertamina (Persero)				
Year 2029	3.65	July 30, 2029	BBB***)	BBB***)
Year 2030	3.10	January 21, 2030	BBB***)	BBB***)
Year 2031	2.30	February 9, 2031	BBB***)	BBB***)
PT Perusahaan Gas Negara (Persero) Tbk				
Year 2024	5.13	May 16, 2024	BBB-***)	BBB-***)
PT Perusahaan Listrik Negara (Persero)				
Year 2027	4.13	May 15, 2027	BBB***)	BBB***)
Year 2028	5.45	May 21, 2028	BBB***)	BBB***)
Year 2029	5.38	January 25, 2029	BBB***)	BBB***)
Year 2030	3.38	February 5, 2030	BBB***)	BBB***)
PT Sarana Multi Infrastruktur (Persero)				
Year 2026	2.05	May 11, 2026	BBB***)	BBB***)

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.3. Mutual Fund

	June 30, 2023	December 31, 2022
<u>Fair value through profit or loss</u>		
<u>Third parties</u>		
<u>Rupiah</u>		
PT Schroder Investment Management Indonesia	622,343	604,108
PT Trimegah Asset Management	300,235	701,222
PT BNP Paribas Investment Partners	9,893	11,686
PT Sucorinvest Asset Management	4,333	12,880
PT Syailendra Capital	-	750,803
PT Avrist Asset Management	-	10,341
	936,804	2,091,040
<u>United States Dollar</u>		
PT Schroder Investment Management Indonesia	8,618	8,869
	8,618	8,869
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT PNM Investment Management	781,801	570,178
PT BNI Asset Management	203,649	-
PT Danareksa Investment Management	115,139	3,527,388
PT Mandiri Manajemen Investasi	104,535	251,720
PT Bahana TCW Investment Management	53,987	635,716
	1,259,111	4,985,002
	2,204,533	7,084,911
<u>Fair value through other comprehensive income</u>		
<u>Third parties</u>		
<u>Rupiah</u>		
PT Trimegah Asset Management	2,369,903	2,254,051
PT Manulife Aset Manajemen Indonesia	2,269,028	1,515,150
PT Syailendra Capital	2,228,591	2,116,666
PT Berdikari Manajemen Investasi	577,025	577,330
PT Sinarmas Asset Management	207,120	169,610
PT Sucorinvest Asset Management	65,766	318,540
PT Mega Capital Investama	20,278	20,729
	7,737,711	6,972,076
<u>United States Dollar</u>		
PT Manulife Aset Manajemen Indonesia	757,721	788,027
	757,721	788,027

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.3. Mutual Fund (continued)

	June 30, 2023	December 31, 2022
Fair value through other comprehensive income (continued)		
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT Danareksa Investment Management	2,588,514	1,875,482
PT Bahana TCW Investment Management	1,847,223	878,835
PT BNI Asset Management	757,917	756,788
PT PNM Investment Management	149,486	149,382
PT Mandiri Manajemen Investasi	11,667	2,081
	5,354,807	3,662,568
	13,850,239	11,422,671
Total	16,054,772	18,507,582

d.4. Negotiable Certificate of Deposit (NCD)

	Nominal Value	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value	
				June 30, 2023	December 31, 2022
Fair value through profit or loss					
<u>Related parties (Note 44)</u>					
<u>Rupiah</u>					
PT Bank Negara Indonesia (Persero) Tbk					
Year 2022 Series C	20,000	6.20	Dec 8, 2023	19,290	-
Year 2022 Series A	20,000	5.90	Jun 6, 2023	-	18,554
				19,290	18,554
Fair value through other comprehensive income					
<u>Third parties</u>					
<u>Foreign Currency</u>					
Central Bank Of China					
112062102811N	50	1.09	Jul 19, 2023	24,162	-
112061302811N	50	1.09	Jul 11, 2023	24,161	-
111121602811N	130	0.97	Jan 13, 2023	-	65,796
111122102811N	100	0.97	Jan 18, 2023	-	50,613
111122801411N	95	0.71	Jan 11, 2023	-	48,082
111123002811N	100	0.97	Jan 30, 2023	-	50,613
111123000711N	10	0.58	Jan 6, 2023	-	5,060
				48,323	220,164
<u>Related parties (Note 44)</u>					
<u>Rupiah</u>					
PT Bank Negara Indonesia (Persero) Tbk					
Year 2022 Series C	10,000	6.20	Dec 8, 2023	9,645	9,277
				9,645	9,277

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.4. Negotiable Certificate of Deposit (NCD) (continued)

				Fair Value/Carrying Value	
	Nominal Value	Annual Interest Rate (%)	Maturity Date	June 30, 2023	December 31, 2022
<u>Fair value through other</u>					
<u>comprehensive income (continued)</u>					
<u>Related parties (Note 44) (continued)</u>					
<u>Foreign Currency</u>					
PT Bank Negara Indonesia (Persero) Tbk					
Year 2022 Series A	20	5.90	Jun 6, 2023	-	316,020
				-	316,020
Total				77,258	564,015

d.5. Subordinated Bonds

	Fair Value/ Carrying Value	
	June 30, 2023	December 31, 2022
<u>Fair value through profit or loss</u>		
<u>Third parties</u>		
<u>Rupiah</u>		
PT Bank KEB Hana Indonesia		
Series I Year 2016	31,502	32,001
PT Bank Central Asia Tbk		
<i>Berkelanjutan I Phase I Year 2018 Series B</i>	16,094	15,632
	47,596	47,633
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT Bank Syariah Indonesia Tbk		
Subordinated Sukuk <i>Mudharabah I</i> Year 2016	2,015	2,036
	49,611	49,669
<u>Fair value through other comprehensive income</u>		
<u>Third parties</u>		
<u>Rupiah</u>		
PT Bank Pan Indonesia Tbk		
<i>Berkelanjutan II Phase II Year 2017</i>	39,641	40,304
PT Bank UOB Indonesia		
<i>Berkelanjutan I Phase II Year 2017</i>	9,278	20,740
PT Bank KEB Hana Indonesia		
Series I Year 2016	1,016	9,290
PT Bank Maybank Indonesia Tbk		
<i>Berkelanjutan II Phase II Year 2016</i>	-	18,283
PT Bank Central Asia Tbk		
<i>Berkelanjutan I Phase I Year 2018 Series A</i>	-	5,000
	49,935	93,617

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.5. Subordinated Bonds (continued)

	Fair Value/ Carrying Value	
	June 30, 2023	December 31, 2022
<u>Fair value through other comprehensive income (continued)</u>		
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT Bank Syariah Indonesia Tbk		
Subordinated Sukuk <i>Mudharabah</i> I Year 2016	25,181	25,454
	<u>75,116</u>	<u>119,071</u>
<u>Amortized cost</u>		
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
PT Bank Syariah Indonesia Tbk		
Subordinated Sukuk <i>Mudharabah</i> I Year 2016	7,000	7,000
	<u>7,000</u>	<u>7,000</u>
Total	<u>131,727</u>	<u>175,740</u>

Information regarding interest rates, maturity dates and ratings are as follows:

			Ratings ¹⁾	
	Annual Interest Rate (%)	Maturity Date	June 30, 2023	December 31, 2022
<u>Third parties</u>				
<u>Rupiah</u>				
PT Bank KEB Hana Indonesia Series I Year 2016	9.95	Dec 21, 2023	AA(idn)***)	AA(idn)***)
PT Bank Central Asia Tbk <i>Berkelanjutan</i> I Phase I Year 2018 Series A	7.75	Jul 5, 2025	idAA	idAA
Series B	8.00	Jul 5, 2030	idAA	idAA
PT Bank Maybank Indonesia Tbk <i>Berkelanjutan</i> II Phase II Year 2016	9.63	Jun 10, 2023	AA(idn)***)	AA(idn)***)
PT Bank Pan Indonesia Tbk <i>Berkelanjutan</i> II Phase II Year 2017	10.25	Mar 17, 2024	idA+	idA+
PT Bank UOB Indonesia <i>Berkelanjutan</i> I Phase II Year 2017	9.25	Oct 17, 2024	AA(idn)***)	AA(idn)***)
<u>Related Parties (Note 44)</u>				
<u>Rupiah</u>				
PT Bank Syariah Indonesia Subordinated <i>Sukuk Mudharabah</i> I Year 2016	9.25	Nov 16, 2023	idAA	idA+

^{*)} Based on the rank published by PT Pemeringkat Efek Indonesia (Pefindo)

^{***)} Based on Ratings issued by Fitch Ratings

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7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.6. Medium-Term Note (MTN)

				Fair Value/Carrying Value	
	Nominal Value	Annual Interest Rate (%)	Maturity Date	June 30, 2023	December 31, 2022
<u>Fair value through other comprehensive income</u>					
<u>Related parties (Note 44)</u>					
<u>Rupiah</u>					
PT Bahana Pembinaan Usaha Indonesia (Persero)					
MTN I Year 2022 ¹⁾	200,000	9.00	Nov 2, 2027	208,830	223,023
Perum Perumnas					
Phase III Year 2018 Series A ¹⁾	60,000	11.25	Dec 10, 2023	62,520	62,520
				271,350	285,543
<u>Amortized cost</u>					
<u>Related parties (Note 44)</u>					
<u>Rupiah</u>					
PT Perkebunan Nusantara II (Persero)					
VIII Series A ¹⁾	10,000	11.00	Jun 26, 2024	10,000	10,000
VIII Series B ¹⁾	1,000	11.00	Oct 31, 2024	1,000	1,000
Total				282,350	296,543

¹⁾ Interest received every 3 (three) months

e) Average interest rate:

	June 30, 2023	December 31, 2022
Rupiah	6.89%	6.82%
United States Dollar	4.21	3.54
European Euro	2.27	1.67
Singaporean Dollar	2.80	2.87
New Taiwanese Dollar	1.19	1.03
Japanese Yen	0.61	0.61

- f) BRI recognized net unrealized gain resulting from the changes in fair values of securities classified as "fair value through profit or loss" amounting to Rp291,398 and Rp65,890 for the six-month period ended June 30, 2023 and 2022, respectively which are presented in the "unrealized gain on changes in fair value of securities" in the consolidated statement of profit or loss and other comprehensive income.
- g) BRI recognized net gain on sale of securities amounting to Rp979,602 and Rp895,360 for the six-month period ended June 30, 2023 and 2022, respectively which are presented in the "gain on sale of securities - net" in the consolidated statement of profit or loss and other comprehensive income.

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7. SECURITIES (continued)

- h) Securities with nominal value Rp26,070,128 and Rp10,867,140 as of June 30, 2023 and December 31, 2022, respectively were sold under agreement to repurchase (Note 23).
- i) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category:

	June 30, 2023			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Securities measured at fair value</u> <u>through other comprehensive income</u>				
Carrying value beginning balance	150,802,567	-	-	150,802,567
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	6,555,551	-	-	6,555,551
New financial assets issued or purchased	9,596,360	-	-	9,596,360
Derecognized financial assets	(21,077,622)	-	-	(21,077,622)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(1,344,213)	-	-	(1,344,213)
Carrying value ending balance	144,532,643	-	-	144,532,643

	June 30, 2023			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Securities measured at amortized cost</u>				
Carrying value beginning balance	158,406,378	-	-	158,406,378
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	(518,900)	-	-	(518,900)
New financial assets issued or purchased	9,529,270	-	-	9,529,270
Derecognized financial assets	(21,738,593)	-	-	(21,738,593)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(670,981)	-	-	(670,981)
Carrying value ending balance	145,007,174	-	-	145,007,174

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7. SECURITIES (continued)

- i) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	December 31, 2022			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Securities measured at fair value</u>				
<u>through other comprehensive income</u>				
Carrying value beginning balance	201,526,369	-	-	201,526,369
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	(14,482,901)	-	-	(14,482,901)
New financial assets issued or purchased	20,265,482	-	-	20,265,482
Derecognized financial assets	(59,349,780)	-	-	(59,349,780)
Written-off financial assets				
Recovery from written-off financial assets				
Foreign exchange model or parameter changes and other changes	2,843,397	-	-	2,843,397
Carrying value ending balance	150,802,567	-	-	150,802,567

	December 31, 2022			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Securities measured at amortized cost</u>				
Carrying value beginning balance	151,521,026	-	-	151,521,026
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	1,467,824	-	-	1,467,824
New financial assets issued or purchased	10,879,708	-	-	10,879,708
Derecognized financial assets	(7,860,448)	-	-	(7,860,448)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	2,398,268	-	-	2,398,268
Carrying value ending balance	158,406,378	-	-	158,406,378

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7. SECURITIES (continued)

- i) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	June 30, 2023			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Securities measured at fair value</u>				
<u>through other comprehensive income</u>				
Allowance for expected credit loss beginning balance	141,559	-	-	141,559
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	10,595	-	-	10,595
New financial assets issued or purchased	7,957	-	-	7,957
Derecognized financial assets	(4,175)	-	-	(4,175)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	2,167	-	-	2,167
Allowance for expected credit loss ending balance^{*)}	158,103	-	-	158,103

*) Allowance for expected credit losses on securities measured at fair value through other comprehensive income is recorded in other comprehensive income therefore the carrying value is stated at fair value.

	June 30, 2023			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Securities measured at amortized cost</u>				
Allowance for expected credit loss beginning balance	82,835	-	-	82,835
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	11,544	-	-	11,544
New financial assets issued or purchased	5,411	-	-	5,411
Derecognized financial assets	(7,300)	-	-	(7,300)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(11,733)	-	-	(11,733)
Allowance for expected credit loss ending balance	80,757	-	-	80,757

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7. SECURITIES (continued)

- i) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	December 31, 2022			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Securities measured at fair value</u>				
<u>through other comprehensive income</u>				
Allowance for expected credit loss				
beginning balance	554,756	-	-	554,756
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	(282,698)	-	-	(282,698)
New financial assets issued or purchased	23,722	-	-	23,722
Derecognized financial assets	(154,223)	-	-	(154,223)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	2	-	-	2
Allowance for expected credit loss ending balance^{*)}	141,559	-	-	141,559

*) Allowance for expected credit losses on securities measured at fair value through other comprehensive income is recorded in other comprehensive income therefore the carrying value is stated at fair value.

	December 31, 2022			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Securities measured at amortized cost</u>				
Allowance for expected credit loss				
beginning balance	311,120	-	-	311,120
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	(161,213)	-	-	(161,213)
New financial assets issued or purchased	21,444	-	-	21,444
Derecognized financial assets	(90,586)	-	-	(90,586)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	2,070	-	-	2,070
Allowance for expected credit loss ending balance	82,835	-	-	82,835

Management believes that the allowance for impairment losses as of June 30, 2023 and December 31, 2022 are adequate.

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8. EXPORT BILLS AND OTHER RECEIVABLES

a) By Type and Currency:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>				
Domestic Documentary				
Letter of Credit (SKBDN)		6,275,324		4,286,069
Notes Receivables		5,347,962		5,576,245
Export Bills		4,331,344		3,355,392
Other Bills		495,454		506,167
		16,450,084		13,723,873
<u>Foreign currency</u>				
Domestic Documentary				
Letter of Credit (SKBDN)				
United States Dollar	183,453	2,750		-
Export Bills				
United States Dollar	388,285,676	5,821,373	111,655,365	1,738,195
Renminbi	56,602,728	117,707	36,117,545	80,864
European Euro	89,314	1,465	194,897	3,232
Singaporean Dollar		-	388,205,257	4,500,417
		5,940,545		6,322,708
Notes Receivables				
United States Dollar	550,149,350	8,248,114	453,416,050	7,058,556
European Euro	8,934,304	146,539	11,562,854	191,732
Renminbi	2,357,572	4,903	2,759,864	6,179
Singaporean Dollar		-	201,616,192	2,337,312
		8,399,556		9,593,779
Other Bills				
United States Dollar	37,708,531	565,345	29,212,471	454,765
Renminbi	13,285,300	27,627	24,531,085	54,923
Japanese Yen	52,654,242	5,500	52,414,886	6,175
European Euro	70,500	1,156		-
		599,628		515,863
		14,942,479		16,432,350
		31,392,563		30,156,223
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Notes Receivables		3,425,297		4,552,101
Export Bills		226,166		89,703
Domestic Documentary				
Letter of Credit (SKBDN)		169,360		951,749
Other Bills		125,347		158,541
		3,946,170		5,752,094
<u>Foreign currency</u>				
Notes Receivables				
United States Dollar	193,952,034	2,907,826	150,101,816	2,336,710
Export Bills				
United States Dollar	67,134	1,007	113,946	1,774
		2,908,833		2,338,484

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8. EXPORT BILLS AND OTHER RECEIVABLES (continued)

a) By Type and Currency (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Related parties (Note 44) (continued)</u>				
<u>Foreign currency (continued)</u>				
Other Bills				
United States Dollar	47,959,560	719,034	51,501,356	801,747
European Euro	580,369	9,519	637,745	10,575
Japanese Yen	62,880,000	6,568	62,880,000	7,408
Great Britain Pound Sterling	128,192	2,448	44,900	844
		737,569		820,574
		3,646,402		3,159,058
		7,592,572		8,911,152
Total		38,985,135		39,067,375
Allowance for impairment losses		(2,240,391)		(1,638,929)
Total - Net		36,744,744		37,428,446

b) By Collectibility:

As of June 30, 2023 and December 31, 2022 all export bills and other receivables are classified as "Current", except for Rp6,239 and Rp599,732, with collectibility "Special Mention" on June 30, 2023 and December 31, 2022.

c) By Period:

The classification of export bills and other receivables based on their remaining period to maturity are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
≤ 1 month	7,465,490	9,363,195
> 1 month - 3 months	15,097,498	11,037,276
> 3 months - 1 year	8,829,575	9,755,752
	31,392,563	30,156,223
<u>Related parties (Note 44)</u>		
≤ 1 month	1,741,382	2,480,729
> 1 month - 3 months	2,422,520	3,792,441
> 3 months - 1 year	3,428,670	2,637,982
	7,592,572	8,911,152
Total	38,985,135	39,067,375
Allowance for impairment losses	(2,240,391)	(1,638,929)
Total - Net	36,744,744	37,428,446

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8. EXPORT BILLS AND OTHER RECEIVABLES (continued)

- d) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category:

June 30, 2023				
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Export Bills and Other Receivables</u>				
Carrying value beginning balance	38,376,387	690,988	-	39,067,375
Transition to				
Stage 1	-	-	-	-
Stage 2	(937,277)	937,277	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	-	-	-	-
New financial assets issued or purchased	35,441,530	498,817	-	35,940,347
Derecognized financial assets	(35,375,086)	(690,437)	-	(36,065,523)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	43,487	(551)	-	42,936
Carrying value ending balance	37,549,041	1,436,094	-	38,985,135

December 31, 2022				
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Export Bills and Other Receivables</u>				
Carrying value beginning balance	29,338,221	325,350	654	29,664,225
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	-	-	-	-
New financial assets issued or purchased	38,193,005	692,648	-	38,885,653
Derecognized financial assets	(29,338,221)	(325,350)	(654)	(29,664,225)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	183,382	(1,660)	-	181,722
Carrying value ending balance	38,376,387	690,988	-	39,067,375

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8. EXPORT BILLS AND OTHER RECEIVABLES (continued)

d) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	June 30, 2023			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Export Bills and Other Receivables</u>				
Allowance for expected credit loss beginning balance	1,108,792	530,137	-	1,638,929
Transition to				
Stage 1	-	-	-	-
Stage 2	(57,444)	57,444	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	19,187	731,000	-	750,187
New financial assets issued or purchased	1,003,591	388,877	-	1,392,468
Derecognized financial assets	(947,101)	(594,085)	-	(1,541,186)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(7)	-	-	(7)
Allowance for expected credit loss ending balance	1,127,018	1,113,373	-	2,240,391

	December 31, 2022			
	Stage 1- 12 month Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Export Bills and Other Receivables</u>				
Allowance for expected credit loss beginning balance	979,763	161,932	654	1,142,349
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	-	-	-	-
New financial assets issued or purchased	1,109,971	530,137	-	1,640,108
Derecognized financial assets	(979,763)	(161,932)	(654)	(1,142,349)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(1,179)	-	-	(1,179)
Allowance for expected credit loss ending balance	1,108,792	530,137	-	1,638,929

Management believes that the allowance for impairment losses on export bills and other receivables as of June 30, 2023 and December 31, 2022 are adequate.

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9. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL

- a) Securities purchased under agreement to resell as of June 30, 2023 and December 31, 2022 consist of:

June 30, 2023					
	Interest Rate (%)	Date of Purchase	Date of Resale ¹⁾	Purchase Amount	Carrying Value
<u>Third parties</u>					
<u>Rupiah</u>					
Bank Indonesia					
Government Bonds					
VR0070	5.75	Jun 27, 2023	Jul 4, 2023	4,747,711	4,750,742
VR0038	5.75	Jun 21, 2023	Jun 28, 2023	1,925,712	1,927,865
VR0093	6.03	Jun 14, 2023	Jul 12, 2023	1,876,279	1,881,622
VR0064	5.87	Jun 4, 2023	Jun 28, 2023	950,019	952,187
VR0064	5.85	Jun 27, 2023	Jul 11, 2023	951,055	951,673
VR0095	6.26	Apr 26, 2023	Jul 26, 2023	928,851	939,511
VR0065	6.01	Jun 27, 2023	Jul 25, 2023	926,055	926,673
VR0064	6.39	May 5, 2023	Nov 3, 2023	479,370	484,220
VR0034	5.75	Jun 22, 2023	Jul 3, 2023	478,422	479,109
VR0069	6.26	May 17, 2023	Aug 16, 2023	469,108	472,778
VR0073	6.26	May 29, 2023	Aug 28, 2023	467,569	470,253
VR0073	6.26	May 24, 2023	Aug 23, 2023	467,031	470,117
VR0070	5.75	Jun 27, 2023	Jul 4, 2023	189,908	190,030
VR0069	6.26	May 3, 2023	Aug 2, 2023	187,128	189,047
FR0052	4.05	Jul 29, 2022	Jul 28, 2023	116,041	120,440
VR0052	6.62	Dec 23, 2022	Sep 22, 2023	95,826	99,174
VR0060	6.48	Jan 13, 2023	Jul 14, 2023	95,797	98,711
VR0053	6.70	Dec 23, 2022	Dec 22, 2023	93,326	96,626
VR0042	5.75	Jun 26, 2023	Jul 3, 2023	96,522	96,599
VR0094	6.67	Jan 13, 2023	Jan 12, 2024	92,694	95,597
VR0072	6.62	Jan 13, 2023	Oct 13, 2023	92,676	95,556
VR0067	5.86	Jun 16, 2023	Jun 30, 2023	95,137	95,354
VR0063	5.75	Jun 23, 2023	Jul 3, 2023	95,031	95,152
FR0065	4.35	Aug 26, 2022	Aug 25, 2023	91,478	94,894
VR0061	6.50	Apr 28, 2022	Jan 26, 2024	93,600	94,681
VR0073	6.34	Jun 16, 2023	Dec 15, 2023	93,832	94,080
VR0093	6.26	May 22, 2023	Aug 21, 2023	93,383	94,033
VR0045	6.27	May 10, 2023	Aug 9, 2023	93,166	94,010
VR0049	6.45	Jun 9, 2023	Mar 8, 2024	93,476	93,844
VR0037	6.41	Jun 16, 2023	Jun 14, 2024	93,069	93,318
VR0057	6.18	Jun 16, 2023	Sep 15, 2024	92,957	93,196
VR0084	6.03	Jun 19, 2023	Jul 17, 2023	92,822	93,008
VR0079	6.02	Jun 16, 2023	Jul 14, 2023	92,769	93,001
VR0065	6.00	Jun 27, 2023	Jul 25, 2023	92,605	92,667
VR0072	6.15	Jun 27, 2023	Sep 26, 2023	92,454	92,517
VR0089	6.19	Jun 14, 2023	Sep 13, 2023	70,360	70,566
FR0074	6.65	Nov 18, 2022	Nov 17, 2023	48,194	50,197
VR0057	6.04	Oct 21, 2022	Jul 21, 2023	46,561	48,538
VR0076	6.16	Oct 21, 2022	Oct 20, 2023	46,382	48,390
FR0096	6.53	Nov 18, 2022	Aug 18, 2023	46,456	48,352
FR0088	5.66	Sep 23, 2022	Sep 22, 2023	43,008	44,908
FR0088	5.65	Sep 23, 2022	Sep 22, 2023	43,008	44,905
PT Bank OCBC NISP Tbk					
Government Bonds					
FR0046	5.92	Jun 27, 2023	Jul 3, 2023	1,024,729	1,025,403
FR0070	5.92	Jun 27, 2023	Jul 3, 2023	1,022,432	1,023,105
FR0077	5.92	Jun 27, 2023	Jul 3, 2023	1,010,295	1,010,960
FR0064	5.92	Jun 27, 2023	Jul 3, 2023	961,814	962,447
FR0059	6.45	Apr 11, 2023	Jul 11, 2023	20,054	20,345
PT Bank Nationalnobu Tbk					
Government Bonds					
FR0091	6.45	Apr 13, 2023	Jul 13, 2023	93,849	95,177
FR0065	6.45	May 9, 2023	Aug 8, 2023	48,109	48,566

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9. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL (continued)

- a) Securities purchased under agreement to resell as of June 30, 2023 and December 31, 2022 consist of (continued):

June 30, 2023					
	Interest Rate (%)	Date of Purchase	Date of Resale ^{*)}	Purchase Amount	Carrying Value
<u>Third parties (continued)</u>					
<u>Rupiah (continued)</u>					
PT Bank BNP Paribas Indonesia					
Government Bonds					
FR0070	6.00	Jun 27, 2023	Jul 4, 2023	613,459	613,868
FR0090	6.00	Jun 27, 2023	Jul 4, 2023	405,585	405,856
FR0095	6.00	Jun 27, 2023	Jul 4, 2023	159,644	159,751
Total				22,736,818	22,823,619

*) Settlements are carried out on Bank Indonesia business days in accordance with the government's stipulation of public holidays and leave on June 28-30, 2023, therefore settlement of transactions on those dates are carried out on the following business day.

December 31, 2022					
	Interest Rate (%)	Date of Purchase	Date of Resale	Purchase Amount	Carrying Value
<u>Third parties</u>					
<u>Rupiah</u>					
Bank Indonesia					
Government Bonds					
VR0046	5.50	Dec 30, 2022	Jan 6, 2023	9,583,874	9,585,338
VR0058	5.50	Dec 27, 2022	Jan 3, 2023	9,521,920	9,527,739
VR0062	5.50	Dec 28, 2022	Jan 4, 2023	7,609,509	7,612,996
VR0036	5.75	Dec 30, 2022	Jan 13, 2023	4,782,695	4,783,459
VR0035	5.50	Dec 29, 2022	Jan 5, 2023	4,781,733	4,783,195
FR0057	6.05	Nov 18, 2022	Feb 17, 2023	3,276,051	3,299,725
VR0038	5.50	Dec 26, 2022	Jan 2, 2023	2,878,666	2,880,865
VR0044	6.26	Dec 23, 2022	Mar 24, 2023	961,918	963,256
VR0068	5.79	Dec 7, 2022	Jan 4, 2023	462,705	464,490
VR0068	5.78	Dec 7, 2022	Jan 4, 2023	462,704	464,487
FR0088	3.28	Jan 7, 2022	Jan 6, 2023	215,997	223,042
FR0052	4.05	Jul 29, 2022	Jul 28, 2023	116,041	118,064
FR0052	4.20	Aug 26, 2022	Feb 24, 2023	112,814	114,486
FR0079	4.30	Aug 26, 2022	May 26, 2023	106,312	107,925
FR0058	3.95	Jul 29, 2022	Jan 27, 2023	99,311	101,000
VR0042	6.48	Dec 23, 2022	Jun 23, 2023	96,192	96,330
VR0052	6.62	Dec 23, 2022	Sep 22, 2023	95,826	95,967
VR0085	6.34	Nov 18, 2022	May 19, 2023	93,416	94,123
VR0053	6.70	Dec 23, 2022	Dec 22, 2023	93,326	93,465
FR0065	4.35	Aug 26, 2022	Aug 25, 2023	91,478	92,882
FR0065	4.00	Jul 29, 2022	Apr 28, 2023	88,270	89,790
FR0073	5.35	Sep 23, 2022	Mar 24, 2023	52,702	53,477
FR0073	5.35	Sep 23, 2022	Mar 24, 2023	52,702	53,476
FR0058	5.54	Sep 23, 2022	Jun 23, 2023	50,540	51,310
FR0058	5.53	Sep 23, 2022	Jun 23, 2023	50,540	51,309
FR0070	6.23	Dec 1, 2022	Mar 2, 2023	49,742	50,001
FR0074	6.65	Nov 18, 2022	Nov 17, 2023	48,194	48,577
VR0057	6.04	Oct 21, 2022	Jul 21, 2023	46,561	47,116
VR0085	5.85	Oct 21, 2022	Apr 27, 2023	46,516	47,053
VR0076	6.16	Oct 21, 2022	Oct 20, 2023	46,382	46,945
FR0096	6.53	Nov 18, 2022	Aug 18, 2023	46,456	46,818
FR0088	5.65	Sep 23, 2022	Sep 22, 2023	43,008	43,678
FR0088	5.65	Sep 23, 2022	Sep 22, 2023	43,008	43,677

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9. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL (continued)

- a) Securities purchased under agreement to resell as of June 30, 2023 and December 31, 2022 consist of (continued):

December 31, 2022					
	Interest Rate (%)	Date of Purchase	Date of Resale	Purchase Amount	Carrying Value
<u>Third parties (continued)</u>					
<u>Rupiah (continued)</u>					
PT Bank OCBC NISP					
Government Bonds					
FR0077	5.35	Dec 29, 2022	Jan 2, 2023	1,984,142	1,984,732
FR0081	5.35	Dec 29, 2022	Jan 2, 2023	1,924,557	1,925,129
PT BPD Jawa Barat Banten					
Government Bonds					
FR0087	5.75	Dec 28, 2022	Jan 4, 2023	462,887	463,108
PT Bank Nationalnobu Tbk					
Government Bonds					
FR0088	5.73	Nov 8, 2022	Feb 7, 2023	213,388	215,188
PT BPD Jawa Timur					
Government Bonds					
FR0070	6.23	Nov 29, 2022	Feb 28, 2023	199,031	200,133
PT BPD Sulawesi Tengah					
Government Bonds					
FR0070	5.80	Dec 27, 2022	Jan 3, 2023	50,294	50,327
Total				50,941,408	51,014,678

As of June 30, 2023 and December 31, 2022, all the collectibility of securities purchased under agreements to resell are classified as "Current".

Management believes that the allowance for impairment losses is not necessary as of June 30, 2023 and December 31, 2022, because management believes that marketable securities purchased under agreement to resell are collectible.

10. DERIVATIVE RECEIVABLES AND PAYABLES

The summary of the derivatives transactions are as follows:

			June 30, 2023
Transaction	Derivative receivables	Derivative payables	
Interest rate swap	463,363	472,415	
Purchase and sale of foreign currency forward	398,681	166,453	
Foreign currency swap	244,638	151,277	
Purchase and sale of foreign currency spot	2,437	1,919	
Foreign currency and interest rate swap	209	33,687	
Total	1,109,328	825,751	

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10. DERIVATIVE RECEIVABLES AND PAYABLES (continued)

The summary of the derivatives transactions are as follows (continued):

Transaction	December 31, 2022	
	Derivative receivables	Derivative payables
Interest rate swap	548,024	510,221
Foreign currency swap	194,939	118,076
Purchase and sale of foreign currency forward	153,074	134,666
Purchase and sale of foreign currency spot	15,368	20,958
Total	911,405	783,921

The notional amounts of derivatives transactions are as follows:

	Notional amounts (foreign currency full amount, in millions of Rupiah)	
	June 30, 2023	December 31, 2022
Foreign currency and interest rate swap		
Rupiah	1,649,175	-
United States Dollar	611,800	-
Interest rate swap		
United States Dollar	819,960,004	991,572,073
Currency option		
Purchase contract		
United States Dollar	3,000,000	-
Sales contract		
United States Dollar	229,479,321	316,378,967
Foreign currency spot		
Purchase contract		
United States Dollar	70,053,785	190,550,000
Great Britain Pound Sterling	-	1,000,000
Sales contract		
United States Dollar	85,100,000	201,300,000
Foreign currency forward		
Purchase contract		
United States Dollar	327,412,750	205,870,175
European Euro	3,716,879	7,262,813
Renminbi	3,000,000	-
Australian Dollar	-	1,000,000
Rupiah	-	260,860
Sales contract		
United States Dollar	3,517,936,584	1,509,881,189
European Euro	404,738	2,000,000
Japanese Yen	-	357,794,464
Australian Dollar	-	1,000,000

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10. DERIVATIVE RECEIVABLES AND PAYABLES (continued)

The notional amounts of derivatives transactions are as follows (continued):

	Notional amounts (foreign currency full amount, in millions of Rupiah)	
	June 30, 2023	December 31, 2022
Foreign currency swap		
Purchase contract		
United States Dollar	1,006,485,678	607,013,305
European Euro	141,600,000	11,000,000
Sales contract		
United States Dollar	1,763,013,212	2,305,422,839
European Euro	212,000,000	119,000,000
Great Britain Pound Sterling	34,000,000	13,000,000
New Zealand Dollar	18,000,000	20,000,000

The parties entering into derivative contracts in the form of interest rate swaps or currency and interest rate swaps with BRI are required to pay fixed rates or floating rates, including but not limited to 3 (three) monthly or 6 (six) monthly LIBOR plus a certain margin.

11. LOANS

a) By Type and Currency:

The details of loans by type are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
Kupedes	470,622,517	449,624,709
Consumer	216,624,255	204,711,107
Working Capital	187,813,505	173,959,341
Investment	54,483,175	52,312,894
Program	50,540,075	53,370,658
Syndicated	168,284	172,172
	980,251,811	934,150,881
<u>Foreign currency</u>		
Investment	54,825,860	47,253,484
Working Capital	29,934,500	32,511,702
Consumer	1,118,138	992,241
Syndicated	592,761	616,755
	86,471,259	81,374,182
	1,066,723,070	1,015,525,063

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11. LOANS (continued)

a) By Type and Currency (continued):

The details of loans by type are as follows (continued):

	June 30, 2023	December 31, 2022
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
Investment	25,781,581	27,433,700
Working Capital	22,483,192	18,825,189
Syndicated	1,569,264	1,856,574
Key Employees	185,039	199,268
	<u>50,019,076</u>	<u>48,314,731</u>
<u>Foreign currency</u>		
Working Capital	16,667,987	11,569,451
Investment	4,118,480	3,865,574
	<u>20,786,467</u>	<u>15,435,025</u>
	<u>70,805,543</u>	<u>63,749,756</u>
Total	1,137,528,613	1,079,274,819
Less Allowance for impairment losses	(83,486,893)	(88,323,830)
Net	<u>1,054,041,720</u>	<u>990,950,989</u>

The details of loans by currency are as follows:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Rupiah</u>		1,030,270,887		982,465,612
<u>Foreign currency</u>				
United States Dollar	7,151,620,572	107,220,671	6,214,866,162	96,749,930
Singaporean Dollar	3,196,590	35,512	4,011,742	46,508
European Euro	94,077	1,543	125,228	2,076
Japanese Yen		-	90,763,955	10,693
		<u>107,257,726</u>		<u>96,809,207</u>
Total		1,137,528,613		1,079,274,819
Less Allowance for impairment losses		(83,486,893)		(88,323,830)
Net		<u>1,054,041,720</u>		<u>990,950,989</u>

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11. LOANS (continued)

b) By Economic Sector:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
Trading, hotels and restaurants	363,686,383	348,689,024
Agriculture	154,025,065	147,030,128
Manufacturing	67,356,071	64,764,099
Business services	59,421,527	54,625,353
Construction	14,353,690	12,543,433
Transportation, warehousing and communications	13,387,770	11,478,168
Social services	6,371,124	5,634,752
Electricity, gas and water	4,566,147	4,825,989
Mining	2,904,879	2,522,711
Others	294,179,155	282,037,224
	980,251,811	934,150,881
<u>Foreign currency</u>		
Manufacturing	28,607,418	28,295,501
Electricity, gas and water	15,963,759	17,416,378
Mining	13,976,918	8,222,920
Agriculture	10,449,229	8,482,101
Trading, hotels and restaurant	5,943,103	6,651,811
Construction	5,193,829	4,594,455
Business services	4,303,711	5,676,005
Transportation, warehousing and communications	683,234	800,905
Social services	224,897	233,280
Others	1,125,161	1,000,826
	86,471,259	81,374,182
	1,066,723,070	1,015,525,063
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
Construction	15,332,872	15,002,419
Electricity, gas and water	8,092,713	9,346,356
Transportation, warehousing and communications	7,081,731	7,202,288
Trading, hotels and restaurant	6,889,798	3,476,021
Manufacturing	5,606,170	5,217,969
Agriculture	4,728,993	4,430,088
Business services	1,416,507	2,008,930
Social services	485,000	275,117
Mining	200,253	1,156,277
Others	185,039	199,266
	50,019,076	48,314,731

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11. LOANS (continued)

b) By Economic Sector (continued):

	June 30, 2023	December 31, 2022
<u>Related parties (Note 44) (continued)</u>		
<u>Foreign currency</u>		
Mining	9,280,498	2,578,518
Electricity, gas and water	3,462,660	4,784,350
Manufacturing	3,398,413	3,633,650
Business services	2,677,889	2,773,946
Trading, hotels and restaurant	857,596	891,584
Social services	655,820	305,304
Agriculture	450,399	467,673
Construction	3,192	-
	20,786,467	15,435,025
	70,805,543	63,749,756
Total	1,137,528,613	1,079,274,819
Less Allowance for impairment losses	(83,486,893)	(88,323,830)
Net	1,054,041,720	990,950,989

c) By Period:

The classification of loans based on the remaining period to maturity are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	26,891,062	21,581,736
> 1 month - 3 months	29,934,500	33,795,541
> 3 months - 1 year	217,148,075	201,388,156
> 1 year - 2 years	137,566,225	139,063,100
> 2 years - 5 years	343,580,541	322,623,148
> 5 years	225,131,408	215,699,200
	980,251,811	934,150,881
<u>Foreign currency</u>		
≤ 1 month	6,245,920	5,295,404
> 1 month - 3 months	2,371,367	2,774,762
> 3 months - 1 year	12,881,074	18,556,620
> 1 year - 2 years	11,762,877	10,803,847
> 2 years - 5 years	30,731,834	8,526,613
> 5 years	22,478,187	35,416,936
	86,471,259	81,374,182
	1,066,723,070	1,015,525,063

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11. LOANS (continued)

c) By Period (continued):

The classification of loans based on the remaining period to maturity are as follows (continued):

	June 30, 2023	December 31, 2022
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
≤ 1 month	2,310,607	2,739,614
> 1 month - 3 months	7,188,061	1,136,900
> 3 months - 1 year	2,439,141	4,187,901
> 1 year - 2 years	2,837,445	3,609,695
> 2 years - 5 years	11,607,469	12,147,069
> 5 years	23,636,353	24,493,552
	<u>50,019,076</u>	<u>48,314,731</u>
<u>Foreign currency</u>		
≤ 1 month	9,480,403	3,938,414
> 1 month - 3 months	45,039	8,930
> 3 months - 1 year	674,148	552,530
> 1 year - 2 years	-	220,447
> 5 years	10,586,877	10,714,704
	<u>20,786,467</u>	<u>15,435,025</u>
	<u>70,805,543</u>	<u>63,749,756</u>
Total	1,137,528,613	1,079,274,819
Less Allowance for impairment losses	(83,486,893)	(88,323,830)
Net	<u>1,054,041,720</u>	<u>990,950,989</u>

d) By Collectibility:

Collectibility BRI, Bank Raya, and Pegadaian excluding loan granting under pawning business activity:

	June 30, 2023	December 31, 2022
Individual	43,480,577	50,799,698
Collective		
Current	974,723,592	931,823,518
Special mention	49,916,109	32,629,744
Substandard	5,767,395	2,350,338
Doubtful	7,395,218	3,371,555
Loss	11,030,241	14,916,272
	<u>1,048,832,555</u>	<u>985,091,427</u>
Total	<u>1,092,313,132</u>	<u>1,035,891,125</u>

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11. LOANS (continued)

d) By Collectibility (continued):

Collectibility BRI, Bank Raya, and Pegadaian excluding loan granting under pawning business activity (continued):

	June 30, 2023	December 31, 2022
Less Allowance for impairment losses:		
Individual	(31,207,776)	(33,601,412)
Collective	(50,785,287)	(53,385,883)
	(81,993,063)	(86,987,295)
Net	1,010,320,069	948,903,830

Collectibility of loan granting under pawning business activity of PT Pegadaian (subsidiary):

	June 30, 2023	December 31, 2022
Collective		
Current	41,882,968	42,241,998
Special mention	2,923,676	898,268
Substandard	58,969	30,905
Doubtful	59,576	23,817
Loss	290,292	188,706
Total	45,215,481	43,383,694
Less Allowance for impairment losses:		
Collective	(1,493,830)	(1,336,535)
Net	43,721,651	42,047,159

e) By Operating Segment:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
Micro	521,936,588	502,967,076
Retail	424,330,779	397,589,654
Corporate	33,984,444	33,594,151
	980,251,811	934,150,881
<u>Foreign currency</u>		
Corporate	83,449,644	78,277,579
Retail	3,021,615	3,096,603
	86,471,259	81,374,182
	1,066,723,070	1,015,525,063

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11. LOANS (continued)

e) By Operating Segment (continued):

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
Corporate	48,371,361	46,480,305
Retail	1,647,715	1,834,426
	<u>50,019,076</u>	<u>48,314,731</u>
<u>Foreign currency</u>		
Corporate	20,786,467	15,435,025
	<u>20,786,467</u>	<u>15,435,025</u>
	<u>70,805,543</u>	<u>63,749,756</u>
Total	1,137,528,613	1,079,274,819
Less allowance for impairment losses	(83,486,893)	(88,323,830)
Net	1,054,041,720	990,950,989

f) Other Significant Information:

1) Average interest rate:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Contractual Interest		
Rupiah	10.81%	10.01%
Foreign currency	4.27	3.87
Effective Interest		
Rupiah	11.86%	11.37%
Foreign currency	4.62	4.28

- 2) The loans are generally collateralized by registered mortgages, by powers of attorneys to sell, demand deposits, saving deposits, time deposits or by other guarantees generally accepted by banks (Notes 19, 20 and 21), as well as collateral in the form of gold (subsidiaries).
- 3) Working capital and investment loans are given to debtors for working capital requirements and capital goods.
- 4) Consumption loans consist of loans to employees and retired employees, housing, motor vehicles and other consumption loans.
- 5) Program loans represent loan facilities channeled by BRI based on the guidelines from the Government in order to support the development in Indonesia especially the development of small scale industry, middle scale industry and corporate.

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11. LOANS (continued)

f) Other Significant Information (continued):

- 6) Kupedes loans represent loan facilities channeled by BRI through BRI's Units. The target of these loans is micro scale industry and fixed income employees that require additional funds, in accordance with the maximum limit amount stated in the Kupedes regulation. The targeted economic sectors are agriculture, manufacturing, trading and others.
- 7) Syndicated loans represent loans provided to debtors under syndication agreements with other banks. The total of BRI's syndicated loans amounted to Rp63,064,451 and Rp64,091,492 as of June 30, 2023 and December 31, 2022, respectively. BRI's participation as leader in the syndicated loans ranged from 3% to 68% as of June 30, 2023 and from 2% to 77% as of December 31, 2022, respectively, BRI's participation as a member in the syndicated loans ranged from 1% to 69% as June 30, 2023 and from 1% to 68% as of December 31, 2022, respectively.
- 8) Employee loans are loans given to employees with 4.5% to 5.5% annual interest rate that are intended for the acquisition of vehicles, houses and other necessities with 4 (four) to 20 (twenty) years maturity. Loan principal and interest payments were collected through monthly payroll deductions. The difference between employee loan's interest rate and Base Lending Rate (BLR) is deferred and recorded as deferred expense for employee loans as part of other assets. The deferred expense for employee loans amounted to Rp4,921,968 and Rp4,785,093 as of June 30, 2023 and December 31, 2022, respectively (Note 17).
- 9) Loans granted by BRI to related parties, other than loans to key employees (Note 44) are as follows:

	June 30, 2023	December 31, 2022
PT Pertamina (Persero)	9,415,740	227,978
PT Perusahaan Listrik Negara (Persero)	8,089,882	9,346,356
Perum BULOG	6,071,217	2,806,206
PT Waskita Karya (Persero) Tbk	4,495,214	4,526,884
PT Kereta Api Indonesia (Persero)	3,075,400	3,069,554
PT Pertamina EP Cepu	2,337,444	2,573,381
PT Garuda Maintenance Facility Aero Asia Tbk	2,048,998	2,140,183
PT Dirgantara Indonesia (Persero)	2,003,767	2,119,335
PT Kresna Kusuma Dyandra Marga	1,792,554	1,761,099
PT Krakatau Steel (Persero) Tbk	1,787,266	2,217,674
PT Garuda Indonesia (Persero) Tbk	958,428	945,183
Others	28,544,594	31,816,655
Total	70,620,504	63,550,488

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11. LOANS (continued)

f) Other Significant Information (continued):

10) Information regarding restructured loan by BRI and its subsidiaries

The following table provides informations of restructured loan (including restructured loan due to Covid-19), as follows:

	June 30, 2023	December 31, 2022
BRI (Parent Entity)	126,510,949	147,780,529
Bank Raya	3,214,305	3,978,156
Pegadaian	165,309	308,266
Total	129,890,563	152,066,951

The amounts of restructured loan by BRI and Bank Raya in accordance with POJK No. 40/POJK.03/2019 dated December 19, 2020 regarding "Asset Quality Assessment for Commercial Banks" as of June 30, 2023 and December 31, 2022 are Rp48,526,300 and Rp45,290,460, respectively. Restructuring scheme generally consists of extension of the loan period and rescheduling the overdue interest.

The amount of loans that have been restructured (BRI Parent Entity, Bank Raya and Pegadaian) due to Covid-19 based on POJK No. 11/POJK.03/2020 date March 16, 2020 concerning National Economic Stimulus as a Countercyclical Policy on the Impact of the Spread of Corona Virus Disease 2019 which has been amended 2 (two) times to POJK No. 48/POJK.03/2020 dated December 1, 2020 concerning Amendments to Financial Services Authority Regulation No.11/POJK.03/2020 concerning National Economic Stimulus as a Countercyclical Policy on the Impact of the Spread of Corona Virus Disease 2019 and POJK No. 17/POJK.03/2021 dated September 10, 2021 concerning the Second Amendment to the Financial Services Authority Regulation No 11/POJK.03/2020 Concerning National Economic Stimulus as a Countercyclical Policy on the Impact of the Spread of Coronavirus Disease 2019, as well as OJK press release No. SP 85/DHMS/OJK/XI/2022 dated November 28, 2022 concerning Extension of Credit Restructuring and Financing Policies on a Targeted and Sectoral Basis to Address the After-Effect of the Covid-19 Pandemic, as of June 30, 2023 and December 31, 2022 amounted to Rp81,364,263 and Rp106,776,491 with a scheme of extension of the loan period.

The following table presents information of restructured loan by BRI (parent entity) by type and collectibility, as follows:

		June 30, 2023				
		Current	Special Mention	Substandard	Doubtful	Loss
Type						Total
Working						
Capital	30,785,032	13,538,470	751,940	1,732,520	3,491,809	50,299,771
Kupedes	18,503,829	13,198,930	2,661,010	2,287,357	1,803,325	38,454,451
Investment	12,482,479	4,852,093	113,142	622,877	7,096,731	25,167,322
Consumer	5,006,646	1,526,819	169,049	262,073	646,756	7,611,343
Employee	1,371,526	364,641	45,293	73,227	89,156	1,943,843
Program	1,222,641	518,214	65,335	133,209	33,590	1,972,989
Syndicated	468,469	592,761	-	-	-	1,061,230
Total	69,840,622	34,591,928	3,805,769	5,111,263	13,161,367	126,510,949

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11. LOANS (continued)

f) Other Significant Information (continued):

10) Information regarding restructured loan by BRI and its subsidiaries (continued)

The following table presents information of restructured loan by BRI (parent entity) by type and collectibility, as follows (continued):

December 31, 2022						
	Current	Special Mention	Substandard	Doubtful	Loss	Total
Type						
Working						
Capital	42,881,733	10,186,086	413,267	1,657,887	2,779,305	57,918,278
Kupedes	34,644,174	8,327,247	483,612	770,252	2,335,305	46,560,590
Investment	18,284,580	2,725,719	685,581	858,796	5,629,080	28,183,756
Consumer	6,452,848	1,188,465	87,175	187,908	605,902	8,522,298
Employee	2,046,987	324,834	18,233	43,995	123,667	2,557,716
Program	1,953,678	332,964	27,281	51,896	27,368	2,393,187
Syndicated	1,027,949	616,755	-	-	-	1,644,704
Total	107,291,949	23,702,070	1,715,149	3,570,734	11,500,627	147,780,529

On June 27, 2022, the homologation decision related to the restructuring of loan granted to PT Garuda Indonesia (Persero) Tbk ("Garuda") was mutually agreed upon with all creditors. The homologation decision effective on December 28, 2022 after Garuda has complied with all the homologation requirements. On December 31, 2022, the carrying value of the loan granted to Garuda after taking into account the modification loss due to restructuring was amounted to Rp945,183, this value will be recovered gradually in accordance with accounting concepts after the restructuring date until the maturity date. A modification loss amounted to Rp3,258,079 was recorded in the interest income account. BRI still has a receivable value for the loan granted to Garuda amounted to Rp4,613,060 in accordance with the contractual value of the loan as stated in the homologation decision by the Commercial Court at the Central Jakarta District Court, so that there is no haircut on the amount of the principal and deferred interest receivables by BRI to Garuda.

- 11) In BRI's report on Legal Lending Limit to Bank Indonesia as of June 30, 2023 and December 31, 2022 to Bank Indonesia and Financial Services Authority (OJK), BRI has neither related parties nor third party debtors, in accordance with Bank Indonesia regulation and Financial Services Authority (OJK), that does not comply with or exceed the Legal Lending Limit, respectively.
- 12) The details of non-performing collective loans with collectibility of substandard, doubtful and loss and total individual loans, as well as the allowance for impairment losses by economic sector, are as follows:

	June 30, 2023	December 31, 2022
Trading, hotels & restaurants	17,014,873	16,223,885
Agricultures	14,698,542	14,347,105
Manufacturing	11,531,698	12,180,672
Construction	7,676,219	7,449,492
Business services	6,042,496	5,943,884
Transportation, warehousing & communication	2,931,636	6,361,874

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11. LOANS (continued)

f) Other Significant Information (continued):

12) The details of non-performing collective loans with collectibility of substandard, doubtful and loss and total individual loans, as well as the allowance for impairment losses by economic sector are as follows (continued):

	June 30, 2023	December 31, 2022
Mining	2,433,065	2,854,041
Electricity, gas and water	743,665	2,186,265
Social services	512,695	548,657
Others	4,497,379	3,585,416
Total	68,082,268	71,681,291
Less allowance for impairment losses	(47,211,946)	(46,969,837)
Net	20,870,322	24,711,454

13) Ratios

- a. The ratios of non-performing loans (NPL) BRI (parent entity) based on related regulation are 3.10% and 2.82% as of June 30, 2023 and December 31, 2022, respectively. While the ratios of BRI's (parent entity) non-performing loans (NPL) - net are 0.76% and 0.73% as of June 30, 2023 and December 31, 2022, respectively.
- b. The ratio of small business loans to total loans provided by BRI was 58.34% and 58.56% as of June 30, 2023 and December 31, 2022, respectively.

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category:

	June 30, 2023			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Loans</u>				
Carrying value beginning balance	886,345,387	163,185,724	29,743,708	1,079,274,819
Transition to				
Stage 1	19,556,908	(19,378,870)	(178,038)	-
Stage 2	(22,044,511)	22,967,446	(922,935)	-
Stage 3	(5,073,373)	(15,107,923)	20,181,296	-
Net remeasurement of carrying value	(72,662,557)	(6,716,540)	22,322	(79,356,775)
New financial assets issued or purchased	287,898,586	4,117,343	386,116	292,402,045
Derecognized financial assets	(118,406,530)	(18,357,918)	(1,269,463)	(138,033,911)
Written-off financial assets	(91,540)	(2,883,871)	(13,965,594)	(16,941,005)
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(1,630,084)	9,458	1,804,066	183,440
Carrying value ending balance	973,892,286	127,834,849	35,801,478	1,137,528,613

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11. LOANS (continued)

f) Other Significant Information (continued):

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	December 31, 2022			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Loans</u>				
Carrying value beginning balance	857,473,265	106,378,838	30,564,420	994,416,523
Transition to				
Stage 1	6,952,548	(6,816,563)	(135,985)	-
Stage 2	(27,178,139)	28,253,113	(1,074,974)	-
Stage 3	(3,885,398)	(6,699,257)	10,584,655	-
Net remeasurement of carrying value	(78,848,410)	(19,148,330)	(637,130)	(98,633,870)
New financial assets issued or purchased	277,978,012	98,615,584	7,670,730	384,264,326
Derecognized financial assets	(142,543,459)	(32,245,292)	(5,078,026)	(179,866,777)
Written-off financial assets	(3,615,157)	(6,136,117)	(12,308,402)	(22,059,676)
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	12,125	983,748	158,420	1,154,293
Carrying value ending balance	886,345,387	163,185,724	29,743,708	1,079,274,819

	June 30, 2023			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Loans</u>				
Allowance for expected credit loss beginning balance	24,926,263	41,732,088	21,665,479	88,323,830
Transition to				
Stage 1	2,103,376	(1,953,112)	(150,264)	-
Stage 2	(989,758)	1,696,285	(706,527)	-
Stage 3	(503,716)	(5,120,127)	5,623,843	-
Net remeasurement of allowance for losses	(9,135,338)	7,645,845	13,935,268	12,445,775
New financial assets issued or purchased	5,859,515	1,155,235	276,231	7,290,981
Derecognized financial assets	(2,813,591)	(3,605,991)	(840,125)	(7,259,707)
Written-off financial assets	(91,540)	(2,883,871)	(13,965,594)	(16,941,005)
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	18,177	(230,572)	(160,586)	(372,981)
Allowance for expected credit loss ending balance	19,373,388	38,435,780	25,677,725	83,486,893

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11. LOANS (continued)

f) Other Significant Information (continued):

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	December 31, 2022			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Loans</u>				
Allowance for expected credit loss beginning balance	19,874,035	41,476,057	23,483,642	84,833,734
Transition to				
Stage 1	738,878	(654,994)	(83,884)	-
Stage 2	(1,167,188)	1,925,755	(758,567)	-
Stage 3	(252,936)	(1,118,719)	1,371,655	-
Net remeasurement of allowance for losses	(1,617,817)	918,977	6,460,113	5,761,273
New financial assets issued or purchased	15,379,150	10,501,753	8,073,317	33,954,220
Derecognized financial assets	(4,380,375)	(5,109,088)	(4,495,955)	(13,985,418)
Written-off financial assets	(3,615,157)	(6,136,117)	(12,308,402)	(22,059,676)
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(32,327)	(71,536)	(76,440)	(180,303)
Allowance for expected credit loss ending balance	24,926,263	41,732,088	21,665,479	88,323,830

Included in the balance of allowance for impairment losses of BRI (parent entity) are reserves for losses for areas that are still categorized as disaster-prone areas or that have experienced disasters amounted to Rp162,279 and Rp2,018,000 with the carrying value amounted to Rp1,382,534 and Rp15,688,470 as of June 30, 2023, and December 31, 2022, respectively.

The minimum allowance for impairment losses on productive assets on loan provided by BRI (Parent Entity), which must be established in accordance with Bank Indonesia and Financial Services Authority (OJK) regulations (Note 2e) amounted to Rp37,253,024 and Rp34,522,709 as of June 30, 2023 and December 31, 2022, respectively.

As June 30, 2023 and December 31, 2022, there are loans from a subsidiary (PT Pegadaian) used as collaterals for bank loans amounted to Rp51,160,343 and Rp48,538,586.

Management believes that the allowance for impairment losses on loans as of June 30, 2023 and December 31, 2022 is adequate.

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12. SHARIA LOANS

a) Sharia loans based on collectibility are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
Current	10,156,563	9,632,737
Special Mention	1,193,834	602,297
Substandard	67,584	28,781
Doubtful	94,936	35,639
Loss	180,763	214,875
Total	11,693,680	10,514,329
Less allowance for impairment losses	(1,314,857)	(1,286,203)
Net	10,378,823	9,228,126

b) Sharia loans based on the remaining period to maturity and currency are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	5,855	15,365
> 1 month - 3 months	19,871	22,165
> 3 months - 1 year	7,880,170	7,379,222
> 1 year - 2 years	1,669,134	1,087,575
> 2 years - 5 years	1,958,736	1,821,751
> 5 years	159,914	188,251
Total	11,693,680	10,514,329
Less allowance for impairment losses	(1,314,857)	(1,286,203)
Net	10,378,823	9,228,126

Sharia loans consist of Hajj *arrum*, *amanah*, *arrum*, new *arrum* gold, and land *rhan tasjily*.

The amount of sharia loans that have been restructured due to Covid-19 is based on POJK No.11/POJK.03/2020 dated March 16, 2020 concerning National Economic Stimulus as a Countercyclical Policy on the Impact of the Spread of Corona Virus Disease 2019 which has been amended 2 (two) times with POJK No. 48/POJK.03/2020 dated December 1, 2020 concerning Amendment to Financial Services Authority Regulation No.11/POJK.03/2020 concerning National Economic Stimulus as a Countercyclical Policy on the Impact of the Spread of Corona Virus Disease 2019 and POJK No. 17/POJK.03/2021 dated September 10, 2021 concerning the Second Amendment to the Financial Services Authority Regulation No. 11/POJK.03/2020 Concerning National Economic Stimulus as a Countercyclical Policy The Impact of the Spread of Coronavirus Disease 2019 as well as OJK press release No. SP 85/DHMS/OJK/XI/2022 dated November 28, 2022 concerning Extension of Credit Restructuring and Financing Policies on a Targeted and Sectoral Basis to Address the After-Effect of the Covid-19 Pandemic as of June 30, 2023 and December 31, 2022 is Rp378,929 and Rp530,846, respectively.

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12. SHARIA LOANS (continued)

Movements in the allowance for impairment losses on sharia loans:

	June 30, 2023	December 31, 2022
Beginning balance	1,286,203	1,410,907
Provision for (reversal of) impairment losses (Note 34)	28,654	(124,704)
Ending balance	1,314,857	1,286,203

Management believes that the allowance for impairment losses on sharia loans as of June 30, 2023 and December 31, 2022 is adequate.

The type of collateral submitted by the debtors for the sharia loans are gold, fiduciary, and other non-gold collateral.

As of June 30, 2023 and December 31, 2022 all sharia loans were used as collateral for debts.

13. FINANCE RECEIVABLES

a) Finance receivables based on the remaining period to maturity are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 year	34,223,264	33,630,939
> 1 year - 2 years	12,775,580	8,398,988
> 2 years - 5 years	5,728,141	7,034,845
> 5 years	109,310	100,625
	52,836,295	49,165,397
<u>United States Dollar</u>		
≤ 1 year	51,761	95,363
> 1 year - 2 years	10,473	15,868
> 2 years - 5 years	-	4,084
	62,234	115,315
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
≤ 1 year	3,532	7,205
> 1 year - 2 years	1,285	-
> 2 years - 5 years	3,856	-
	8,673	7,205
Total	52,907,202	49,287,917
Less allowance for impairment losses	(3,436,158)	(3,477,948)
Net	49,471,044	45,809,969

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13. FINANCE RECEIVABLES (continued)

b) Finance receivables based on collectibility are as follows:

	June 30, 2023	December 31, 2022
Weekly Installment Financing		
<u>Collectibility</u>		
Current	38,750,444	35,244,605
Special mention	764,307	512,184
Substandard	30,842	20,909
Doubtful	10,277	8,224
Loss	26,817	26,018
	<u>39,582,687</u>	<u>35,811,940</u>
Non-Weekly Installment Financing		
<u>Collectibility</u>		
Current	11,550,043	11,985,624
Special Mention	1,403,703	1,044,244
Substandard	97,695	122,894
Doubtful	70,020	31,746
Loss	203,054	291,469
	<u>13,324,515</u>	<u>13,475,977</u>
Total	52,907,202	49,287,917
Less allowance for impairment losses	(3,436,158)	(3,477,948)
Net	49,471,044	45,809,969

c) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category:

	June 30, 2023			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Finance Receivables</u>				
Carrying value beginning balance	47,142,455	367,725	1,777,737	49,287,917
Transition to				
Stage 1	822,323	(820,974)	(1,349)	-
Stage 2	(1,939,296)	1,961,302	(22,006)	-
Stage 3	(1,023,961)	(743,271)	1,767,232	-
Net remeasurement of carrying value	2,977,403	861,695	334,437	4,173,535
New financial assets issued or purchased	15,811,769	1,835,735	90,127	17,737,631
Derecognized financial assets	(13,346,589)	(1,400,553)	(2,800,661)	(17,547,803)
Written-off financial assets	(28,950)	(739)	(703,278)	(732,967)
Recovery from written-off financial assets	-	-	-	-
Model or foreign exchange parameter change and other change	(11,111)	-	-	(11,111)
Carrying value ending balance	50,404,043	2,060,920	442,239	52,907,202

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13. FINANCE RECEIVABLES (continued)

- c) The following table presents the changes in the carrying value and allowance for expected losses by financial instrument category (continued):

	December 31, 2022			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Finance Receivables</u>				
Carrying value beginning balance	37,766,589	1,057,696	467,144	39,291,429
Transition to				
Stage 1	303,644	(291,046)	(12,598)	-
Stage 2	(1,208,342)	1,208,650	(308)	-
Stage 3	(819,253)	(1,778,506)	2,597,759	-
Net remeasurement of carrying value	-	-	-	-
New financial assets issued or purchased	23,798,297	1,063,840	454,048	25,316,185
Derecognized financial assets	(12,569,790)	(887,969)	(1,409,336)	(14,867,095)
Written-off financial assets	(19,290)	(4,940)	(318,972)	(343,202)
Recovery from written-off financial assets	-	-	-	-
Model or foreign exchange parameter change and other change	(109,400)	-	-	(109,400)
Carrying value ending balance	47,142,455	367,725	1,777,737	49,287,917

	June 30, 2023			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Finance Receivables</u>				
Allowance for expected credit loss beginning balance	1,376,178	1,223,654	878,116	3,477,948
Transition to				
Stage 1	208,570	(207,577)	(993)	-
Stage 2	(869,734)	884,884	(15,150)	-
Stage 3	(619,011)	(1,037,945)	1,656,956	-
Net remeasurement of allowance for losses	1,210,092	223,202	560,560	1,993,854
New financial assets issued or purchased	4,055,378	675,245	32,274	4,762,897
Derecognized financial assets	(3,828,148)	(139,052)	(2,053,447)	(6,020,647)
Written-off financial assets	(28,950)	(739)	(703,278)	(732,967)
Recovery from written-off financial assets	-	-	-	-
Model or foreign exchange parameter change and other change	(44,927)	-	-	(44,927)
Allowance for expected credit loss ending balance	1,459,448	1,621,672	355,038	3,436,158

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13. FINANCE RECEIVABLES (continued)

- c) The following table presents the changes in the carrying value and allowance for expected losses by financial instrument category (continued):

	December 31, 2022			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss Not Impaired	Stage 3- Lifetime Expected Credit Loss Impaired	Total
<u>Finance Receivables</u>				
Allowance for expected credit loss beginning balance	643,221	534,404	407,151	1,584,776
Transition to				
Stage 1	1,530,567	(1,518,317)	(12,250)	-
Stage 2	(432,484)	432,738	(254)	-
Stage 3	(121,748)	(185,447)	307,195	-
Net remeasurement of allowance for losses	(2,124,829)	1,963,144	(302,110)	(463,795)
New financial assets issued or purchased	2,496,271	28,620	846,856	3,371,747
Derecognized financial assets	(540,846)	(26,548)	(49,500)	(616,894)
Written-off financial assets	(19,290)	(4,940)	(318,972)	(343,202)
Recovery from written-off financial assets	-	-	-	-
Model or foreign exchange parameter change and other change	(54,684)	-	-	(54,684)
Allowance for expected credit loss ending balance	1,376,178	1,223,654	878,116	3,477,948

- d) Finance receivables include the information regarding finance lease receivables (BRI Finance) as of June 30, 2023 and December 31, 2022, consisting of:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
Finance receivables - gross	9,153,084	8,270,596
Guaranteed residual values	1,626,482	1,713,964
Unearned finance leases income	(1,800,837)	(1,578,276)
Security deposit	(1,626,482)	(1,713,964)
	<u>7,352,247</u>	<u>6,692,320</u>
<u>Related parties (Note 44)</u>		
Finance receivables - gross	10,310	7,503
Guaranteed residual values	1,516	4
Unearned finance leases income	(1,637)	(298)
Security deposit	(1,516)	(4)
	<u>8,673</u>	<u>7,205</u>
Total	7,360,920	6,699,525
Less allowance for impairment losses	(223,501)	(236,874)
Net	7,137,419	6,462,651

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13. FINANCE RECEIVABLES (continued)

As of June 30, 2023 and December 31, 2022, there were financing receivables that were transferred and/or used as collateral for BRI loans amounting to Rp17,400,846 and Rp16,523,795, respectively.

As of June 30, 2023 and December 31, 2022, there were financing receivables using sharia principles amounting to Rp30,543,555 and Rp27,585,665, respectively.

Management believes that the allowance for impairment losses for finance receivable as of June 30, 2023 and December 31, 2022 is adequate.

14. ACCEPTANCES RECEIVABLE AND PAYABLE

a) By Type and Currency:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>				
Import Letters of Credit and Domestic Documentary L/C (SKBDN)		5,331,673		4,399,391
<u>Foreign currency</u>				
Import L/C and SKBDN				
United States Dollar	82,125,184	1,231,262	68,880,542	1,072,298
Renminbi	22,385,805	46,552	15,404,713	34,490
European Euro	1,502,995	24,652	1,799,292	29,835
Japanese Yen	49,607,500	5,182	176,722,210	20,820
Great Britain Pound Sterling	43,500	831	42,325	795
		1,308,479		1,158,238
		6,640,152		5,557,629
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Import L/C and SKBDN		969,712		1,599,368
<u>Foreign currency</u>				
Import L/C and SKBDN				
United States Dollar	533,535	7,999	681,080	10,603
		977,711		1,609,971
Total		7,617,863		7,167,600
Allowance for impairment losses		(256,259)		(136,536)
Net		7,361,604		7,031,064

b) By Collectibility:

As of June 30, 2023 and December 31, 2022, all acceptance receivables are classified as "Current".

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14. ACCEPTANCES RECEIVABLE AND PAYABLE (continued)

c) By Period:

The classification of acceptances receivable based on the remaining period until maturity are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
≤ 1 month	1,331,668	1,844,875
> 1 month - 3 months	3,243,429	2,282,625
> 3 months - 1 year	2,065,055	1,430,129
	6,640,152	5,557,629
<u>Related parties (Note 44)</u>		
≤ 1 month	110,081	305,002
> 1 month - 3 months	393,894	534,165
> 3 months - 1 year	473,736	770,804
	977,711	1,609,971
Total	7,617,863	7,167,600
Allowance for impairment losses	(256,259)	(136,536)
Net	7,361,604	7,031,064

d) The following table presents the changes in carrying value and allowance for expected losses by financial instrument category:

	June 30, 2023			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Impaired	Total
<u>Acceptances Receivable</u>				
Carrying value beginning balance	7,145,070	22,530	-	7,167,600
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	-	-	-	-
New financial assets issued or purchased	5,911,202	17,270	-	5,928,472
Derecognized financial assets	(5,453,250)	(22,530)	-	(5,475,780)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(2,429)	-	-	(2,429)
Carrying value ending balance	7,600,593	17,270	-	7,617,863

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14. ACCEPTANCES RECEIVABLE AND PAYABLE (continued)

- d) The following table presents the changes in the carrying value and allowance for expected losses by financial instrument category (continued):

	December 31, 2022			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Impaired	Total
<u>Acceptances Receivables</u>				
Carrying value beginning balance	8,956,013	598,225	-	9,554,238
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	-	-	-	-
New financial assets issued or purchased	7,119,924	22,530	-	7,142,454
Derecognized financial assets	(8,956,013)	(598,225)	-	(9,554,238)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	25,146	-	-	25,146
Carrying value ending balance	7,145,070	22,530	-	7,167,600

	June 30, 2023			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Impaired	Total
<u>Acceptances Receivables</u>				
Allowance for expected credit loss beginning balance	123,052	13,484	-	136,536
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	(788)	-	-	(788)
New financial assets issued or purchased	147,168	7,299	-	154,467
Derecognized financial assets	(20,114)	(13,484)	-	(33,598)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(358)	-	-	(358)
Allowance for expected credit loss ending balance	248,960	7,299	-	256,259

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14. ACCEPTANCES RECEIVABLE AND PAYABLE (continued)

- d) The following table presents the changes in the carrying value and allowance for expected losses by financial instrument category (continued):

	December 31, 2022			
	Stage 1- 12 months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not Impaired	Stage 3- Lifetime Expected Credit Loss - Impaired	Total
<u>Acceptances Receivables</u>				
Allowance for expected credit loss beginning balance	134,047	354,186	-	488,233
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	-	-	-	-
New financial assets issued or purchased	123,650	13,484	-	137,134
Derecognized financial assets	(134,047)	(354,186)	-	(488,233)
Written-off financial assets	-	-	-	-
Recovery from written-off financial assets	-	-	-	-
Foreign exchange model or parameter changes and other changes	(598)	-	-	(598)
Allowance for expected credit loss ending balance	123,052	13,484	-	136,536

Management believes that the allowance for impairment losses as of June 30, 2023 and December 31, 2022 is adequate.

15. INVESTMENT IN ASSOCIATED ENTITIES

The details of investment in associated entities are as follows:

		June 30, 2023			
Company Name	Type of Business	Percentage of Ownership (%)	Acquisition Cost	Accumulated net earning Associated Entities	Carrying Value
<u>Equity Method</u>					
<u>Related parties (Note 44)</u>					
(Investment in associated entities)					
PT Bank Syariah Indonesia Tbk	Banking	15.38	3,546,381	1,489,186	5,035,567
PT Bahana Artha Ventura	Venture Capital	15.10	71,325	7,351	78,676
			3,617,706	1,496,537	5,114,243

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15. INVESTMENT IN ASSOCIATED ENTITIES (continued)

The details of investment in associated entities are as follows (continued):

June 30, 2023					
Company Name	Type of Business	Percentage of Ownership (%)	Acquisition Cost	Accumulated net earning Associated Entities	Carrying Value
Cost Method					
<u>Third parties</u>					
Grab Holding	Financial Technology Provider	0.06			110,470
PT Bukalapak.com	Financial Technology Provider	0.18			38,382
PT Pefindo Biro Kredit	Credit Information Company	16.09			20,060
PT Pemeringkat Efek Indonesia	Credit Rating Agency	7.94			33,350
PT Kustodian Sentral Efek Indonesia	Securities Depository Service	4.25			4,650
PT Penyelesaian Transaksi Elektronik Nasional	Finance Clearing Institution	17.50			3,500
PT Kliring Berjangka Indonesia (Persero)		2.00			1,552
Other Invesments	Various	Various			915,369
<u>Related parties (Note 44)</u>					
PT Fintek Karya Nusantara	Banking System Service Provider	12.57			537,503
					1,664,836
Total					6,779,079
Allowance for impairment losses					(6,105)
Net					6,772,974

December 31, 2022					
Company Name	Type of Business	Percentage of Ownership (%)	Acquisition Cost	Accumulated net earning Associated Entities	Carrying Value
Equity Method					
<u>Related parties (Note 44)</u>					
(Investment in associated entities)					
PT Bank Syariah Indonesia Tbk	Banking	15.38	3,546,381	1,116,254	4,662,635
PT Bahana Artha Ventura	Venture Capital	15.10	71,325	6,521	77,846
			3,617,706	1,122,775	4,740,481

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15. INVESTMENT IN ASSOCIATED ENTITIES (continued)

The details of investment in associated entities are as follows (continued):

December 31, 2022					
Company Name	Type of Business	Percentage of Ownership (%)	Acquisition Cost	Accumulated net earning Associated Entities	Carrying Value
Cost Method					
<u>Third parties</u>					
Grab Holding	Financial Technology Provider	0.07			108,572
PT Bukalapak.com	Financial Technology Provider	0.18			47,434
PT Pefindo Biro Kredit	Credit Information Company	16.09			20,060
PT Pemeringkat Efek Indonesia	Credit Rating Agency	7.97			38,261
PT Kustodian Sentral Efek Indonesia	Securities Depository Service	4.25			4,650
PT Penyelesaian Transaksi Elektronik Nasional	Finance Clearing Institution	17.50			3,500
PT Kliring Berjangka Indonesia (Persero)		1.92			2,868
Other Investments	Various	Various			1,011,721
<u>Related parties (Note 44)</u>					
PT Fintek Karya Nusantara	Banking System Service Provider	12.57			537,548
					1,774,614
Total					6,515,095
Allowance for impairment losses					(8,192)
Net					6,506,903

As of June 30, 2023 and December 31, 2022, all investments are classified as "Current".

Management believes that the allowance for impairment losses on investment in associated entities as of June 30, 2023 and December 31, 2022 are adequate.

Total assets, liabilities, income and net income for the period/year of associated entities are as follows:

	June 30, 2023	December 31, 2022
PT Bank Syariah Indonesia Tbk		
Total assets	313,640,731	305,790,161
Total liabilities	25,177,698	76,769,477
Total temporary <i>syirkah</i> funds	252,515,628	195,478,724
PT Bahana Artha Ventura		
Total assets	1,666,911	1,723,887
Total liabilities	869,352	926,497

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15. INVESTMENT IN ASSOCIATED ENTITIES (continued)

Total assets, liabilities, income and net income for the period/year of associated entities are as follows (continued):

	For the six-month period ended as of June 30,	
	2023	2022
PT Bank Syariah Indonesia Tbk		
Total Income	11,368,001	8,031,537
Total Net Income	2,850,687	1,649,319
PT Bahana Artha Ventura		
Total Income	69,967	79,810
Total Net Income	5,494	8,955
PT Danareksa Investment Management (Note 1f)		
Total Income	-	61,263
Total Net Income	-	1,374

The details of dividend receipts are as follows:

	For the six-month period ended as of June 30,	
	2023	2022
<u>BRI</u>		
PT Bank Syariah Indonesia Tbk	65,504	-
	65,504	-
<u>Subsidiaries</u>		
PT BRI Asuransi Indonesia	74	19
PT Permodalan Nasional Madani	45	-
PT Bank Raya Indonesia Tbk	13	44
	132	63
Total	65,636	63

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16. PREMISES AND EQUIPMENT

Premises and equipment consist of:

June 30, 2023

Description	Beginning Balance	Revaluation	Addition**)	Disposal	Reclassification	Ending Balance
<u>Cost</u>						
Landrights	33,406,372	-	17,516	123,864	(26,395)	33,273,629
Buildings	12,219,677	-	891,857	278,590	1,528,569	14,361,513
Motor vehicles	3,900,285	-	493,635	247,679	-	4,146,241
Computers and machineries*)	12,175,552	-	1,107,314	250,743	1,921,403	14,953,526
Furnitures and fixtures	3,357,863	-	179,675	58,178	35,862	3,515,222
Museum assets	184	-	-	-	-	184
Satellite	3,284,668	-	6,299	-	4,185	3,295,152
Construction in progress	5,606,600	-	1,218,102	18,156	(3,463,624)	3,342,922
	73,951,201	-	3,914,398	977,210	-	76,888,389
<u>Accumulated Depreciation</u>						
Buildings	4,158,159	-	736,312	144,612	-	4,749,859
Motor vehicles	1,846,266	-	192,602	77,660	-	1,961,208
Computers and machineries	9,276,125	-	625,825	86,554	-	9,815,396
Furnitures and fixtures	2,247,030	-	214,881	45,742	-	2,416,169
Satellite	1,207,574	-	110,462	-	-	1,318,036
	18,735,154	-	1,880,082	354,568	-	20,260,668
Book value - Net	55,216,047					56,627,721

*) Include software

**) Include reclassification from premises and equipment not yet distributed and prepaid expense amounted to Rp505,892 (procurement before 2023) and Rp48,024 (procurement in 2023)

December 31, 2022

Description	Beginning Balance	Revaluation	Addition	Disposal	Reclassification	Ending Balance
<u>Cost</u>						
Landrights	30,014,425	3,296,712	337,950	206,667	(36,048)	33,406,372
Buildings	9,420,713	-	3,747,043	1,745,445	797,366	12,219,677
Motor vehicles	3,612,022	-	1,153,328	915,890	50,825	3,900,285
Computers and machineries*)	10,595,357	-	1,296,684	434,729	718,240	12,175,552
Furnitures and fixtures	3,908,928	-	707,388	571,618	(686,835)	3,357,863
Museum assets	184	-	-	-	-	184
Satellite	3,284,664	-	250	-	(246)	3,284,668
Construction in progress	4,202,191	-	3,295,590	1,047,879	(843,302)	5,606,600
	65,038,484	3,296,712	10,538,233	4,922,228	-	73,951,201
<u>Accumulated Depreciation</u>						
Buildings	3,313,244	-	1,094,220	262,287	12,982	4,158,159
Motor vehicles	2,120,861	-	572,000	855,688	9,093	1,846,266
Computers and machineries	7,666,009	-	1,344,986	275,523	540,653	9,276,125
Furnitures and fixtures	2,981,185	-	383,015	554,450	(562,720)	2,247,030
Satellite	986,998	-	220,584	-	(8)	1,207,574
	17,068,297	-	3,614,805	1,947,948	-	18,735,154
Book value - Net	47,970,187					55,216,047

*) Include software

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16. PREMISES AND EQUIPMENT (continued)

The acquiring cost and accumulated depreciation of premises and equipment as of June 30, 2023 and December 31, 2022, based on table above also includes the value of BRI and subsidiaries' right-of-use assets, with the following details:

	Beginning balance January 1, 2023	Addition	Disposal	Ending balance June 30, 2023
<u>Acquisition cost of right-of-use assets</u>				
Buildings	1,840,211	765,608	270,584	2,335,235
Motor vehicles	331,406	134,765	73,822	392,349
Furnitures and fixtures	13,246	20,780	85	33,941
	2,184,863	921,153	344,491	2,761,525
<u>Accumulated depreciation of right-of-use assets</u>				
Buildings	794,664	397,805	131,948	1,060,521
Motor vehicles	169,110	41,096	25,178	185,028
Furnitures and fixtures	1,780	14,419	-	16,199
	965,554	453,320	157,126	1,261,748
Book value - Net	1,219,309			1,499,777
	Beginning balance January 1, 2022	Addition	Disposal	Ending balance December 31, 2022
<u>Acquisition cost of right-of-use assets</u>				
Buildings	1,411,229	1,135,501	706,519	1,840,211
Motor vehicles	372,382	99,740	140,716	331,406
Furnitures and fixtures	20,856	12,686	20,296	13,246
	1,804,467	1,247,927	867,531	2,184,863
<u>Accumulated depreciation of right-of-use assets</u>				
Buildings	457,367	552,101	214,804	794,664
Motor vehicles	62,545	190,007	83,442	169,110
Furnitures and fixtures	20,304	2,460	20,984	1,780
	540,216	744,568	319,230	965,554
Book value - Net	1,264,251			1,219,309

The following table presents the right-of-use expenses reported in the consolidated statements of profit or loss:

	For the six-month period ended as of June 30, 2023	
	Depreciation expense of right-of-use assets	Interest expense of lease liabilities
Buildings	397,805	4,478
Motor vehicles	41,096	5,118
Furnitures and fixtures	14,419	263
Total	453,320	9,859

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16. PREMISES AND EQUIPMENT (continued)

The following table presents the right-of-use expenses reported in the consolidated statements of profit or loss (continued):

	For the six-month period ended as of June 30, 2022	
	Depreciation expense of right-of-use assets	Interest expense of lease liabilities
Buildings	311,042	2,169
Motor vehicles	80,870	9,634
Furnitures and fixtures	852	38
Total	392,764	11,841

The average lease period based on the contract owned by BRI and its subsidiaries are 2 (two) years.

BRI has certain leases with a term of 12 months or less and low-value lease assets, which are excluded from the recognition of leases under SFAS No. 73.

Depreciation expense of premises and equipment charged to the consolidated statement of profit or loss and other comprehensive income amounted to Rp1,880,082 and Rp1,570,360 for the six-month period ended June 30, 2023 and 2022, respectively (Note 36).

BRI insured its premises and equipment (excluding landrights and satellite) from losses due to risks of fire, theft, vandalism, force majeure, and others to PT BRI Asuransi Indonesia (BRI Insurance), PT Jasaraharja Putera, PT Askrindo, PT Sinarmas, PT Asuransi Wahana Tata, Maritime Mutual Insurance New Zealand, and PT Asuransi Sahabat Artha Proteksi with coverage amount of Rp20,262,372 and Rp20,269,005 for the six-month period ended June 30, 2023 and December 31, 2022, respectively.

BRI insured its satellites to PT BRI Asuransi Indonesia (BRI Insurance) (Subsidiary entity) on June 30, 2023 and December 31, 2022 with full coverage amounted to USD130,736,666 (full amount) and USD160,000,000 (full amount), in which the insurance policies will mature on June 19, 2024 and 2023 respectively.

As of June 30, 2023 and December 31, 2022 there are no premises and equipment owned by BRI which are pledged as collateral.

The gross carrying value of premises and equipments that have been fully depreciated but still used by BRI amounted to Rp10,155,967 and Rp9,019,619 as of June 30, 2023 and December 31, 2022, respectively.

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16. PREMISES AND EQUIPMENT (continued)

On April 1, 2016, BRI changed its accounting policy for landrights measurement from cost method to revaluation method.

Based on Chairman of Bapepam-LK's Decision Letter No. KEP-347/BL/2012 dated June 25, 2012 regarding the "Guidelines on Financial Statements Presentations and Disclosures for Issuers or Public Companies", section 27 letter e, considering the book value of land that has been revalued in 2016, on April 1, 2022, BRI and subsidiaries have revalued land to meet Bapepam-LK's provisions and not for taxation purposes.

The valuation is performed based on POJK No. 28/POJK.04/2021 dated December 30, 2021 regarding "Presentation of Property Appraisal Reports in the Capital Market" and Indonesian Appraisal Standards, determined based on the current market transactions and carried out under customary conditions. The valuation methods used are market data method and cost method.

The valuation of landrights is performed by external independent appraiser, as follows:

1. KJPP Sugianto Prasodjo and Partners, with report No. 01042/2.0131-00/PI/07/0375/1/IX/2022 dated September 19, 2022 amounting to Rp1,679,046 signed by Budi Prasodjo.
2. KJPP Dino Farid and Partners, with report No. 00526/2.0164-00/PI/07/0447/1/IX/2022 dated September 19, 2022 amounting to Rp2,006,196 signed by Dino Suharianto.
3. KJPP Sapto, Kasmodiard and Partners, with report No. 01957/2.0084-00/PI/07/0274/1/IX/2022 dated September 19, 2022 amounting to Rp9,866,380 signed by Sapto Haji.
4. KJPP Nirboyo Adiputro, Dewi Apriyanti and Partners, with report No. 00522/2.0018-00/PI/07/0496/1/IX/2022 dated September 19, 2022 amounting to Rp1,429,569 signed by Budi Muhammad Haikal.
5. KJPP Susan Widjojo and Partners, with report No. 00400/2.0068-00/PI/07/0198/1/IX/2022 dated September 19, 2022 amounting to Rp2,865,437 signed by Susan Widjojo.
6. KJPP Toha, Okky, Heru and Partners, with report No. 00121/2.0014-00/PI/07/0080/1/IX/2022 dated September 19, 2022 amounting to Rp1,152,233 signed by Okky Danuza.
7. KJPP Abdullah Fitriantoro and Partners, with report No. 00282/2.0051-00/PI/07/0152/1/IX/2022 dated September 1, 2022 amounting Rp1,056,302 and Rp654,858 signed by Abdullah Fitriantoro.
8. KJPP Muttaqin Bambang Purwanto Rozak Uswatun and Partners, with report No. 01155/2.0027-00/PI/07/0196/1/IX/2022 dated September 19, 2022 amounting to Rp1,524,861 signed by Muhammad A. Muttaqin.
9. KJPP Iwan Bachron and Partners, with report No. 00066/2.0047-00/PI/07/0108/1/IX/2022 dated September 14, 2022 amounting to Rp730,970 signed by Iwan Bachron.

The increase in the carrying value arising from the revaluation of BRI's (Parent entity) landrights amounted to Rp2,963,485 was recognized as a "Revaluation Surplus arising from Premises and Equipment" and presented in other comprehensive income amounted to Rp2,984,488 while the decrease in carrying value arising from the revaluation amounted to Rp21,003 was recognized in the statement of profit or loss for the period. The fair value of landrights is included in the level 2 fair value hierarchy.

As of June 30, 2023 and December 31, 2022 if the landrights were measured using the cost method, the carrying values would be Rp13,420,451 and Rp13,402,935 respectively.

BRI and its subsidiaries do not have premises and equipment that are temporarily not being used, do not have premises and equipment that are discontinued from active use and not classified as available for sale as of June 30, 2023 and December 31, 2022.

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16. PREMISES AND EQUIPMENT (continued)

Details of construction in progress are as follows:

June 30, 2023			
	Cost Accumulation	Completion Percentage	Estimated Date of Completion
Building under construction:			
Expansion of Regional Office Padang	26,500	95.00%	December 2023
Kelapa Gading Branch Office	25,996	95.00%	December 2023
Pondok Indah Branch Office	25,094	95.00%	July 2023
BRI Main Corpu	24,478	95.00%	August 2023
BRI Jakarta Gunung Sahari Branch Office	22,868	95.00%	December 2023
Sidikalang Branch Office	21,123	95.00%	December 2023
Others	1,226,608	Various	Various
	1,372,667		
Software under development:			
Procurement of IT Consultant			
Product Implementation Phase	274,043	74.90%	July 2024
Procurement of System Integrator Consultant	141,409	95.00%	October 2023
Procurement of Additional Storage DC GTI	51,636	95.00%	December 2023
Software BRIFIRST	43,724	95.00%	December 2023
Procurement of Secure Branch Phase II	41,025	82.00%	September 2023
Procurement of Implementation			
New Finance System Integration	39,964	85.00%	December 2023
Others	1,063,515	Various	Various
	1,655,316		
Hardware under development	314,939	Various	Various
	314,939		
Total	3,342,922		
December 31, 2022			
	Cost Accumulation	Completion Percentage	Estimated date of Completion
Building under construction:			
BRI Medan Tower	287,349	93.40%	February 2023
BRI Regional Office Malang Building	118,892	95.05%	February 2023
Others	2,037,598	Various	Various
	2,443,839		
Software under development:			
BRIFIRST Software	236,670	84.53%	December 2023
BRIFIRST Infastructure	168,337	71.40%	December 2023
System Integrator Consultant	141,409	78.13%	February 2023
BRIBox Desktop Aplication	62,599	90.57%	May 2023
Others	2,549,547	Various	Various
	3,158,562		
Hardware under development	4,199	Various	Various
	4,199		
Total	5,606,600		

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16. PREMISES AND EQUIPMENT (continued)

Management believes that there is no impairment of premises and equipments and the amount of insurance coverage is adequate to cover the risk of loss that may arise on the premises and equipments as of June 30, 2023 and December 31, 2022.

17. OTHER ASSETS

Other assets consist of:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
Receivables from government related to KUR disbursement	13,813,316	12,458,257
Prepaid expense	7,497,419	5,089,056
Interest receivables:		
Securities	2,690,444	2,740,624
Pawn business	2,339,676	2,290,259
Others	432,836	281,084
Deferred expense for employee loan (Note 11f)	4,921,968	4,785,093
Receivables related to ATM and credit card transaction	4,096,496	1,938,258
Reinsurance assets	2,083,324	2,242,873
Estimated tax receivable	1,652,772	-
Other receivables	1,502,880	1,461,712
Restricted bank	833,166	1,268,339
Gold inventories	608,100	439,088
Assets under operating lease - net	544,818	517,238
Internal advance	388,727	184,386
Premises and equipment not yet distributed	372,683	1,014,197
Premium receivable	323,851	204,285
Procurement advance	293,352	338,967
Investment property	195,526	195,526
Guarantee deposits	90,483	82,403
Foreclosed collaterals	64,962	67,569
Others	3,757,941	3,640,890
	48,504,740	41,240,104
<u>Foreign currency</u>		
Foreign currency term deposit for foreign exchange proceeds of export Bank Indonesia	1,368,066	-
Interest receivables:		
Securities	1,210,206	1,257,503
Others	155,858	157,823
Others	596,993	489,742
	3,331,123	1,905,068
Total	51,835,863	43,145,172
Less allowance for impairment losses	(1,040,695)	(771,171)
Net	50,795,168	42,374,001

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18. LIABILITIES DUE IMMEDIATELY

Liabilities due immediately consist of:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
Advance payment deposits	7,609,602	8,921,299
Third parties cooperation deposits	1,258,626	520,966
ATM and credit card deposits	877,184	458,952
Claim insurance deposits - <i>recovery</i>	714,000	-
Tax payment deposits	563,908	716,779
Third parties funding resource deposits	526,265	619,504
Electronic money deposits	493,430	456,179
Insurance deposits	266,540	264,235
Debt to customers	207,964	170,138
Loan deposits channelling	122,682	121,539
Clearing deposits	41,043	28,053
Money transfer deposits	21,027	20,042
Interim dividend payment deposits (Note 31d)	-	8,602,823
Others	3,904,692	3,669,845
	<u>16,606,963</u>	<u>24,570,354</u>
<u>Foreign currency</u>		
Tax payment deposits	78,967	51,182
Advance payment deposits	74,612	65,926
ATM and credit card deposits	15,873	5,205
Others	235,557	217,912
	<u>405,009</u>	<u>340,225</u>
Total	<u>17,011,972</u>	<u>24,910,579</u>

19. DEMAND DEPOSITS

Demand deposits consist of:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>		107,938,515		111,967,188
<u>Foreign currency</u>				
United States Dollar	3,560,114,434	53,375,016	3,290,805,117	51,229,608
Singaporean Dollar	176,485,826	1,960,627	131,638,705	1,526,072
Renminbi	177,173,109	368,435	156,774,479	351,004
European Euro	12,821,435	210,295	27,522,824	456,376
Japanese Yen	501,870,391	52,425	239,441,887	28,209
Australian Dollar	2,479,629	24,941	1,887,328	19,926
Hong Kong Dollar	11,992,284	22,953	1,569,861	3,134
New Taiwanese Dollar	22,235,419	10,745	7,820,781	3,958
United Emirate Arab Dirham	646,037	2,637	267,241	1,133
Great Britain Pound Sterling	126,060	2,407	169,333	3,181
Saudi Arabian Riyal	552,806	2,209	8,615	36
Malaysian Ringgit	4,894	16	3,894	14
		<u>56,032,706</u>		<u>53,622,651</u>
		<u>163,971,221</u>		<u>165,589,839</u>

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19. DEMAND DEPOSITS (continued)

Demand deposits consist of (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>		68,531,929		112,553,235
<u>Foreign currency</u>				
United States Dollar	4,379,409,514	65,658,297	4,593,131,861	71,503,580
European Euro	8,005,795	131,309	5,485,114	90,953
Japanese Yen	157,504,237	16,453	151,956,054	17,902
Great Britain Pound Sterling	17,781	339	-	-
Singaporean Dollar	5,331	59	6,986	81
		65,806,457		71,612,516
		134,338,386		184,165,751
Total		298,309,607		349,755,590

The average interest rates are as follows:

	June 30, 2023	December 31, 2022
Rupiah	2.47%	2.07%
Foreign currency	2.08	0.61

Demand deposits used as collateral for banking facilities granted by BRI and subsidiaries amounted to Rp236,426 and Rp551,325 as of June 30, 2023 and December 31, 2022, respectively.

20. SAVING DEPOSITS

Saving deposits consist of:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>				
Simpedes		309,179,792		318,984,036
Britama		197,329,408		188,378,315
Others		5,739,853		9,528,215
		512,249,053		516,890,566
<u>Foreign currency</u>				
Britama				
United States Dollar	192,450,661	2,885,317	252,725,208	3,934,300
Japanese Yen	6,107,157,375	637,954	4,384,269,662	516,511
European Euro	13,122,384	215,231	9,012,989	149,451
Singaporean Dollar	12,929,267	143,635	14,646,981	169,801
Australian Dollar	2,835,070	28,516	1,872,993	19,775
Great Britain Pound Sterling	770,838	14,718	3,445,779	64,733
Renminbi	5,194,927	10,803	2,911,422	6,518
New Taiwanese Dollar	15,956,209	7,710	14,962,922	7,555
Saudi Arabian Riyal	726,327	2,903	142,770	591
Hong Kong Dollar	481,195	921	267,651	534
United Emirate Arab Dirham	74,006	302	11,629	49
South Korean Won	98,466	1	-	-
		3,948,011		4,869,818

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20. SAVING DEPOSITS (continued)

Saving deposits consist of (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties (continued)</u>				
<u>Foreign currency (continued)</u>				
Others				
United States Dollar		-	1,463,998	22,791
		3,948,011		4,892,609
		516,197,064		521,783,175
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Britama		771,871		728,459
Simpedes		12,228		14,265
Others		102,322		100,691
		886,421		843,415
<u>Foreign currency</u>				
Britama				
United States Dollar	2,044,694	30,655	1,307,634	20,357
European Euro	9,927	163	14,380	238
Great Britain Pound Sterling	6,894	132	8,924	168
Singaporean Dollar	11,020	122	37,678	437
Japanese Yen	570,130	60	603,841	71
Saudi Arabian Riyal	4,553	18	6,226	26
Renminbi	2,942	6	14,546	33
		31,156		21,330
		917,577		864,745
Total		517,114,641		522,647,920

The average interest rates are as follows:

	June 30, 2023	December 31, 2022
Rupiah	0.25%	0.22%
Foreign currency	0.21	0.12

Saving deposits used as collateral for banking facilities granted by BRI and subsidiaries amounted to Rp122,825 and Rp114,649 as of June 30, 2023 and December 31, 2022, respectively.

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21. TIME DEPOSITS

Time deposits consist of:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>		277,014,291		258,965,235
<u>Foreign currency</u>				
United States Dollar	1,776,943,523	26,640,826	2,241,433,076	34,893,509
Japanese Yen	6,389,368,000	667,433	682,150,000	80,364
Renminbi	145,123,647	301,788	145,122,178	324,915
Australian Dollar	25,625,070	257,749	27,247,937	287,680
Singaporean Dollar	14,024,042	155,797	146,313,062	1,696,190
Great Britain Pound Sterling	966,317	18,450	74,572	1,401
European Euro	437,854	7,182	1,874,588	31,084
New Taiwanese Dollar	5,637,960	2,724	6,170,038	3,123
Saudi Arabian Riyal	5,009	20	5,007	21
		28,051,969		37,318,287
		305,066,260		296,283,522
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>		108,432,314		121,105,033
<u>Foreign currency</u>				
United States Dollar	1,077,610,164	16,156,069	1,159,818,087	18,055,468
European Euro	2,200,000	36,084	2,200,000	36,480
		16,192,153		18,091,948
		124,624,467		139,196,981
Total		429,690,727		435,480,503

Time deposits based on their contractual periods are as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
Deposits on call	10,082,334	11,198,794
<u>Deposits</u>		
1 month	104,403,323	87,324,795
3 months	96,054,374	98,169,540
6 months	37,042,096	32,731,596
12 months	28,323,027	28,145,069
More than 12 months	1,109,137	1,395,441
	277,014,291	258,965,235

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21. TIME DEPOSITS (continued)

Time deposits based on their contractual periods are as follows (continued):

	June 30, 2023	December 31, 2022
<u>Third parties (continued)</u>		
<u>Foreign currency</u>		
Deposits on call	124,689	418,420
Deposits		
1 month	11,433,737	13,903,695
3 months	3,492,941	4,184,207
6 months	8,141,300	7,211,600
12 months	3,915,269	10,706,367
More than 12 months	944,033	893,998
	<u>28,051,969</u>	<u>37,318,287</u>
	<u>305,066,260</u>	<u>296,283,522</u>
 <u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
Deposits on call	2,417,761	7,839,292
Deposits		
1 month	29,557,001	23,511,996
3 months	24,260,696	32,628,975
6 months	22,796,288	14,064,025
12 months	29,400,568	43,030,745
More than 12 months	-	30,000
	<u>108,432,314</u>	<u>121,105,033</u>
 <u>Foreign currency</u>		
Deposits on call	478,800	1,871,945
Deposits		
1 month	6,691,402	11,545,591
3 months	7,906,569	1,837,484
6 months	899,079	2,328,533
12 months	178,822	469,476
More than 12 months	37,481	38,919
	<u>16,192,153</u>	<u>18,091,948</u>
	<u>124,624,467</u>	<u>139,196,981</u>
 Total	<u>429,690,727</u>	<u>435,480,503</u>

The average interest rates are as follows:

	June 30, 2023	December 31, 2022
Rupiah	4.43%	3.06%
Foreign currency	2.89	0.93

Time deposits used as collateral for banking facilities granted by BRI and subsidiaries amounted to Rp267,554 and Rp262,798 as of June 30, 2023 and December 31, 2022.

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22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS

Deposits from other banks and financial institutions consist of:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>				
Inter-bank call money		3,985,000		-
Demand deposits		1,552,268		1,406,913
Time deposits		578,889		750,521
Deposits on call		102,700		145,200
Saving deposits		5,587		9,787
		<u>6,224,444</u>		<u>2,312,421</u>
<u>Foreign currency</u>				
<u>United States Dollar</u>				
Time deposits	155,000,000	2,323,838	161,000,000	2,506,368
Inter-bank call money	103,400,616	1,550,234	117,000,000	1,821,398
Demand deposits	66,601,907	998,529	29,643,680	461,478
		<u>4,872,601</u>		<u>4,789,244</u>
<u>Singaporean Dollar</u>				
Inter-bank call money	134,954,984	1,499,250	121,729,108	1,411,191
		<u>1,499,250</u>		<u>1,411,191</u>
		<u>12,596,295</u>		<u>8,512,856</u>
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Demand deposits		27,277		42,617
Time deposits		41		40
		<u>27,318</u>		<u>42,657</u>
<u>Foreign currency</u>				
<u>United States Dollar</u>				
Inter-bank call money	4,000,000	59,970	50,000,000	778,375
Demand deposits	41,734	626	42,334	659
		<u>60,596</u>		<u>779,034</u>
		<u>87,914</u>		<u>821,691</u>
Total		<u>12,684,209</u>		<u>9,334,547</u>

The average interest rates are as follows:

	Rupiah		Foreign Currency	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Inter-bank call money	6.09%	-	4.71%	3.83%
Deposits on call	3.23	3.12	-	-
Time deposits	2.44	2.50	1.50	1.50
Demand deposits	1.10	1.34	0.11	0.06
Saving deposits	0.61	0.47	-	-

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22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

The classification of deposits from other banks and financial institutions based on their remaining period to maturity are as follows:

June 30, 2023				
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	Total
<u>Third parties</u>				
<u>Rupiah</u>				
Inter-bank call money	3,985,000	-	-	3,985,000
Demand deposits	1,552,268	-	-	1,552,268
Time deposits	146,050	330,836	102,003	578,889
Deposits on call	102,700	-	-	102,700
Savings deposits	5,587	-	-	5,587
	5,791,605	330,836	102,003	6,224,444
<u>Foreign currency</u>				
<u>United States Dollar</u>				
Time deposits	-	-	2,323,838	2,323,838
Inter-bank call money	65,976	-	1,484,258	1,550,234
Demand deposits	998,529	-	-	998,529
<u>Singaporean Dollar</u>				
Inter-bank call money	1,499,250	-	-	1,499,250
	2,563,755	-	3,808,096	6,371,851
	8,355,360	330,836	3,910,099	12,596,295
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Demand deposits	27,277	-	-	27,277
Time deposits	41	-	-	41
	27,318	-	-	27,318
<u>Foreign currency</u>				
Inter-bank call money	59,970	-	-	59,970
Demand deposits	626	-	-	626
	60,596	-	-	60,596
	87,914	-	-	87,914
Total	8,443,274	330,836	3,910,099	12,684,209

December 31, 2022				
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	Total
<u>Third parties</u>				
<u>Rupiah</u>				
Demand deposits	1,406,913	-	-	1,406,913
Time deposits	230,204	407,217	113,100	750,521
Deposits on call	145,200	-	-	145,200
Saving deposits	9,787	-	-	9,787
	1,792,104	407,217	113,100	2,312,421

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22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

The classification of deposits from other banks and financial institutions based on their remaining period to maturity are as follows (continued):

December 31, 2022				
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	Total
<u>Third parties (continued)</u>				
<u>Foreign currency</u>				
<u>United States Dollar</u>				
Time deposits	311,350	1,572,318	622,700	2,506,368
Inter-bank call money	980,753	560,430	280,215	1,821,398
Demand deposits	461,478	-	-	461,478
<u>Singaporean Dollar</u>				
Inter-bank call money	1,411,191	-	-	1,411,191
	3,164,772	2,132,748	902,915	6,200,435
	4,956,876	2,539,965	1,016,015	8,512,856
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Demand deposits	42,617	-	-	42,617
Time deposits	40	-	-	40
	42,657	-	-	42,657
<u>Foreign currency</u>				
Inter-bank call money	778,375	-	-	778,375
Demand deposits	659	-	-	659
	779,034	-	-	779,034
	821,691	-	-	821,691
Total	5,778,567	2,539,965	1,016,015	9,334,547

23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE

Securities sold under agreement to repurchase consist of:

June 30, 2023					
	Date of Sale	Date of Repurchase	Nominal Amount	Sale Amount	Carrying Amount
<u>Third parties</u>					
<u>Rupiah</u>					
<u>Bank Indonesia</u>					
Government Bonds					
FR0091	Apr 13, 2023	Jul 13, 2023	100,000	93,849	95,169
FR0065	May 09, 2023	Aug 08, 2023	50,000	48,109	48,563
FR0059	Apr 11, 2023	Jul 11, 2023	20,000	20,054	20,343
			170,000	162,012	164,075

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23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE (continued)

Securities sold under agreement to repurchase consist of (continued):

		June 30, 2023			
	Date of Sale	Date of Repurchase	Nominal Amount	Sale Amount	Carrying Amount
<u>Third parties (continued)</u>					
<u>Rupiah (continued)</u>					
Other Banks					
Government Bonds					
FR0090	Jun 21, 2023	Jul 03, 2023	3,000,000	2,822,772	2,827,555
FR0090	Jun 26, 2023	Jul 03, 2023	2,000,000	1,882,607	1,884,163
FR0091	Jun 27, 2023	Jul 04, 2023	1,500,000	1,414,737	1,415,677
FR0086	Jun 22, 2023	Jul 06, 2023	1,125,000	1,060,510	1,062,127
FR0081	Jun 23, 2023	Jul 03, 2023	1,000,000	965,675	966,958
FR0087	Jun 23, 2023	Jul 03, 2023	1,000,000	959,103	960,379
FR0090	Jun 26, 2023	Jul 10, 2023	1,000,000	941,304	942,112
FR0081	Apr 04, 2023	Jun 12, 2025	1,000,000	887,065	899,212
FR0090	Jun 21, 2023	Jul 05, 2023	800,000	752,739	754,035
FR0086	Jun 23, 2023	Jul 03, 2023	600,000	571,354	572,113
FR0081	Jun 23, 2023	Jul 07, 2023	500,000	482,837	483,500
FR0086	Jun 21, 2023	Jul 05, 2023	500,000	477,073	477,894
FR0086	Jun 23, 2023	Jul 07, 2023	500,000	476,129	476,785
FR0086	Jun 23, 2023	Jul 06, 2023	500,000	476,129	476,776
FR0090	May 26, 2023	Jul 26, 2023	500,000	464,371	467,203
FR0090	Jun 21, 2023	Jul 05, 2023	450,000	423,416	424,139
FR0087	Jun 23, 2023	Jul 07, 2023	400,000	383,641	384,170
FR0086	May 29, 2023	Jul 31, 2023	400,000	379,945	382,069
FR0090	Jun 21, 2023	Jul 05, 2023	400,000	376,370	377,018
FR0081	Jun 23, 2023	Jul 03, 2023	300,000	289,702	290,087
FR0090	Jun 21, 2023	Jul 03, 2023	300,000	282,277	282,756
FR0059	May 31, 2023	Jul 05, 2023	200,000	197,723	198,753
FR0072	Jun 27, 2023	Jul 04, 2023	160,000	173,700	173,808
FR0087	Jun 27, 2023	Jul 04, 2023	150,000	143,945	144,035
FR0092	Jun 27, 2023	Jul 04, 2023	130,000	126,720	126,799
FR0081	Jun 23, 2023	Jul 06, 2023	100,000	96,567	96,698
FR0081	Jun 23, 2023	Jul 05, 2023	100,000	96,567	96,698
FR0082	Jun 27, 2023	Jul 04, 2023	60,000	59,055	59,092
FR0082	Jun 09, 2023	Jul 10, 2023	50,000	48,903	49,080
FR0073	Jun 27, 2023	Jul 04, 2023	25,000	27,161	27,178
			18,750,000	17,740,097	17,778,869
			18,920,000	17,902,109	17,942,944
<u>Foreign currency</u>					
Other Banks					
Government Bonds					
FR0086	Jun 22, 2023	Apr 15, 2026	900,000	814,384	815,412
FR0086	Jun 21, 2023	Apr 15, 2026	900,000	789,200	790,310
FR0086	Dec 16, 2021	Apr 15, 2026	815,000	750,208	757,710
FR0081	Dec 16, 2021	Jun 13, 2025	791,500	749,245	750,927
RI0126	Jun 16, 2023	Mar 18, 2024	449,775	414,756	415,706
RI0124	May 30, 2023	Aug 30, 2023	299,850	292,890	294,325
RI0127	May 30, 2023	Aug 30, 2023	299,850	287,962	289,373
RI0128	May 30, 2023	Aug 30, 2023	299,850	275,685	277,035
RI0126	May 30, 2023	Aug 30, 2023	269,865	263,396	264,686
RI0727	May 30, 2023	Aug 30, 2023	224,888	210,652	211,684
RI1023	May 30, 2023	Aug 30, 2023	149,925	143,298	143,999
RI0125	May 30, 2023	Aug 30, 2023	149,925	143,041	143,742
			5,550,428	5,134,717	5,154,909

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23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE (continued)

Securities sold under agreement to repurchase consist of (continued):

June 30, 2023					
	Date of Sale	Date of Repurchase	Nominal Amount	Sale Amount	Carrying Amount
<u>Third parties (continued)</u>					
<u>Foreign currency (continued)</u>					
<u>Other Banks (continued)</u>					
Sharia Government Treasury Bills					
INDOIS 27	May 17, 2023	Aug 17, 2023	299,850	286,994	288,913
INDOIS 25	May 19, 2023	Aug 21, 2023	149,925	137,874	138,758
INDOIS 24	May 19, 2023	Aug 21, 2023	149,925	136,226	137,100
			599,700	561,094	564,771
			6,150,128	5,695,811	5,719,680
<u>Related parties (Note 44)</u>					
<u>Rupiah</u>					
PT Bank Mandiri (Persero) Tbk					
Government Bonds					
FR0081	Jun 23, 2023	Jul 04, 2023	500,000	482,837	483,484
FR0091	Jun 22, 2023	Jul 03, 2023	500,000	469,756	470,467
			1,000,000	952,593	953,951
Total			26,070,128	24,550,513	24,616,575

December 31, 2022					
	Date of Sale	Date of Repurchase	Nominal Amount	Sale Amount	Carrying Amount
<u>Third parties</u>					
<u>Rupiah</u>					
Bank Indonesia					
Government Bonds					
FR0088	Nov 08, 2022	Feb 07, 2023	250,000	213,388	215,176
FR0070	Dec 01, 2022	Mar 02, 2023	50,000	49,742	49,999
			300,000	263,130	265,175
<u>Other Banks</u>					
Government Bonds					
FR0063	Mar 08, 2021	May 15, 2023	1,593,000	1,424,873	1,424,873
FR0063	Nov 07, 2017	May 15, 2023	500,000	446,090	446,090
FR0095	Dec 28, 2022	Jan 02, 2023	208,061	223,777	223,604
FR0090	Dec 26, 2022	Jan 09, 2023	115,000	105,977	106,050
FR0093	Dec 01, 2022	Jan 03, 2023	60,000	54,253	54,253
FR0070	Dec 01, 2022	Mar 02, 2023	51,284	50,526	49,741
FR0093	Dec 13, 2022	Jan 13, 2023	50,000	45,418	45,537
FR0092	Dec 07, 2022	Jan 06, 2023	30,000	28,907	29,008
			2,607,345	2,379,821	2,379,156
<u>Foreign Currency</u>					
<u>Other Banks</u>					
Government Bonds					
FR0086	Dec 16, 2021	Apr 15, 2026	815,000	778,980	778,980
FR0091	Jun 21, 2022	Jun 21, 2023	900,000	778,466	778,466
FR0081	Dec 16, 2021	Jun 13, 2025	791,500	777,980	777,980
RI0731	Feb 25, 2022	Feb 17, 2023	622,700	497,961	504,158
RI0727	Feb 25, 2022	Feb 17, 2023	467,025	421,385	426,629
RI0127	Nov 16, 2022	Jan 13, 2023	342,485	332,615	334,461
RI0727	Nov 29, 2022	Feb 28, 2023	311,350	288,835	290,080
RI0128	Dec 16, 2022	Mar 16, 2023	311,350	272,509	273,073

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23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE (continued)

Securities sold under agreement to repurchase consist of (continued):

	December 31, 2022				
	Date of Sale	Date of Repurchase	Nominal Amount	Sale Amount	Carrying Amount
<u>Third parties (continued)</u>					
<u>Foreign Currency (continued)</u>					
<u>Other Banks (continued)</u>					
Government Bonds (continued)					
RI0229	Nov 29, 2022	Feb 28, 2023	249,080	236,301	237,320
RI0126	Nov 16, 2022	Feb 16, 2023	233,512	223,168	224,535
RI0124	Feb 25, 2022	Feb 17, 2023	233,513	214,305	216,972
RI0423	Feb 25, 2022	Feb 17, 2023	233,513	204,619	207,166
RI0125	Nov 16, 2022	Feb 16, 2023	202,377	192,066	193,243
RI1030	Feb 25, 2022	Feb 17, 2023	155,675	143,955	145,747
RI1023	Feb 25, 2022	Feb 17, 2023	155,675	142,751	144,527
US TREASURY 0523	Dec 16, 2022	Mar 16, 2023	108,973	105,956	106,166
RI0126	Nov 21, 2022	Feb 21, 2023	90,291	86,853	87,312
US TREASURY 0526	Dec 16, 2022	Mar 16, 2023	77,837	71,772	71,914
RI0127	Nov 21, 2022	Feb 21, 2023	73,167	69,149	69,514
			6,375,023	5,839,626	5,868,243
Sharia Government Treasury Bills					
INDOIS 25	Nov 16, 2022	Feb 16, 2023	264,647	253,678	255,232
INDOIS 27	Nov 16, 2022	Jan 13, 2023	249,080	236,775	238,090
INDOIS 27	Nov 21, 2022	Feb 21, 2023	202,378	187,643	188,634
INDOIS 24	Nov 16, 2022	Jan 13, 2023	186,810	183,257	184,274
INDOIS 26	Dec 23, 2022	Mar 23, 2023	186,810	170,298	170,488
INDOIS 24	Dec 23, 2022	Mar 23, 2023	124,540	113,353	113,479
INDOIS 25	Dec 23, 2022	Mar 23, 2023	101,189	91,288	91,390
INDOIS 28	Dec 23, 2022	Mar 23, 2023	93,405	84,552	84,646
INDOIS 24	Dec 23, 2022	Mar 23, 2023	62,270	56,267	56,330
			1,471,129	1,377,111	1,382,563
Corporate Bonds					
PT Bank Mandiri (Persero) Tbk					
Year 2025	Nov 29, 2022	Feb 28, 2023	82,508	75,976	76,303
Year 2026	Nov 29, 2022	Feb 28, 2023	31,135	26,039	26,152
			113,643	102,015	102,455
Total			10,867,140	9,961,703	9,997,592

24. MARKETABLE SECURITIES ISSUED

BRI and Subsidiaries issued marketable securities with details as follows:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
BRI Shelf Registration Bond II		
Phase I Year 2016		
net of unamortized bond issuance cost amounting to Rp1,230 and Rp1,443 as of June 30, 2023 and December 31, 2022	2,637,689	2,664,774
Phase II Year 2017		
net of unamortized bond issuance cost amounting to Rp420 and Rp466 as of June 30, 2023 and December 31, 2022	1,257,932	1,257,485

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24. MARKETABLE SECURITIES ISSUED (continued)

BRI and Subsidiaries issued marketable securities with details as follows (continued):

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Rupiah (continued)</u>		
BRI Shelf Registration Bond II (continued)		
Phase III Year 2017		
net of unamortized bond issuance cost amounting to Rp352 and Rp493 as of June 30, 2023 and December 31, 2022	2,496,648	2,495,955
Phase IV Year 2018		
net of unamortized bond issuance cost amounting to Rp165 and Rp272 as of June 30, 2023 and December 31, 2022	589,877	2,426,656
BRI Shelf Registration Bond III		
Phase I Year 2019		
net of unamortized bond issuance cost amounting to Rp1,098 and Rp1,471 as of June 30, 2023 and December 31, 2022	2,138,653	2,137,677
BRI Green Shelf Registration Bond I		
Phase I Year 2022		
net of unamortized bond issuance cost amounting to Rp4,504 and Rp8,126 as of June 30, 2023 and December 31, 2022	4,775,072	4,884,898
BRI MTN Year 2022		
net of unamortized bond issuance cost amounting to Rp3,384 and Rp3,719 as of June 30, 2023 and December 31, 2022	4,996,616	4,996,281
BRI LTN Year 2022		
net of unamortized bond issuance cost amounting to Rp254 and Rp148 as of June 30, 2023 and December 31, 2022	50,785	52,184
BRI Finance MTN II Year 2021		
net of unamortized bond issuance cost amounting to Rp232 and Rp354 as of June 30, 2023 and December 31, 2022	324,768	324,328
BRI Finance Bond I Year 2022		
net of unamortized bond issuance cost amounting to Rp2,447 and Rp1,277 as of June 30, 2023 and December 31, 2022	549,053	549,401
PNM Shelf Registration Bond II		
Phase II Year 2018		
net of unamortized bond issuance cost amounting to RpNil and Rp137 as of June 30, 2023 and December 31, 2022	-	1,245,863

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24. MARKETABLE SECURITIES ISSUED (continued)

BRI and Subsidiaries issued marketable securities with details as follows (continued):

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Rupiah (continued)</u>		
PNM Shelf Registration Bond III		
Phase I Year 2019		
net of unamortized bond issuance cost		
amounting to Rp325 and Rp491 as of		
June 30, 2023 and December 31, 2022	598,675	598,509
Phase II Year 2019		
net of unamortized bond issuance cost		
amounting to Rp166 and Rp220 as of		
June 30, 2023 and December 31, 2022	763,334	763,280
Phase III Year 2020		
net of unamortized bond issuance cost		
amounting to Rp220 and Rp302 as of		
June 30, 2023 and December 31, 2022	194,680	249,698
Phase IV Year 2020		
net of unamortized bond issuance cost		
amounting Rp276 and Rp454 as of		
June 30, 2023 and December 31, 2022	828,724	828,546
Phase V Year 2021		
net of unamortized bond issuance cost		
amounting Rp396 and Rp631 as of		
June 30, 2023 and December 31, 2022	497,804	497,569
PNM Shelf Registration Bond IV		
Phase I Year 2021		
net of unamortized bond issuance cost		
amounting Rp3,494 and Rp4,172 as of		
June 30, 2023 and December 31, 2022	1,976,506	1,976,383
Phase II Year 2022		
net of unamortized bond issuance cost		
amounting to Rp1,311 and Rp3,481 as of		
June 30, 2023 and December 31, 2022	585,189	2,840,589
PNM Shelf Registration Bond V Phase I Year 2022		
net of unamortized bond issuance cost		
amounting to Rp940 and Rp2,779 as of		
June 30, 2023 and December 31, 2022	838,719	997,221
PNM Sukuk <i>Mudharabah</i> III		
Year 2019	350,000	1,000,000
PNM Sukuk <i>Mudharabah</i> IV		
Year 2020	200,000	200,000
Year 2021	1,800,000	2,000,000

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24. MARKETABLE SECURITIES ISSUED (continued)

BRI and Subsidiaries issued marketable securities with details as follows (continued):

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Rupiah (continued)</u>		
PNM Sukuk <i>Mudharabah</i> V		
Year 2022	742,500	492,500
PNM Shelf Registration Sukuk <i>Mudharabah</i> I Phase I		
Year 2021	842,000	842,000
PNM Shelf Registration Sukuk <i>Mudharabah</i> I Phase II		
Year 2023	1,684,275	-
Pegadaian Shelf Registration Bond III		
Phase II Year 2018		
net of unamortized bond issuance cost		
amounting to RpNil and Rp72 as of		
June 30, 2023 and December 31, 2022	-	1,763,187
Pegadaian Shelf Registration Bond IV		
Phase I Year 2020		
net of unamortized bond issuance cost		
amounting to RpNil and Rp49 as of		
June 30, 2023 and December 31, 2022	-	69,951
Phase II Year 2020		
net of unamortized bond issuance cost		
amounting to Rp80 and Rp166 as of		
June 30, 2023 and December 31, 2022	444,920	444,834
Phase III Year 2020		
net of unamortized bond issuance cost		
amounting to Rp94 and Rp296 as of		
June 30, 2023 and December 31, 2022	1,046,258	1,045,290
Phase IV Year 2021		
net of unamortized bond issuance cost		
amounting to Rp279 and Rp459 as of		
June 30, 2023 and December 31, 2022	941,260	943,391
Pegadaian Shelf Registration Bond V		
Phase I Year 2022		
net of unamortized bond issuance cost		
amounting to Rp690 and Rp2,463 as of		
June 30, 2023 and December 31, 2022	577,310	2,977,770
Phase II Year 2022		
net of unamortized bond issuance cost		
amounting to Rp633 and Rp1,805 as of		
June 30, 2023 and December 31, 2022	1,856,355	1,855,164
Phase III Year 2023		
net of unamortized bond issuance cost		
amounting to Rp3,048 and RpNil as of		
June 30, 2023 and December 31, 2022	1,876,701	-

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24. MARKETABLE SECURITIES ISSUED (continued)

BRI and Subsidiaries issued marketable securities with details as follows (continued):

	June 30, 2023	December 31, 2022
<u>Rupiah (continued)</u>		
Pegadaian Shelf Registration Sukuk <i>Mudharabah</i> I		
Phase I Year 2020	-	49,000
Phase II Year 2020	183,500	183,500
Phase III Year 2020	131,000	131,000
Phase IV Year 2021	165,800	165,800
Pegadaian Shelf Registration Sukuk <i>Mudharabah</i> II		
Phase I Year 2022	320,000	991,000
Phase II Year 2022	1,103,000	1,123,000
Phase III Year 2023	605,000	-
	<u>40,970,603</u>	<u>48,064,684</u>
<u>United States Dollar</u>		
Senior Unsecured Notes Due 2023 (Global Bond BRI) net of unamortized bond issuance cost amounting to Rp666 and Rp6,834 as of June 30, 2023 and December 31, 2022	7,494,775	7,776,915
Senior Unsecured Notes Due 2024 (Sustainability Bond BRI Year 2019) net of unamortized bond issuance cost amounting to Rp7,897 and Rp13,588 as of June 30, 2023 and December 31, 2022	7,488,353	7,770,162
	<u>14,983,128</u>	<u>15,547,077</u>
Total	<u>55,953,731</u>	<u>63,611,761</u>

The amortization of the issuance cost of marketable securities issued for the six-month period ended June 30, 2023, and December 31, 2022 amounted to Rp34,601 and Rp56,168, respectively.

The management of BRI and its subsidiaries consider that all the requirements/restrictions stipulated in the issuance of securities above have been met on June 30, 2023 and December 31, 2022.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued:

a) BRI Shelf Registration Bond II

On November 22, 2016, BRI Shelf Registration Bond II with a principal amount of Rp20,000,000 has been declared by the Financial Services Authority (OJK) based on a Decree S-678/D.04/2016 dated November 22, 2016.

On December 2, 2016, BRI issued Shelf Registration Bond II Phase I Year 2016 with a principal value of Rp4,600,000 in 5 (five) series, as follows:

- Series A: Principal value amounting to Rp616,000 with a fixed interest rate of 7.25% per annum, for a period of 370 (three hundred and seventy) days and matured on December 6, 2017.
- Series B: Principal value amounting to Rp964,000 with a fixed interest rate of 8.00% per annum, for a period of 3 (three) years and matured on December 1, 2019.
- Series C: Principal value amounting to Rp193,000 with a fixed interest rate of 8.20% per annum, for a period of 5 (five) years and matured on December 1, 2021.
- Series D: Principal value amounting to Rp477,000 with a fixed interest rate of 8.65% per annum, for a period of 7 (seven) years and will mature on December 1, 2023.
- Series E: Principal value amounting to Rp2,350,000 with a fixed interest rate of 8.90% per annum, for a period of 10 (ten) years and will mature on December 1, 2026.

The interest of BRI Shelf Registration Bond II Phase I Year 2016 is paid every 3 (three) months, starting from March 1, 2017. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

On June 30, 2023 and December 31, 2022, BRI Shelf Registration Bond II Phase I Year 2016 received an idAAA rating from Pefindo.

On April 12, 2017, BRI issued Shelf Registration Bond II Phase II Year 2017 with a principal value of Rp5,100,000 in 4 (four) series, as follows:

- Series A: Principal value amounting to Rp1,131,000 with a fixed interest rate of 7.20% per annum, for a period of 370 (three hundreds and seventy) days and matured on April 16, 2018.
- Series B: Principal value amounting to Rp1,743,500 with a fixed interest rate of 8.10% per annum, for a period of 3 (three) years and matured on April 11, 2020.
- Series C: Principal value amounting to Rp925,000 with a fixed interest rate of 8.30% per annum, for a period of 5 (five) years and matured on April 11, 2022.
- Series D: Principal value amounting to Rp1,300,500 with a fixed interest rate of 8.80% per annum, for a period of 10 (ten) years and will mature on April 11, 2027.

The interest of BRI Shelf Registration Bond II Phase II Year 2017 is paid every 3 (three) months, starting from July 11, 2017. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

On June 30, 2023 and December 31, 2022, Shelf Registration Bond II BRI Phase II Year 2017 received an idAAA rating from Pefindo.

On August 25, 2017, BRI issued Shelf Registration Bond II Phase III Year 2017 with a principal value of Rp5,150,000 in 3 (three) series, as follows:

- Series A: Principal value amounting to Rp980,500 with a fixed interest rate of 7.60% per annum, for a period of 3 (three) years and matured on August 24, 2020.
- Series B: Principal value amounting to Rp1,652,500 with a fixed interest rate of 8.00% per annum, for a period of 5 (five) years and matured on August 24, 2022.
- Series C: Principal value amounting to Rp2,517,000 with a fixed interest rate of 8.25% per annum, for a period of 7 (seven) years and will mature on August 24, 2024.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

a) BRI Shelf Registration Bond II (continued)

The interest of BRI Shelf Registration Bond II Phase III Year 2017 is paid every 3 (three) months, starting from November 24, 2017. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

On February 22, 2018, BRI issued Shelf Registration Bond II Phase IV Year 2018 with a principal value of Rp2,442,000 in 2 (two) series, as follows:

- Series A: Principal value amounting to Rp1,837,000 with a fixed interest rate of 6.65% per annum, for a period of 5 (five) years and matured on February 21, 2023.
- Series B: Principal value amounting to Rp605,000 with a fixed interest rate of 6.90% per annum, for a period of 7 (seven) years and will mature on February 21, 2025.

The interest of BRI Shelf Registration Bond II Phase IV Year 2018 is paid every 3 (three) months, starting from May 21, 2018. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

On June 30, 2023 and December 31, 2022, BRI Shelf Registration Bond II Phase IV Year 2018 received an idAAA rating from Pefindo.

The net proceeds from the issuance of this Shelf Registration Bond are used for loan granting.

The covenant stated in the agreement of Shelf Registration Bond is that BRI shall not, without the written approval from the trustee, reduce the authorized, issued and paid-up capital, as well as perform merger, separation, consolidation and takeover of a company.

The trustee for the issuance of BRI Shelf Registration Bond II is PT Bank Negara Indonesia (Persero) Tbk.

Management believes that all requirements/restrictions specified in the trusteeship agreement have been fulfilled.

BRI Shelf Registration Bond II Phase I Series A, Shelf Registration Bond II Phase I Series B, BRI Shelf Registration Bond II Phase I Series C, BRI Shelf Registration Bond II Phase II Series A, BRI Shelf Registration Bond II Phase II Series B, Shelf Registration Bond II Phase II Series C, BRI Shelf Registration Bond II Phase III Series A, BRI Shelf Registration Bond II Phase III Series B, BRI Shelf Registration Bond II Phase IV Series A with nominal values of Rp616,000, Rp964,000, Rp193,000, Rp1,131,000, Rp1,743,500, Rp925,000, Rp980,500, Rp1,652,500 and Rp1,837,000 respectively have been paid off by BRI on its maturity date.

b) BRI Shelf Registration Bond III

On October 30, 2019, BRI Shelf Registration Bond III with a principal amount of Rp20,000,000 has been declared by the Financial Services Authority (OJK) based on a Decree S-159/D.04/2019 dated October 30, 2019.

On November 7, 2019, BRI issued Shelf Registration Bond III Phase I Year 2019 with a principal value of Rp5,000,000 in 3 (three) series, as follows:

- Series A: Principal value amounting to Rp737,850 with a fixed interest rate of 6.50% per annum, for a period of 370 (three hundreds and seventy) days and matured on November 17, 2020.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

b) BRI Shelf Registration Bond III (continued)

On November 7, 2019, BRI issued Shelf Registration Bond III Phase I Year 2019 with a principal value of Rp5,000,000 in 3 (three) series, as follows (continued):

- Series B: Principal value amounting to Rp2,089,350 with a fixed interest rate of 7.60% per annum, for a period of 3 (three) years and matured on November 7, 2022.
- Series C: Principal value amounting to Rp2,172,800 with a fixed interest rate of 7.85% per annum, for a period of 5 (five) years and will mature on November 7, 2024.

The interest of BRI Shelf Registration Bond III Phase I Year 2019 is paid every 3 (three) months, starting from February 7, 2020. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

As of June 30, 2023, and December 31, 2022, BRI Shelf Registration Bond III obtained a idAAA rating from Pefindo.

Net proceeds from the issuance of BRI Shelf Registration Bond III are used to develop the Bank's business by channeling credit by applying the principles of prudential banking and good corporate governance.

The covenant stated in the agreement of Shelf Registration Bond is that BRI shall not, without the written approval from the trustee, reduce the authorized, issued and paid-up capital, as well as perform merger, separation, consolidation and takeover of a company.

The trustee for the issuance of BRI Shelf Registration Bond III is PT Bank Negara Indonesia (Persero) Tbk.

Management believes that all requirements/restrictions specified in the trusteeship agreement have been fulfilled.

BRI has settled its Shelf Registration Bond III Phase I Series A and Series B with a principal value of Rp737,850 and Rp2,089,350 on the maturity date.

c) BRI Green Shelf Registration Bond I Phase I Year 2022

On July 12, 2022, Bank BRI Green Shelf Registration Bond I with a principal amount of Rp15,000,000 has been declared by the Financial Services Authority (OJK) based on Decree S-122/D.04/2022 dated July 12, 2022.

On July 20, 2022, BRI issued Green Shelf Registration Bond I Phase I Year 2022 with a principal value of Rp5,000,000 in 3 (three) series as follows:

- Series A: Principal value amounting to Rp2,500,000 with fixed interest rate of 3.70% per annum, for a period of 370 (three hundred seventy) days and will mature on July 30, 2023.
- Series B: Principal value amounting to Rp2,000,000 with fixed interest rate of 5.75% per annum, for a period of 3 (three) years and will mature on July 20, 2025.
- Series C: Principal value amounting to Rp500,000 with fixed interest rate of 6.45% per annum, for a period of 5 (five) years and will mature on July 20, 2027.

The interest of BRI Green Shelf Registration Bond I Phase I Year 2022 is paid every 3 (three) months starting from October 20, 2022. At the time of issuance, Pefindo rated this Shelf Registration Bond with an idAAA rating.

On June 30, 2023, BRI Green Shelf Registration Bond I Phase I received an idAAA rating from Pefindo.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

c) BRI Green Shelf Registration Bond I Phase I Year 2022 (continued)

The covenant in the Green Shelf Registration Bond agreement is that BRI without written approval from the Trustee will not reduce the authorized capital, issued and paid-up, merge, separate, merge and take over the company.

The trustee for the issuance of BRI Green Shelf Bond I Phase I Year 2022 is PT Bank Negara Indonesia (Persero) Tbk.

The net proceeds from the issuance of BRI Green Shelf Registration Bond I Phase I Year 2022 will be used by the Company to finance or refinance activities in the category of Environmentally Sound Business Activities and for working capital.

d) BRI Medium Term Note Year 2022

On November 24, 2022, BRI issued Medium Term Note Year 2022 with a principal value of Rp5,000,000 in 2 (two) series as follows:

- Series A: The principal value is Rp2,000,000 with a fixed interest rate of 6.60% per annum, for a period of 2 (two) years and will mature on November 24, 2024.
- Series B: The principal value is Rp3,000,000 with a fixed interest rate of 6.68% per annum, for a period of 3 (three) years and will mature on November 24, 2025.

Interest of BRI's Medium Term Note Year 2022 is paid every 3 (three) months starting February 24, 2023. At the time of issuance, these Medium Term Notes were not ranked.

BRI Medium Term Note Year 2022 will not be rated.

There are no covenant in the agreement for the issuance of Medium Term Note of PT Bank Rakyat Indonesia (Persero) Tbk Year 2022.

The net revenue from the issuance of BRI's Medium Term Note will be used to increase rupiah liquidity needs.

e) Long Term Note Conducted Without Going Through Public Offering of PT Bank Rakyat Indonesia (Persero) Tbk Year 2022

On December 27, 2022, BRI issued a Long Term Note of Bank BRI Year 2022 with a principal value of Rp52,332.

Interest of 0.55% per annum and Principal of Long Term Note Conducted Without Going Through Public Offering of PT Bank Rakyat Indonesia (Persero) Tbk I Year 2022 are paid every 3 (three) months starting on February 24, 2023 and will mature on June 27, 2036.

At the time of issuance, these Long Term Notes were not ranked and does not use the services of a monitoring agent.

There are no covenant in the agreement for the issuance of Long Term Note Conducted Without Going Through Public Offering of PT Bank Rakyat Indonesia (Persero) Tbk Year 2022.

The net receipts from the issuance of BRI Long Term Note will be used to increase Rupiah liquidity needs.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

f) Senior Unsecured Notes Due 2023 (Global Bond BRI)

On July 16, 2018, BRI issued and listed BRI Global Bond Year 2018 with a nominal value of USD500,000,000 (full amount) on Singapore Exchange Securities Trading Limited (SGX-ST), for a period of 5 (five) years, and will mature on July 20, 2023, with a fixed interest rate of 4.63% per annum. This bond was issued at 99.696%, which was equivalent to USD498,480,000 (full amount) and the interest of this bond is paid every 6 (six) months, starting from January 20, 2019. At the time of issuance, the bond was rated Baa2 and BBB- by Moody's and Fitch, respectively.

The net proceeds from the issuance of BRI Bond are used to strengthen BRI's general funding structure.

As of June 30, 2023, and December 31, 2022, Senior Unsecured Notes Due 2023 (Global Bond BRI) Year 2018 obtained a Baa2 and BBB- rating from Moody's and Fitch, respectively.

Senior Unsecured Notes Due 2023 (Global Bond BRI) uses the Paying Agent and Trustee Services of The Bank of New York Mellon.

g) Senior Unsecured Notes Due 2024 (Sustainability Bond BRI Year 2019)

On March 28, 2019, BRI issued and listed BRI Sustainability Bond Year 2019 with a nominal value of USD500,000,000 (full amount) on Singapore Exchange Securities Trading Limited (SGX-ST), for a period of 5 (five) years, and will mature on March 28, 2024, with a fixed interest rate of 3.95% per annum. This bond was issued at 99.713%, which was equivalent to USD498,565,000 (full amount) and the interest of this bond is paid every 6 (six) months, starting from September 28, 2019.

At the time of issuance, this bond was rated Baa2 and BBB- by Moody's and Fitch, respectively. The net proceeds from the issuance of BRI Bond are used to give funding to Eligible Project in accordance with the Sustainability Framework.

As of June 30, 2023, and December 31, 2022, Senior Unsecured Notes Due 2024 (Sustainability Bond BRI Year 2019) obtained a BAA2 and BBB- rating from Moody's and Fitch, respectively.

Senior Unsecured Notes Due 2024 (BRI Sustainability Bond Year 2019) uses the Paying Agent and Trustee Services of The Bank of New York Mellon.

h) MTN II BRI Finance Year 2021

On September 17, 2021, BRI Finance issued MTN II BRI Finance Year 2021 with a principal value of Rp500,000, for a period of 3 (three) years, and will mature on September 17, 2024, with a fixed interest rate of 6.40% per annum. Interest of MTN Phase II is paid every 3 (three) months, starting from December 17, 2021. At the time of issuance, the MTN were rated idAA by Pefindo, respectively. The issuance of MTN is not through a public offering.

The monitoring agent for MTN issuance is PT Bank Negara Indonesia (Persero) Tbk. BRI Finance has fulfilled all required restrictions as well as the payment of interest and principal value of bonds through The Indonesia Central Securities Depository ("KSEI").

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

h) MTN II BRI Finance Year 2021 (continued)

As of June 30, 2023, and December 31, 2022, MTN II BRI Finance Year 2021 obtained an AA rating from Pefindo.

The net proceeds from the issuance of MTN are used for short-term liabilities payment and strengthen BRI Finance's general funding structure. The important covenant stated in the agreement of MTN is that BRI shall not, without the written approval from the trustee, reduce the authorized, issued and paid-up capital, as well as perform merger, separation, consolidation and takeover of company.

BRI Finance is also required to fulfill financial covenants including gearing ratios of at least zero and a maximum of 10 (ten) times, capital ratios of at least 10%, the ratio of net financing receivable balances to total assets of at least 40%, the ratio of investment and capital financing receivable balances at least 10% of the total financing receivable balance, the lowest equity to paid-in capital ratio of 50%, the highest non-performing financing ratio of 5%, has an equity greater than Rp200,000, maintains a minimum guarantee value of 50% of MTN principal value and meet the covenants of financial soundness indicators with a minimum healthy condition.

i) BRI Finance Bond I Year 2022

On July 29, 2022, BRI Finance Bond I Year 2022 with a principal amount of Rp700,000 was declared effective by the Financial Services Authority (OJK) based on Decree No. S-152/D.04/2022 dated July 29, 2022.

On August 9, 2022, BRI Finance issued BRI Finance Bond I Year 2022 with a principal value of Rp700,000, for a period of 3 (three) years, and will mature on August 9, 2025 with a fixed interest rate of 6.95% per annum. Interest of Bonds Phase I is paid every 3 (three) months, starting from November 9, 2022. At the time of issuance, this Bond was rated idAA by Pefindo.

The trustee for the bond issuance is PT Bank Negara Indonesia (Persero) Tbk. BRI Finance has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

On June 30, 2023 and December 31, 2022, BRI Finance Bond I Year 2022 received an AA rating from Pefindo.

The net proceeds from the issuance of this Bond are utilized for BRI Finance's business expansion, in this case, for disbursement payments.

BRI Finance is also required to fulfill financial covenants including gearing ratios of at least zero and a maximum of 10 (ten) times, capital ratios of at least 10%, the ratio of net financing receivable balances to total assets of at least 40%, the ratio of investment and capital financing receivable balances at least 10% of the total financing receivable balance, the lowest equity to paid-in capital ratio of 50%, the highest non-performing financing ratio of 5%, maintains a minimum guarantee value of 50% of Bonds principal value and meet the covenants of financial soundness indicators with a minimum healthy condition.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

j) PNM Shelf Registration Bond II Phase II Year 2018

On June 21, 2017, PNM issued Shelf Registration Bond II with a principal amount of Rp4,000,000. This bond has been declared effective by the Financial Services Authority (OJK) based on Decree Number S-345/D.04/2014 dated June 21, 2017. PNM Shelf Registration Bond II Phase II Year 2018 amounted to Rp2,500,000.

PNM issued and offered the PNM Shelf Registration Bond II Phase II Year 2018 which has been listed on the Indonesia Stock Exchange on April 16, 2018 which consists of:

- Series A: Principal value amounting to Rp1,254,000, with a fixed interest rate of 8.00% per annum, for a period of 3 (three) years and matured on April 13, 2021.
- Series B: Principal value amounting to Rp1,246,000, with a fixed interest rate of 8.50% per annum, for a period of 5 (five) years and matured on April 13, 2023.

At the time of issuance, PNM Shelf Registration Bond II received an idA (Single A) rating from PT Pemeringkat Efek Indonesia (Pefindo).

As of December 31, 2022, PNM Shelf Registration Bond II received a rating from PT Pemeringkat Efek Indonesia (Pefindo) with an idAA (Double A) rating.

PNM Shelf Registration Bond II Phase II Year 2018 Series A and Series B with a nominal value of Rp1,254,000 and Rp1,246,000 has been paid off by PNM on its maturity date.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through the Indonesian Central Securities Depository ("KSEI").

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of the fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except by government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

k) PNM Shelf Registration Bond III Phase I Year 2019

On May 23, 2019, PNM issued Shelf Registration Bond III with a principal amount of Rp6,000,000. This Bond has been declared effective by the Financial Services Authority (OJK) based on Decree Number S-58/D.04/2019 dated May 23, 2019. PNM Shelf Registration Bond III Phase I Year 2019 amounted to Rp2,000,000.

PNM issued and offered the PNM Shelf Registered Bond III Phase I Year 2019 which has been listed on the Indonesia Stock Exchange on May 29, 2019 which consists of:

- Series A: Principal value amounting to Rp1,401,000, with a fixed interest rate of 9.50% per annum, for a period of 3 (three) years and matured on May 28, 2022.
- Series B: Principal value amounting to Rp599,000, with a fixed interest rate of 9.85% per annum, for a period of 5 (five) years and will mature on May 28, 2024.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

k) PNM Shelf Registration Bond III Phase I Year 2019 (continued)

At the time of issuance, PNM Shelf Registration Bond III Phase I received an idA (Single A) rating from PT Pemeringkat Efek Indonesia (Pefindo).

As of June 30, 2023 and December 31, 2022 PNM Shelf Registration Bond III received a rating from PT Pemeringkat Efek Indonesia (Pefindo) with an idAA+ (Double A plus) rating.

Bond interest payments are made every 3 (three) months from August 28, 2019 to May 28, 2022 for Series A Bond and May 28, 2024 for Series B Bond.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

PNM Shelf Registration Bond III Phase I Year 2019 Series A with a nominal value of Rp1,401,000 has been paid off by PNM on its maturity date.

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of the fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except by government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

l) PNM Shelf Registration Bond III Phase II Year 2019

On May 23, 2019, PNM Shelf Registration Bond III with a principal amount of Rp6,000,000 has been declared effective by the Financial Services Authority (OJK) based on Decree No. S-58/D.04/2019 dated May 23, 2019. PNM Shelf Registration Bond III Phase II Year 2019 amounted to Rp1,350,000.

PNM issued and offered PNM Shelf Registration Bond III Phase II Year 2020 which have been listed on the Indonesia Stock Exchange on May 4, 2020 which consists of:

- Series A: Principal value amounting to Rp586,500, with a fixed interest rate of 8.40% per annum, for a period of 3 (three) years and matured on November 28, 2022.
- Series B: Principal value amounting to Rp763,500, with a fixed interest rate of 8.75% per annum, for a period of 5 (five) years and will mature on November 28, 2024.

Bond interest payments are made every 3 (three) months from February 28, 2020 to November 28, 2022 for Series A Bond and November 28, 2024 for Series B Bond.

At the time of issuance, PNM Shelf Registration Bond III received an idA+ (Single A Plus) rating from PT Pemeringkat Efek Indonesia (Pefindo).

On June 30, 2023 and December 31, 2022 PNM Shelf Registraton Bond III obtained idAA+ (Double A plus) rating from Pefindo.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

l) PNM Shelf Registration Bond III Phase II Year 2019 (continued)

PNM Shelf Registration Bond III Phase II Year 2019 Series A with a nominal value of Rp586,500 has been paid off by PNM on its maturity date.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of the fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except by government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

m) PNM Shelf Registration Bond III Phase III Year 2020

On May 23, 2019, PNM issued PNM Shelf Registration Bond III with a principal amount of Rp6,000,000. This bond has been declared effective by the Financial Services Authority (OJK) based on Decree No. S-58/D.04/2019 dated May 23, 2019. PNM Shelf Registration Bond III Phase III Year 2020 has principle value amounting to Rp250,000.

PNM published and offered PNM Shelf Registration Bond III Phase III Year 2020 which has been listed on the Indonesia Stock Exchange on May 4, 2020, consists of:

- Series A: Principal value amounting to Rp55,100, with a fixed interest rate of 8.40% per annum, for a period of 3 (three) years and matured on April 30, 2023.
- Series B: Principal value amounting to Rp194,900, with a fixed interest rate of 9.00% per annum, for a period of 5 (five) years and will mature on April 30, 2025.

Bond interest payments are made every 3 (three) months from July 30, 2020 to April 30, 2023 for Series A Bond and April 30, 2025 for Series B Bond.

At the time of issuance, PNM Shelf Registration Bond III received an idA+ (Single A Plus) rating from PT Pemeringkat Efek Indonesia (Pefindo).

On June 30, 2023 and December 31, 2022 PNM Shelf Registraton Bond III obtained idAA+ (Double A Plus) rating from PT Pemeringkat Efek Indonesia (Pefindo).

PNM Shelf Registration Bond III Phase III Year 2020 with a nominal value of Rp55,100 has been paid off by PNM on its maturity date.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

m) PNM Shelf Registration Bond III Phase III Year 2020 (continued)

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of the fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except by government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

n) PNM Shelf Registration Bond III Phase IV Year 2020

On May 23, 2019, PNM issued Shelf Registration Bond III PNM with a principal amount of Rp6,000,000. This bond has been declared effective by the Financial Services Authority (OJK) based on Decree No.S-58/D.04/2019 dated May 23, 2019. PNM Shelf Registration Bond III Phase IV Year 2020 amounted to Rp1,733,800.

PNM published and offered PNM Shelf Registration Bond III Phase IV Year 2020 which has been listed on the Indonesia Stock Exchange on May 4, 2020, consists of:

- Series A: Principal value amounting to Rp904,800, with a fixed interest rate of 6.50% per annum, for a period of 370 (three hundred and seventy) days and matured on December 4, 2021.
- Series B: Principal value amounting to Rp537,000, with a fixed interest rate of 7.75% per annum, for a period of 3 (three) years and will mature on December 4, 2023.
- Series C: Principal value amounting to Rp292,000, with a fixed interest rate of 8.75% per annum, for a period of 5 (five) years and will mature on December 4, 2025.

Bond interest payments are made every 3 (three) months from March 4, 2021 to December 14, 2021 for Series A Bond, December 4, 2023 for Series B Bond, and December 4, 2025 for Series C bond.

At the time of issuance, PNM Shelf Registration Bond III received an idA+ (Single A Plus) rating from PT Pemeringkat Efek Indonesia (Pefindo).

On June 30, 2023 and December 31, 2022, PNM Shelf Registration Bond III obtained idAA+ (Double A Plus) rating from Pefindo.

PNM Shelf Registration Bond III Phase IV Year 2020 Series A with a nominal value of Rp904,800 has been paid off by PNM on its maturity date.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

n) PNM Shelf Registration Bond III Phase IV Year 2020 (continued)

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of the fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except by government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

o) PNM Shelf Registration Bond III Phase V Year 2021

On May 23, 2019, PNM issued a PNM Shelf Registration Bond III with a principal amount of Rp6,000,000. This Bond has been declared effective by the Financial Services Authority (OJK) based on Decree Number S-58/D.04/2019 dated May 23, 2019. PNM Shelf Registration Bond III Phase V Year 2021 amounted to Rp666,200.

PNM published and offered PNM Shelf Registration Bond III Phase V Year 2021 which has been listed on the Indonesia Stock Exchange on March 18, 2021, consists of:

- Series A: Principal value amounting to Rp168,000, with a fixed interest rate of 6.25% per annum, for a period of 370 (three hundred and seventy) days and matured on December 10, 2022.
- Series B: Principal value amounting to Rp159,000, with a fixed interest rate of 7.25% per annum, for a period of 3 (three) years and will mature on March 17, 2024.
- Series C: Principal value amounting to Rp339,200, with a fixed interest rate of 8.25% per annum, for a period of 5 (five) years and will mature on March 17, 2026.

Bond interest payments are made every 3 (three) months from June 17, 2021 to March 17, 2022 for Series A Bond, March 17, 2024 for Series B Bond, and March 17, 2026 for Series C Bond.

At the time of issuance, PNM Shelf Registration Bond III received an idA+ (Single A Plus) rating from PT Pemeringkat Efek Indonesia (Pefindo).

On June 30, 2023 and December 31, 2022 PNM Shelf Registration Bond III obtained idAA+ (Double A Plus) rating from PT Pemeringkat Efek Indonesia (Pefindo).

PNM Shelf Registration Bond III Phase V Year 2021 Series A with a nominal value of Rp168,000 has been paid off by PNM on its maturity date.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

o) PNM Shelf Registration Bond III Phase V Year 2021 (continued)

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except for a government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

p) PNM Shelf Registration Bond IV Phase I Year 2021

On November 30, 2021, PNM issued Shelf Registration Bond IV Phase I Year 2021 with a principal amount of Rp6,000,000. This Bond has been declared effective by the Financial Services Authority (OJK) based on Decree No. S-227/D.04/2021 dated November 30, 2021. PNM Shelf Registration Bond IV Phase I Year 2021 amounted to Rp3,000,000.

PNM issued and offered Shelf Registration Bond IV Phase I Year 2021 which was listed on the Indonesia Stock Exchange on December 10, 2021, consists of:

- Series A: Principal amount of Rp1,000,000, fixed interest rate of 3.75% per annum, has a term of 370 (three hundred and seventy) calendar days and matured on December 20, 2022.
- Series B: Principal amount of Rp1,000,000, fixed interest rate of 5.50% per annum, has term of 3 (three) years and will mature on December 10, 2024.
- Series C: Principal amount of Rp1,000,000, fixed interest rate of 6.25% per annum, has term of 5 (five) years and will mature on December 10, 2026.

Bond interest payments are made every 3 (three) months from March 10, 2022 to December 20, 2022 for Series A Bond, December 10, 2024 for Series B Bond, and December 10, 2026 for Series C Bond.

At the time of issuance, PNM Shelf Registration Bond IV received an idAA (Double A) rating from PT Pemeringkat Efek Indonesia (Pefindo).

On June 30, 2023 and December 31, 2022, PNM Shelf Registration Bond IV received a rating from PT Pemeringkat Efek Indonesia (Pefindo) with an idAA+ (Double A Plus) rating.

PNM Shelf Registration Bond IV Phase I Year 2021 Series A with a nominal value of Rp1,000,000 has been paid off by PNM on its maturity date.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

p) PNM Shelf Registration Bond IV Phase I Year 2021 (continued)

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of the fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except by government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

q) PNM Shelf Registration Bond IV Phase II Year 2022

On April 22, 2022, PNM issued Shelf Registration Bond IV Phase II Year 2022 with a principal amount of Rp6,000,000. This bond has been declared effective by the Financial Services Authority (OJK). PNM Shelf Registration Bond IV Phase II Year 2022 amounted to Rp3,000,000.

PNM issued and offered Shelf Registration Bond IV Phase II 2022 which was listed on the Indonesia Stock Exchange on April 22, 2022. This bond consists of:

- Series A: The principal amount is Rp2,373,500, the interest rate is fixed at 3.75% per annum, the term is 370 (three hundred and seventy) calendar days and matured on May 2, 2023.
- Series B: The principal amount is Rp626,500, the interest rate is fixed at 5.50% per annum, the term is 3 (three) years and will mature on April 22, 2025.

Bond interest payments are made every 3 (three) months from July 22, 2022 to May 2, 2023 for Series A Bond and April 22, 2025 for Series B Bond.

At the time of issuance, PNM Shelf Registration Bond IV received an idAA (Double A) rating from PT Pemeringkat Efek Indonesia (Pefindo).

On June 30, 2023 and December 31, 2022, PNM Shelf Registration Bond IV received a rating from PT Pemeringkat Efek Indonesia (Pefindo) with an idAA+ (Double A Plus) rating.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of the fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except by government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

PNM Shelf Registration Bond IV Phase II Year 2022 Series A with a nominal value of Rp2,373,500 has been paid off by PNM on its maturity date.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

r) PNM Shelf Registration Bond V Phase I Year 2022

On July 29, 2022, PNM issued Shelf Registration Bond V Phase I Year 2022 with a principal amount of Rp1,000,000. This bond has been declared effective by the Financial Services Authority (OJK).

PNM issued and offered Shelf Registration Bond V Phase I 2022 which was listed on the Indonesia Stock Exchange on August 12, 2022. This bond consists of:

- Series A: Principal amount of Rp884,000, fixed interest rate of 4.10% per annum, term of 370 (three hundred and seventy) calendar days and will mature on August 21, 2023.
- Series B: Principal amount of Rp116,000, fixed interest rate of 5.85% per annum, term of 3 (three) years and will mature on August 11, 2025.

Bond interest payments are made every 3 (three) months from November 11, 2022 to August 21, 2023 for Series A Bond and August 11, 2025 for Series B Bond.

At the time of issuance, PNM Shelf Registration Bond IV received an idAA (Double A) rating from PT Pemeringkat Efek Indonesia (Pefindo).

On June 30, 2023 and December 31, 2022, PNM Shelf Registration Bond IV received a rating from PT Pemeringkat Efek Indonesia (Pefindo) with an idAA+ (Double A Plus) rating.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

Restrictions required by the trustee:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of the fixed assets in the current year;
2. Hold a merger and/or consolidation with another company either directly or indirectly and take action to liquidate the Company;
3. Acquisition of shares or assets;
4. Change the Company's line of business except by government decision;
5. Terminate company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

s) PNM Shelf Registration Sukuk *Mudharabah* I Phase I Year 2021

On July 8, 2021, PNM issued the Shelf Registration Sukuk *Mudharabah* I PNM Phase I Year 2021 with a principal amount Rp6,000,000. PNM Shelf Registration Sukuk *Mudharabah* I Phase I Year 2021 is Rp2,000,000, which consists of:

- Series A: Principal value amounting to Rp1,158,000, with a *nisbah* of 37.740% per annum, for a period of 370 (three hundred and seventy) days and matured on July 8, 2022.
- Series B: Principal value amounting to Rp515,000, with a *nisbah* of 18.025% per annum, for a period of 3 (three) years and will mature on July 8, 2024.
- Series C: Principal value amounting to Rp327,000, with a *nisbah* of 13.080% per annum, for a period of 5 (five) years and will mature on July 8, 2026.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

s) PNM Shelf Registration Sukuk *Mudharabah* I Phase I Year 2021 (continued):

The *nisbah* payment is paid every 3 (three) months starting from July 8, 2021.

At the time of issuance, PNM Shelf Registration Sukuk *Mudharabah* I Phase I Year 2021 received an idAA_(sy) (Double A Syariah) rating from Pefindo.

On June 30, 2023 and December 31, 2022, PNM Shelf Registration Sukuk *Mudharabah* I Phase I Year 2021 obtained rating idAA+_(sy) (Double A Plus Syariah) from Pefindo.

Sukuk profit sharing payments are made every 3 (three) months from October 8, 2021 to October 8, 2022 for Sukuk Series A, October 8, 2024 for Sukuk Series B, and October 8, 2026 for Sukuk Series C.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

Restrictions required by the trustee for PNM Shelf Registration Sukuk *Mudharabah* I Phase I Year 2021:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of fixed assets in the current year;
2. Conducting mergers and/or consolidations with others companies either directly or indirectly and taking actions to liquidate the company;
3. Acquire shares or assets;
4. Change the company's line of business except follow government decision;
5. Terminating company agreements that have a material negative impact;
6. Reduce authorized capital, issued capital and paid-up capital.

PNM Shelf Registration Sukuk *Mudharabah* I Phase I Year 2021 Series A with a nominal value of Rp1,158,000 has been paid off by PNM on the maturity date.

t) PNM Shelf Registration Sukuk *Mudharabah* I Phase II Year 2023

PNM issued PNM Shelf Registration Sukuk *Mudharabah* I Phase II Year 2023 on April 11, 2023 with a principal amount of Rp6,000,000. This Sukuk has been declared effective by the Financial Services Authority (OJK) on March 17, 2023. PNM Shelf Registration Sukuk *Mudharabah* I Phase II Year 2023 is Rp1,721,900 which consists of:

- Series A: Principal value amounting to Rp626,000, with a *nisbah* of 18.467% per annum, for a period of 1 (one) year and will mature on April 21, 2024.
- Series B: Principal value amounting to Rp1,095,900, with a *nisbah* of 36.987% per annum, for a period of 3 (three) years and will mature on April 11, 2026.

Sukuk profit sharing payments are made every 3 (three) months from July 11, 2023 to April 11, 2024 for Sukuk Series A and July 1, 2023 to April 11, 2026 for Sukuk Series B.

At the time of issuance, PNM Shelf Registration Sukuk *Mudharabah* I Phase II Year 2023 received an idAA_(sy) (Double A Syariah) rating from Pefindo.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

t) PNM Shelf Registration Sukuk *Mudharabah* I Phase II Year 2023 (continued)

On June 30, 2023, PNM Shelf Registration Sukuk *Mudharabah* I Phase II Year 2023 received an idAA+(sy) (Double A Plus Syariah) rating from Pefindo.

The trustee for the bond issuance is PT Bank Mega Tbk. PNM has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

Restrictions required by the trustees for PNM Shelf Registration Sukuk *Mudharabah* I Phase II Year 2023:

1. Sell or transfer the company's fixed assets to any party exceeding 50% of the value of fixed assets in the current year.
2. Conduct mergers and/or consolidations with others companies either directly or indirectly and taking actions to liquidate the company.
3. Acquire shares or assets.
4. Change the company's line of business except follow government decision.
5. Terminating company agreements that have a material negative impact.
6. Reduce authorized capital, issued capital and paid-up capital.

u) PNM Sukuk *Mudharabah* III Year 2019

PNM issued Sukuk *Mudharabah* III PT Permodalan Nasional Madani (Persero) in some series, as follows:

- Phase I: Principal value amounting to Rp300,000, with a *nisbah* of 19.00% per annum, for a period of 5 (five) years and will mature on June 18, 2024.
- Year 2019 Series A: Principal value amounting to Rp435,000, with a *nisbah* of 25.48% per annum, for a period of 2 (two) years and matured on September 24, 2021.
- Year 2019 Series B: Principal value amounting to Rp65,000 with a *nisbah* of 3.90% per annum, for a period of 3 (three) years and matured on October 30, 2022.
- Year 2019 Series C: Principal value amounting to Rp322,000 with a *nisbah* of 17.94% per annum, for a period of 3 (three) years and matured on February 20, 2023.
- Year 2019 Series D: Principal value amounting to Rp350,000 with a *nisbah* of 20.50% per annum, for a period of 1 (one) year 10 (ten) months and 24 (twenty four) days, matured on September 24, 2021.
- Year 2019 Series E: Principal value amounting to Rp100,000 with a *nisbah* of 6.00% per annum, for a period of 2 (two) years 11 (eleven) months and 10 (ten) days, matured on October 30, 2022.
- Phase II Series E: Principal value amounting to Rp50,000 with a *nisbah* of 3.00% per annum, for a period of 2 (two) years 10 (ten) months and 25 (twenty five) days, matured on October 30, 2022.
- Year 2019 Series F: Principal value amounting to Rp120,000 with a *nisbah* of 6.69% per annum, for a period of 3 (three) years and matured on February 20, 2023.
- Year 2019 Series H: Principal value amounting to Rp50,000 with a *nisbah* of 3.00% per annum, for a period of 3 (three) years and will mature on December 15, 2023.
- Year 2021 Phase II Series F: Principal value amounting to Rp208,000 with a *nisbah* of 11.59% per annum, for a period of 1 (one) year 9 (nine) months and 16 (sixteen) days, matured on February 20, 2023.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

u) PNM Sukuk *Mudharabah* III Year 2019 (continued)

There is no covenant in the issuance of Sukuk *Mudharabah* III. The trustee for the issuance of Sukuk *Mudharabah* III is Bank Syariah Mandiri. The schedule for payment of *nisbah* is every 3 months. The purpose of this Sukuk's issuance is to increase *murabahah* working capital through Sharia Mekaar and Sharia UlaMM.

At the time of issuance, PNM Sukuk *Mudharabah* III Year 2019 received an idA_(sy) (Single A Syariah) rating from Pefindo.

On June 30, 2023 and December 31, 2022, PNM Sukuk *Mudharabah* III Year 2019 received an idAA+_(sy) (Double A Plus Syariah) rating from Pefindo.

PNM Sukuk *Mudharabah* III Year 2019 Series A, B, C, D, and E with a nominal values of Rp435,000, Rp65,000, Rp322,000, Rp350,000, and Rp100,000 and Phase II Series E and F of Rp50,000 and Rp120,000, and Phase II Year 2021 Series F of Rp208,000 have been paid off by PNM on their maturity dates.

v) PNM Sukuk *Mudharabah* IV

PNM issued Sukuk *Mudharabah* IV PT Permodalan Nasional Madani (Persero) in some series, as follows:

- Year 2020 Phase I Series A: Principal value amounting to Rp200,000 with a *nisbah* of 9.75% per annum, for a period of 3 (three) years and will mature on October 27, 2023.
- Year 2021 Series A: Principal value amounting to Rp712,000 with a *nisbah* of 37.38% per annum, for a period of 3 (three) years and will mature on January 19, 2024.
- Year 2021 Series B: Principal value amounting to Rp780,000 with a *nisbah* of 40.95% per annum, for a period of 3 (three) years and will mature on March 10, 2024.
- Year 2021 Series C: Principal value amounting to Rp200,000 with a *nisbah* of 9.75% per annum, for a period of 3 (three) years and matured on June 29, 2023.
- Year 2021 Series D: Principal value amounting to Rp308,000 with a *nisbah* of 16.17% per annum, for a period of 3 (three) years and will mature on January 19, 2024.

At the time of issuance, PNM Sukuk *Mudharabah* IV received an idAA+_(sy) (Double A Plus Syariah) rating from Pefindo.

There is no covenant in the issuance of Sukuk *Mudharabah* IV. The trustee for the issuance of Sukuk *Mudharabah* is Bank Syariah Indonesia with Pefindo as the rating agency which has given the rating of an idAA+ (Double A Plus). The schedule for payment of *nisbah* is every 3 months. The purpose of this Sukuk's issuance is to increase *murabahah* working capital through Sharia Mekaar and Sharia UlaMM. There is no relationship between the trustee and the issuer's business. The issuance of PNM Sukuk is listed on the KSEI exchange.

PNM Sukuk *Mudharabah* IV Year 2021 Series C with a nominal value of Rp200,000 has been paid off by PNM on its maturity date.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

w) PNM Sukuk *Mudharabah V*

PNM issued PT Permodalan Nasional Madani (Persero) Sukuk *Mudharabah V* in several series as follows:

- Year 2022 Series A: Principal value amounting to Rp216,000 with a *nisbah* of 45% per annum, for a period of 2 (two) years and will mature on July 22, 2024.
- Year 2022 Series B: Principal value amounting to Rp276,500 with a *nisbah* of 39.375% per annum, for a period of 1 (one) year and will mature on September 25, 2023.
- Year 2022 Series C: Principal value amounting to Rp250,000 with a *nisbah* of 48.75% per annum, for a period of 1 (one) year and will mature on June 5, 2024.

At the time of issuance, PNM Sukuk *Mudharabah V* received an idAA_(sy) (Double A Syariah) rating from Pefindo.

There is no collateral for the issuance of Sukuk *Mudharabah V*. The trustee for the issuance of the Sukuk is Bank Syariah Mandiri with Pefindo as the rating agency which has given the rating of an idAA+ (Double A Plus).

x) Pegadaian Shelf Registration Bond III

On March 16, 2018, Pegadaian Shelf Registration Bond III Phase II with a principal amount of Rp3,500,000 was declared effective by the Financial Services Authority (OJK) based on Decree No. S-415/D.04/2017 dated September 20, 2017:

On March 16, 2018, Pegadaian issued Shelf Registration Bond III Pegadaian Phase II Year 2018 with nominal value of Rp3,500,000 in 3 (three) series, as follows:

- Series A: Principal value amounting to Rp450,000 with a fixed interest rate of 5.80% per annum, for a period of 1 (one) year and matured on March 16, 2019.
- Series B: Principal value amounting to Rp1,050,000 with a fixed interest rate of 6.90% per annum, for a period of 3 (three) years and matured on March 16, 2021.
- Series C: Principal value amounting to Rp2,000,000 with a fixed interest rate of 7.10% per annum, for a period of 5 (five) years and matured on March 16, 2023.

The interest of Pegadaian Shelf Registration Bond III Phase II Year 2018 is paid every 3 (three) months starting from June 16, 2018. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

Pegadaian Shelf Registration Bond III Phase II Year 2017 Series A, Series B and Series C with a nominal value of Rp450,000, Rp1,050,000 and Rp2,000,000 have been paid by Pegadaian on their maturity dates.

The trustee for the bond issuance is PT Bank Mega Tbk. Pegadaian has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

y) Pegadaian Shelf Registration Bond IV

On May 13, 2020, Pegadaian Shelf Registration Bond IV Phase I with a principal amount of Rp1,500,000 was declared effective by the Financial Services Authority (OJK) based on Decree No. S-135/D.04/2020 dated May 4, 2020. Pegadaian Shelf Registration Bond IV Phase II Year 2020 is Rp1,055,000. Pegadaian Shelf Registration Bond IV Phase III in 2020 is Rp2,420,000. Pegadaian Shelf Registration Bond IV Phase IV in 2021 is Rp3,280,000.

On May 13, 2020, Pegadaian issued Shelf Registration Bond IV Pegadaian Phase I Year 2020 with nominal value of Rp400,000 in 2 (two) series, as follows:

- Series A: Principal value amounting to Rp330,000 with a fixed interest rate of 6.90% per annum, for a period of 370 (three hundred and seventy) days and matured on May 23, 2021.
- Series B: Principal value amounting to Rp70,000 with a fixed interest rate of 7.70% per annum, for a period of 3 (three) years and matured on May 13, 2023.

The interest of Pegadaian Shelf Registration Bond IV Phase I Year 2017 is paid every 3 (three) months starting from August 13, 2020. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

Pegadaian Shelf Registration Bond IV Phase I Year 2020 Series A and Series B with a nominal value of Rp330,000 and Rp70,000 has been paid off by Pegadaian on its maturity date.

On July 8, 2020 Pegadaian issued Shelf Registration Bond IV Phase II Year 2020 with nominal value of Rp1,500,000 in 3 (three) series, as follows:

- Series A: Principal value amounting to Rp1,055,000 with a fixed interest rate of 6.75% per annum, for a period of 1 (one) year and matured on July 18, 2021.
- Series B: Principal value amounting to Rp303,000 with a fixed interest rate of 7.60% per annum, for a period of 3 (three) years and will mature on July 8, 2023.
- Series C: Principal value amounting to Rp142,000 with a fixed interest rate of 7.95% per annum, for a period of 5 (five) years and will mature on July 8, 2025.

The interest of Pegadaian Shelf Registration Bond IV Phase II Year 2020 is paid every 3 (three) months starting from October 18, 2020. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

Pegadaian Shelf Registration Bond IV Phase II Year 2020 Series A with a nominal value of Rp1,055,000 has been paid off by Pegadaian on the maturity date.

On September 22, 2020, Pegadaian issued Shelf Registration Bond IV Pegadaian Phase III Year 2020 with nominal value of Rp2,420,000 in 2 (two) series, as follows:

- Series A: Principal value amounting to Rp1,295,000 with a fixed interest rate of 5.50% per annum, for a period of 1 (one) year and matured on October 2, 2021.
- Series B: Principal value amounting to Rp1,125,000 with a fixed interest rate of 6.45% per annum, for a period of 3 (three) years and will mature on September 22, 2023.

The interest of Pegadaian Shelf Registration Bond IV Phase III Year 2020 is paid every 3 (three) months starting from December 22, 2020. At the time of issuance, Pefindo gave this Shelf Registration Bond an idAAA rating.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

y) Pegadaian Shelf Registration Bond IV (continued)

Pegadaian Shelf Registration Bond IV Phase III Year 2020 Series A with a nominal value of Rp1,295,000 has been paid by Pegadaian on its maturity dates.

On April 6, 2021, Pegadaian issued Shelf Registration Bond IV Phase IV Year 2021 with nominal value of Rp3,280,000 in 2 (two) series, as follows:

- Series A: Principal value amounting to Rp2,172,500 with a fixed interest rate of 4.85% per annum, for a period of 1 (one) year and matured on April 16, 2022.
- Series B: Principal value amounting to Rp1,107,500 with a fixed interest rate of 6.20% per annum, for a period of 3 (three) years and will mature on April 6, 2024.

The interest of Pegadaian Shelf Registration Bond IV Phase IV Year 2021 is paid every 3 (three) months starting from July 6, 2021. At the time of issuance, Pefindo gave this Shelf Registration Bonds an idAAA rating.

Pegadaian Shelf Registration Bond IV Phase IV Year 2021 Series A with a nominal value of Rp2,172,500 has been paid by Pegadaian on its maturity dates.

The trustee for the bond issuance is PT Bank Mega Tbk. Pegadaian has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

z) Pegadaian Shelf Registration Bond V

On April 26, 2022, Pegadaian Shelf Registration Bond V Phase I with a principal amount of Rp3,029,000 was declared effective by the Financial Services Authority (OJK) based on Decree No. S-67/D.04/2022 dated April 19, 2022. Pegadaian Shelf Registration Bond V Phase II in 2022 amounting to Rp1,877,000. Pegadaian Shelf Registration Bond V Phase III in 2023 is Rp1,995,000.

On April 26, 2022, Pegadaian issued Shelf Registration Bond V Phase I Year 2022 with a principal value of Rp3,029,000 in 2 (two) series as follows:

- Series A: Principal value of Rp2,431,000 with a fixed interest rate of 3.60% per annum, for a period of 1 (one) year and matured on May 6, 2023.
- Series B: Principal value of Rp598,000 with a fixed interest rate of 5.35% per annum, for a period of 3 (three) years and will mature on April 26, 2025.

The interest of Pegadaian Shelf Registration Bond V Phase I Year 2022 is paid every 3 (three) months starting from July 26, 2022. At the time of issuance, Pefindo rated this Shelf Registration Bonds with an idAAA rating.

Pegadaian Shelf Registration Bond V Phase I Year 2022 with a nominal value of Rp2,431,000 has been paid off by Pegadaian on its maturity date.

On August 16, 2022, Pegadaian issued Shelf Registration Bond V Phase II Year 2022 with a principal value of Rp1,877,000 in 2 (two) series as follows:

- Series A: Principal value of Rp1,601,000 with a fixed interest rate of 3.95% per annum, for a period of 1 (one) year and will mature on August 26, 2023.
- Series B: Principal value of Rp276,000 with a fixed interest rate of 5.75% per annum, for a period of 3 (three) years and will mature on August 16, 2025.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

z) Pegadaian Shelf Registration Bond V (continued)

The interest of Pegadaian Shelf Registration Bond V Phase II Year 2022 will be paid every 3 (three) months starting November 16, 2022. At the time of issuance, Pefindo rated this Shelf Registration Bond with an idAAA rating.

On June 16, 2023, Pegadaian issued Shelf Registration Bond V Phase III Year 2023 with a principal value of Rp1,995,000 in 2 (two) series as follows:

- Series A: Principal value amounting to Rp1,595,000, with a fixed interest rate of 5.80% per annum, for a period of 1 (one) year and will mature on June 26, 2024.
- Series B: Principal value amounting to Rp400,000, with a fixed interest rate of 6.20% per annum, for a period of 3 (three) years and will mature on June 16, 2026.

Pegadaian Shelf Registration Bond V Phase III Year 2023 interest is paid every 3 (three) months starting September 16, 2023. At the time of issuance, this Shelf Registration Bond received an idAAA rating from Pefindo.

The trustee for the bond issuance is PT Bank Mega Tbk. Pegadaian has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

aa) Pegadaian Shelf Registration Sukuk *Mudharabah* I

On July 8, 2020, Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase I with a principal amount of Rp100,000 was declared effective by the Financial Services Authority (OJK) based on Decree No. S-135/D.04/2020 dated May 4, 2020. Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase II in year 2020 with a principal amount of Rp316,500. Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase III in 2020 with a principal amount of Rp835,000. Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase IV in 2021 with a principal amount of Rp765,000.

On May 13, 2020, Pegadaian issued Shelf Registration Sukuk *Mudharabah* I Phase I Year 2020 with a principal value of Rp100,000 in 2 (two) series as follows:

- Series A: Principal value of Rp51,000 with a profit sharing of 6.90% per annum, for a period of 1 (one) year and matured on May 23, 2021.
- Series B: Principal value of Rp49,000 with a profit sharing of 7.70% per annum, for a period of 3 (three) years and matured on May 16, 2023.

Profit sharing for the Sukuk *Mudharabah* Shelf Registration I Phase I Year 2020 is paid every 3 (three) months starting from August 13, 2020. At the time of issuance, Pefindo rated this Shelf Registration Sukuk *Mudharabah* with an idAAA rating.

Pegadaian Sukuk *Mudharabah* Shelf Registration I Phase I Year 2020 Series A and Series B with a nominal value of Rp51,000 and Rp49,000 has been paid by Pegadaian on their maturity dates.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

aa) Pegadaian Shelf Registration Sukuk *Mudharabah* I (continued)

On July 8, 2020, Pegadaian issued Shelf Registration Sukuk *Mudharabah* I Phase II Year 2020 with a principal value of Rp500,000 in 3 (three) series as follows:

- Series A: Principal value of Rp316,500 with a profit sharing of 6.75% per annum, for a period of 1 (one) year and matured on July 18, 2021.
- Series B: Principal value of Rp103,000 with a profit sharing of 7.70% per annum, for a period of 3 (three) years and will mature on July 8, 2023.
- Series C: Principal value of Rp80,500 with a profit sharing of 7.95% per annum, for a period of 5 (five) years and will mature on July 8, 2025.

Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase II Year 2020 Series A with a nominal value of Rp316,500 has been paid by Pegadaian on its maturity date.

Profit sharing for the Shelf Registration Sukuk *Mudharabah* I Phase II Year 2020 is paid every 3 (three) months starting from October 8, 2020. At the time of issuance, this Shelf Registration Sukuk *Mudharabah* was rated by Pefindo with an idAAA rating.

On September 22, 2020, Pegadaian issued Shelf Registration Sukuk *Mudharabah* I Phase III Year 2020 with a principal value of Rp835,000 in 2 (two) series as follows:

- Series A: Principal value of Rp704,000 with a profit sharing of 5.50% per annum, for a period of 1 (one) year and matured on October 2, 2021.
- Series B: Principal value of Rp131,000 with a profit sharing of 6.45% per annum, for a period of 3 (three) years and will mature on September 22, 2023.

Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase III Year 2020 Series A with a nominal value of Rp704,000 has been paid by Pegadaian on its maturity date.

Profit sharing for the Shelf Registration Sukuk *Mudharabah* I Phase III Year 2020 is paid every 3 (three) months starting from December 22, 2020. At the time of issuance, this Shelf Registration Sukuk *Mudharabah* was rated by Pefindo with an idAAA rating.

On April 6, 2021, Pegadaian issued Shelf Registration Sukuk *Mudharabah* I Phase IV Year 2021 with a principal value of Rp765,000 in 2 (two) series as follows:

- Series A: Principal value of Rp599,200 with a profit sharing of 4.85% per annum, for a period of 1 (one) year and matured on April 16, 2022.
- Series B: Principal value of Rp165,800 with a profit sharing of 6.20% per annum, for a period of 3 (three) years and will mature on April 6, 2024.

Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase IV Year 2020 Series A with a nominal value of Rp599,200 has been paid by Pegadaian on its maturity date.

The profit sharing for the Shelf Registration Sukuk *Mudharabah* I Phase IV Year 2020 is paid every 3 (three) months starting from July 6, 2021. At the time of issuance, this Shelf Registration Sukuk *Mudharabah* was rated by Pefindo with an idAAA rating.

The trustee for the bond issuance is PT Bank Mega Tbk. Pegadaian has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository ("KSEI").

Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase I Series A, Phase II Series A, Phase III Series A and Phase IV Series A with a nominal value of Rp51,000, Rp316,500, Rp704,000 and Rp599,200 have been paid by Pegadaian on their maturity dates.

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24. MARKETABLE SECURITIES ISSUED (continued)

The following are other key information related to marketable securities issued (continued):

ab) Pegadaian Shelf Registration Sukuk *Mudharabah* II

On April 26, 2022, Pegadaian Shelf Registration Sukuk *Mudharabah* II Phase I with a principal amount of Rp991,000 was declared effective by the Financial Services Authority (OJK) based on Decree No. S-67/D.04/2022 dated April 19, 2022. Pegadaian Shelf Registration Sukuk *Mudharabah* II Phase II in 2022 with a principal amount of Rp1,123,000. Pegadaian Shelf Registration Sukuk *Mudharabah* II Phase III in 2023 with a principal amount of Rp605,000.

On April 26, 2022, Pegadaian issued Shelf Registration Sukuk *Mudharabah* II Phase I Year 2022 with a principal value of Rp991,000 in 2 (two) series as follows:

- Series A: Principal value of Rp671,000 with profit sharing of 3.60% per annum, for a period of 1 (one) year and matured on May 6, 2023.
- Series B: Principal value of Rp320,000 with profit sharing of 3.60% per annum, for a period of 3 (three) years and will mature on April 26, 2025.

The profit sharing for the Shelf Registration Sukuk *Mudharabah* II Phase I year 2022 is paid every 3 (three) months starting from July 26, 2022. At the time of issuance, Pefindo rated this Shelf Registration Sukuk *Mudharabah* with an idAAA rating.

Pegadaian Shelf Registration Sukuk *Mudharabah* II Phase I Year 2022 with a nominal value of Rp671,000 has been paid off by Pegadaian on its maturity date.

On August 16, 2022, Pegadaian issued Shelf Registration Sukuk *Mudharabah* II Phase II Year 2022 with a principal value of Rp1,123,000 in 2 (two) series as follows:

- Series A: Principal value of Rp878,000 with profit sharing of 3.95% per annum, for a period of 1 (one) year and will mature on August 26, 2023.
- Series B: Principal value of Rp245,000 with profit sharing of 5.75% per annum, for a period of 3 (three) years and will mature on August 16, 2025.

The profit sharing for the Shelf Registration Sukuk *Mudharabah* II Phase II Year 2022 will be paid every 3 (three) months starting from November 16, 2022. At the time of issuance, this Shelf Registration Sukuk *Mudharabah* was rated by Pefindo with an idAAA rating.

On June 16, 2023, Pegadaian issued Shelf Registration Sukuk *Mudharabah* II Phase III Year 2023 with a principal value of Rp605,000 as follows:

- Principal value of Rp605,000 with profit sharing of 3.95% per annum, for a period of 1 (one) year and will mature on June 26, 2024.

Pegadaian Shelf Registration Sukuk *Mudharabah* II Phase III Year 2023 interest is paid every 3 (three) months starting September 16, 2023. At the time of issuance, this Shelf Registration Sukuk received an idAAA rating from Pefindo.

The trustee for the bond issuance is PT Bank Mega Tbk. Pegadaian has fulfilled all the required restrictions as well as the payment of interest and principal value of the bond through The Indonesia Central Securities Depository (KSEI).

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25. FUND BORROWINGS

Fund borrowings consist of:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Third parties</u>		
<u>Rupiah</u>		
Bank Indonesia		
Liquidity borrowing	15,594	15,596
Other borrowings	4,294	4,274
Other borrowings	28,372,806	21,635,785
	<u>28,392,694</u>	<u>21,655,655</u>
<u>Foreign currency</u>		
Sustainability linked loan borrowing		
net of unamortized transaction cost	14,884,329	15,415,980
Syndicate Borrowing - Club loan		
net of unamortized transaction cost	4,474,908	4,641,098
Borrowing from BNP Paribas		
net of unamortized transaction cost	229,789	299,122
Other Borrowings	11,385,100	18,510,309
	<u>30,974,126</u>	<u>38,866,509</u>
	<u>59,366,820</u>	<u>60,522,164</u>
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
Borrowing from		
PT Bank Mandiri (Persero) Tbk	11,549,619	7,805,029
Government Investment Center	5,076,607	6,051,154
PT Bank Negara Indonesia (Persero) Tbk	3,017,588	2,804,614
PT Bank Tabungan Negara (Persero) Tbk	1,765,820	918,812
PT Bank Syariah Indonesia Tbk	753,254	1,063,029
PT Sarana Multigriya Finansial (Persero)	453,047	94,906
Lembaga Pembiayaan Ekspor Indonesia	77,002	110,127
PT Danareksa Finance	25,754	-
PT Bank Hibank Indonesia		
(formerly PT Bank Mayora)	1,180	1,365
	<u>22,719,871</u>	<u>18,849,036</u>
Total	<u>82,086,691</u>	<u>79,371,200</u>

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25. FUND BORROWINGS (continued)

The classification of fund borrowing based on their remaining periods until maturity is as follows:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	15,049,293	12,487,102
> 1 month - 3 months	2,171,426	925,834
> 3 months - 1 year	8,027,873	3,726,208
> 1 year - 5 years	3,138,489	4,510,917
> 5 years	5,613	5,594
	<u>28,392,694</u>	<u>21,655,655</u>
<u>Foreign currency</u>		
≤ 1 month	3,846,247	704,408
> 1 month - 3 months	9,506,882	17,378,730
> 3 months - 1 year	652,624	3,510,990
> 1 year - 5 years	16,968,373	17,266,283
> 5 years	-	6,098
	<u>30,974,126</u>	<u>38,866,509</u>
	<u>59,366,820</u>	<u>60,522,164</u>
<u>Related parties (Note 44)</u>		
<u>Rupiah</u>		
≤ 1 month	11,595,763	9,084,203
> 1 month - 3 months	1,098,595	277,398
> 3 months - 1 year	3,782,158	1,480,314
> 1 year - 5 years	6,228,231	7,991,521
> 5 years	15,124	15,600
	<u>22,719,871</u>	<u>18,849,036</u>
Total	<u>82,086,691</u>	<u>79,371,200</u>

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Other borrowings

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>				
PT Bank Central Asia Tbk		12,279,503		8,319,016
PT Bank Permata Tbk		2,318,393		2,030,190
PT Bank DKI		1,844,801		2,395,009
PT Bank Danamon Indonesia - Sharia business unit		1,500,000		500,000
PT Bank HSBC Indonesia		1,300,000		299,950
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk		1,075,228		989,943
PT Bank Maybank Indonesia Tbk		857,366		653,974
PT Bank CIMB Niaga Tbk		851,288		703,219
PT Bank DKI - sharia business unit		750,000		750,000
PT Bank Muamalat Indonesia Tbk		670,833		608,333
PT Bank Victoria International Tbk		665,443		518,160
PT Bank Pan Indonesia Tbk		528,200		628,868
PT Bank of India Indonesia Tbk		349,292		149,585
PT Bank IBK Indonesia Tbk		346,995		417,103
PT Bank Oke Indonesia Tbk		339,214		418,407
PT Bank JTrust Indonesia Tbk		309,700		51,084
PT Bank UOB Indonesia		250,000		249,991
PT Bank QNB Indonesia Tbk		224,864		349,467
PT Bank Panin Dubai Syariah Tbk		220,076		34,112
PT Bank of China		200,000		-
PT Bank BTPN Tbk		200,000		-
PT Bank Pembangunan Daerah Daerah Istimewa Yogyakarta		194,240		377,032
PT Bank China Construction Bank Indonesia Tbk		185,910		118,689
PT Bank Nationalnobu Tbk		150,000		150,000
Citibank, N.A.		149,985		-
PT Bank SBI Indonesia		149,474		149,696
PT Bank Shinhan Indonesia		99,994		-
PT Bank Pembangunan Daerah Kalimantan Selatan		88,290		-
PT Bank Resona Perdana		74,862		-
PT Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat		63,920		79,128
PT Bank BCA Syariah		58,832		68,311
PT Bank Pembangunan Daerah Kalimantan Tengah		41,615		256,315
PT Bank Ina Perdana Tbk		18,633		23,363
Lembaga Pengelola Dana Bergulir		12,187		16,937
PT Bank CIMB Niaga - sharia business unit		3,668		200,000
PT Bank Mega Syariah		-		128,222
Others		4,294		5,955
		<u>28,377,100</u>		<u>21,640,059</u>

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Other borrowings (continued)

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties (continued)</u>				
<u>Foreign currency</u>				
<u>United States Dollar</u>				
Standard Chartered Bank Ltd.	237,953,177	3,567,513	195,868,180	3,049,178
CTBC Bank Co, Ltd.	163,780,724	2,455,483	-	-
OCBC Ltd.	100,000,000	1,499,250	-	-
BNP Paribas	98,590,850	1,478,123	144,018,885	2,242,014
The Bank of New York Mellon Corporation	75,000,000	1,124,438	-	-
PT Bank Central Asia Tbk	40,000,000	599,700	-	-
CoBank USA	25,000,000	374,813	75,000,000	1,167,563
PT Bank Danamon Indonesia Tbk	18,145,753	272,050	4,900,915	76,295
Asian Development Bank	364,761	5,469	391,714	6,098
MUFG Bank Ltd.	250,559	3,757	-	-
JP Morgan Chase Bank N.A.	81,825	1,227	487,554	7,590
Citibank N.A.	-	-	75,000,000	1,167,563
Bank Of America	-	-	80,000,000	1,245,400
Wells Fargo Bank, N.A.	-	-	80,000,000	1,245,400
HSBC	-	-	80,000,000	1,245,400
DBS Bank, Ltd.	-	-	225,000,000	3,502,688
United Overseas Bank Limited	-	-	225,000,000	3,502,688
PT Bank Shinhan Indonesia	-	-	2,989,112	46,533
		11,381,823		18,504,410
<u>European Euro</u>				
JP Morgan SE	50,690	831	354,141	5,852
JP Morgan Chase Bank N.A.	-	-	1,171	20
		831		5,872
<u>Great Britain Pound Sterling</u>				
JP Morgan Chase Bank N.A.	128,086	2,446	1,531	27
		2,446		27
		11,385,100		18,510,309
Total		39,762,200		40,150,368

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings:

a) Borrowing from Bank Indonesia

Liquidity borrowing

This borrowing represents loan facilities obtained from Bank Indonesia that are channeled back to BRI's debtors for the purposes of Investment Loans, Primary Cooperatives Loans for Sugar Cane Farmer Members, BULOG and Village Cooperative Units Loans, Permanent Working Capital Loans, Fertilizers and others.

The average interest rates are 0.02% for the six month period ended June 30, 2023 and December 31, 2022.

b) Syndicated Borrowing - Club Loan

On October 14, 2020, a withdrawal has been made for the remaining syndicated loan facility in the form of a club loan amounting to USD300,000,000 (full amount) facilitated by Citicorp International Limited (agent), as follows:

Facility C amounted to USD300,000,000 (full amount), with an interest rate of three-month LIBOR, plus a given margin per annum. The loan period is 60 (sixty) months since October 14, 2020 and will mature on August 7, 2025. The participating banks for this loan are:

- China Development Bank, amounted to USD150,000,000 (full amount),
- CTBC Bank, Co., Ltd., amounted to USD25,000,000 (full amount),
- MUFG Bank, Ltd., Singapore branch, amounted to USD20,000,000 (full amount),
- Standard Chartered Bank (Singapore) Limited, amounted to USD50,000,000 (full amount),
- Sumitomo Mitsui Banking Corporation, Singapore branch, amounted to USD50,000,000 (full amount),
- United Overseas Bank Limited, amounted to USD5,000,000 (full amount).

c) Borrowing from BNP Paribas

On June 7, 2016, BRI signed a loan facility agreement with BNP Paribas under the Export Credit Financing (ECF) scheme to finance the BRI'sat components and launch services carried out by Arianespace France. This borrowing consists of 2 facilities, which are:

- Banque Publique d'Investissement (BPI) Tranche facility amounted to USD49,961,501.23 (full amount), with a given interest rate per annum. BRI conducted all borrowing drawdowns on August 31, 2017.
- Hermes Tranche facility amounted to USD9,901,308.77 (full amount), with an interest rate of six-month LIBOR plus a given margin per annum. BRI conducted all borrowing drawdowns on August 31, 2017.

This borrowing facility has a tenure of 7 (seven) years and 6 (six) months and will mature on February 3, 2025. The principal installments are paid every 6 (six) months along with interest payments. For the BPI Tranche facility, the principal installments amounting to USD3,330,767 (full amount) are paid starting from February 5, 2018 until maturity. For Hermes Tranche facility, the principal installments amounting to USD660,087 (full amount) are paid starting from February 5, 2018 until maturity. BRI does not provide any collateral for these borrowings.

The financial covenants in this borrowing agreement, among others, are maintaining the financial ratios as follows:

- Minimum Capital Adequacy Ratio (CAR) of 9%,
- Maximum Non-Performing Loan (NPL) ratio of 5%.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

d) Syndicated Borrowing – Sustainability Linked Loan

On August 30, 2022, BRI received a syndicated loan facility in the form of a Sustainability-Linked Loan with a total loan of USD1,000,000,000 (full amount). This loan is facilitated by PT Bank HSBC Indonesia (agent), the withdrawals that have been made are divided into:

- a. Facility A amounted to USD200,000,000 (full amount), with interest at Compounded SOFR plus a certain margin per year. The loan term is 12 (twelve) months from September 15, 2022 and will mature on September 15, 2023. The participating banks for this loan are:
 - BNP Paribas, Singapore Branch, amounted to USD10,000,000 (full amount),
 - CTBC Bank, Co., Ltd., amounted to USD20,000,000 (full amount),
 - DBS Bank Ltd, amounted to USD20,000,000 (full amount),
 - The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, amounted to USD20,000,000 (full amount),
 - The Korea Development Bank, Singapore Branch, amounted to USD10,000,000 (full amount),
 - The Korea Development Bank, Tokyo Branch, amounted to USD10,000,000 (full amount),
 - PT Bank Mizuho Indonesia, amounted to USD20,000,000 (full amount),
 - MUFG Bank Ltd, Jakarta Branch, amounted to USD20,000,000 (full amount),
 - Oversea-Chinese Banking Co., Ltd., amounted to USD20,000,000 (full amount),
 - United Overseas Bank Limited, amounted to USD50,000,000 (full amount).
- b. Facility B amounted to USD300,000,000 (full amount), with interest at Compounded SOFR plus a certain margin per year. The term of the loan is 36 (thirty six) months from September 15, 2022 and will mature on September 15, 2025. The participating banks for this loan are:
 - CTBC Bank, Co., Ltd., amounted to USD40,000,000 (full amount),
 - DBS Bank Ltd, amounted to USD40,000,000 (full amount),
 - The Hongkong and Shanghai Banking Co., Ltd., amounted to USD40,000,000 (full amount),
 - The Korea Development Bank, Singapore branch, amounted to USD30,000,000 (full amount),
 - The Korea Development Bank, Tokyo Branch, amounted to USD10,000,000 (full amount),
 - MUFG Bank Ltd, Jakarta Branch, amounted to USD40,000,000 (full amount),
 - Oversea-Chinese Banking Co., Ltd., amounted to USD40,000,000 (full amount),
 - Standard Chartered Bank (Singapore) Limited, amounted to USD20,000,000 (full amount),
 - United Overseas Bank Limited, amounted to USD40,000,000 (full amount).
- c. Facility C amounted to USD500,000,000 (full amount), with interest at Compounded SOFR plus a certain margin per year. The loan has a term of 48 (forty eight) months from December, 30, 2022 and will mature on September 15, 2026. The participating banks for this loan are:
 - BNP Paribas, Singapore Branch, amounted to USD 90,000,000 (full amount),
 - CTBC Bank, Co., Ltd., amounted to USD40,000,000 (full amount),
 - DBS Bank Ltd, amounted to USD40,000,000 (full amount),
 - The Hongkong and Shanghai Banking Co., Ltd., amounted to USD40,000,000 (full amount),
 - The Korea Development Bank, Singapore Branch, amounted to USD30,000,000 (full amount),
 - The Korea Development Bank, Tokyo Branch, amounted to USD10,000,000 (full amount),
 - PT Bank Mizuho Indonesia, amounted to USD 80,000,000 (full amount),
 - MUFG Bank Ltd, Jakarta Branch, amounted to USD40,000,000 (full amount),
 - PT Bank OCBC NISP Tbk, amounted to USD 40,000,000 (full amount),
 - Standard Chartered Bank (Singapore) Limited, amounted to USD80,000,000 (full amount),
 - United Overseas Bank Limited, amounted to USD10,000,000 (full amount).

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Pegadaian

Government Investment Center (Related Party)

On July 24, 2020, Pegadaian has obtained a loan facility – UMi facility IV phase I, II, and III (conventional) from Government Investment Center (hereinafter referred to as “PIP”) with total plafond of Rp300,000 and an interest rate of 4.00% per annum. This facility has a tenure of 36 (thirty six) months and will be mature on July 24, 2023.

On July 24, 2020, Pegadaian has obtained a loan facility – UMi facility IV phase I, II, and III (Sharia) from PIP with total plafond of Rp100,000 and an interest rate of 4.00% per annum. This facility has a tenure of 36 (thirty six) months and will be mature on July 24, 2023.

On January 28, 2021, Pegadaian has obtained a loan facility – UMi facility V phase I, II, and III (Conventional) from PIP with total plafond of Rp500,000 and an interest rate of 4.00% per annum. This facility has a tenure of 36 (thirty six) months and will be mature on January 28, 2024.

On January 28, 2021, Pegadaian has obtained a loan facility – UMi facility V phase I and II (Sharia) from PIP with total plafond of Rp100,000 and an interest rate of 4.00% per annum. This facility has a tenure of 36 (thirty six) months and will be mature on January 28, 2024.

On August 23, 2022, Pegadaian has obtained a loan facility – UMi facility VI phase I (Conventional) from PIP with total plafond of Rp225,000 and an interest rate of 3.75% per annum. This facility has a tenure of 24 (twenty four) months and will be mature on August 15, 2024.

On August 23, 2022, Pegadaian has obtained a loan facility – UMi facility VI phase I (Sharia) from PIP with total plafond of Rp50,000 and an interest rate of 3.75% per annum. This facility has a tenure of 24 (twenty four) months and will be mature on August 15, 2024.

On August 18, 2022, Pegadaian has obtained a loan facility – UMi of North Luwu Government from PIP with total plafond of Rp1,000 and an interest rate of 2.00% per annum. This facility has a tenure of 29 (twenty nine) months and will be mature on January 10, 2025.

On December 8, 2022, Pegadaian has obtained a loan facility – UMi of PT SMI from PIP with total plafond of Rp1,000 and an interest rate of 2.00% per annum. This facility has a tenure of 12 (twelve) months and will be mature on December 8, 2023.

The trustee agreement provides several financial covenants to the Pegadaian, among others, Pegadaian must disburse special loan or financing for Ultra Micro (UMi) sectors and must submitted a list of current receivables that become fiduciary guarantees every 1 (one) month with a value of 100% of the outstanding loan.

PT Bank Mandiri (Persero) Tbk (Related Party)

On May 11, 2022, Pegadaian has obtained 2 (two) working capital credit facilities from PT Bank Mandiri (Persero) Tbk (hereinafter referred to as “Bank Mandiri”) with each plafond of Rp5,500,000 and Rp6,500,000. These facilities have matured on May 13, 2023.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Pegadaian (continued)

PT Bank Mandiri (Persero) Tbk (Related Party) (continued)

On May 14, 2023, Pegadaian has obtained 2 (two) Working Capital Credit facilities from Bank Mandiri with each plafond of Rp1,250,000 and Rp250,000 and an interest rate of 6.50% per annum. These facilities have a tenure of 36 (thirty six) months and will be mature on May 13, 2024.

On May 9, 2023, Pegadaian has obtained 2 (two) Working Capital Credit facilities from Bank Mandiri with each plafond of Rp100,000 and Rp75,000 and an interest rate of 7.75% per annum. These facilities have a tenure of 12 (twelve) months and will be mature on May 13, 2024.

On May 14, 2023, Pegadaian has obtained 4 (four) Short-Term Loan facilities from Bank Mandiri with each plafond of Rp350,000, Rp350,000, Rp450,000 and Rp350,000 and an interest rate of 5.75% per annum. These facilities have a tenure of 18 (eighteen) days and will be mature on July 11, 2023.

On May 14, 2023, Pegadaian has obtained 3 (three) Short-Term Loan facilities from Bank Mandiri with each plafond of Rp500,000, Rp500,000, and Rp400,000 and an interest rate of 5.75% per annum. These facilities have a tenure of 14 (fourteen) days and will be mature on July 4, 2023.

On May 14, 2023, Pegadaian has obtained 14 (fourteen) Short-Term Loan facilities from Bank Mandiri with each plafond of Rp400,000, Rp400,000, Rp300,000, Rp600,000, Rp550,000, Rp500,000, Rp450,000, Rp400,000, Rp400,000, Rp350,000, Rp400,000, Rp350,000, Rp300,000, and Rp300,000 and an interest rate of 5.75% per annum. These facilities have a tenure of 17 (seventeen) days and will be mature on July 14, 2023.

On May 14, 2023, Pegadaian has obtained a Short-Term Loan facility from Bank Mandiri with a plafond of Rp150,000 and an interest rate of 5.75% per annum. This facility has a tenure of 15 (fifteen) days and will be mature on July 11, 2023.

The financial covenants in the credit agreements obtained by Pegadaian are as follows:

- Guarantee of receivables of Pegadaian from customers submitted to Bank amounting to 100% of outstanding loan, with current or 1 (one) as the receivables' collectability.
- The purpose of loan facilities is for additional working capital of Pegadaian.
- Submit receivables reports including sales report and operations every month no later than 30 (thirty) days after the end of the reporting date to Bank.
- Maintain current ratio above 110%, total fund borrowing received maximum of 10 (ten) times of its own capital, and total of pawn loan classified as loss and pawn non loan classified as substandard, doubtful, loss (Non-Performing Loan) maximum 5% of all loans given.
- Submit quarterly financial statement no later than 60 (sixty) days after the end of the reporting date to Bank and annual audited financial statement no later than 180 (one hundred eighty) days after the end of the reporting date to Bank.
- Submit fiduciary guarantee reports (list of object fiduciary guarantee) each quarter.
- Inform to the Bank any changes in the articles of association, changes in company status, changes in the composition of the management (Board of Directors and Commissioners), dividend distribution, and transferring collateral.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Pegadaian (continued)

PT Bank Negara Indonesia (Persero) Tbk (Related Party)

On April 13, 2022, Pegadaian has obtained 2 (two) Working Capital Credit facilities from PT Bank Negara Indonesia (Persero) Tbk (hereinafter referred to as "Bank BNI") with each plafond of Rp5,100,000 and Rp1,000,000 and an interest rate of 5.50%. Both facilities have matured on April 14, 2023.

On April 13, 2023, Pegadaian has obtained 2 (two) Working Capital Credit facilities from Bank BNI with each plafond of Rp750,000 and Rp250,000 and an interest rate of 7.00% per annum. Both facilities have a tenure of 3 (three) months and will be mature on July 14, 2023.

On April 15, 2023, Pegadaian has obtained a Short-Term Loan facility from Bank BNI with a plafond of Rp500,000 and an interest rate of 5.75% per annum. This facility has a tenure of 30 (thirty) days and will be mature on July 13, 2023.

On April 15, 2023, Pegadaian has obtained a Short-Term Loan facility from Bank BNI with a plafond of Rp500,000 and an interest rate of 5.75% per annum. This facility has a tenure of 28 (twenty eight) days and will be mature on July 13, 2023.

On April 15, 2023, Pegadaian has obtained a Short-Term Loan facility from Bank BNI with a plafond of Rp500,000 and an interest rate of 5.75% per annum. This facility has a tenure of 29 (twenty nine) days and will be mature on July 14, 2023.

The financial covenants in the credit agreements obtained by Pegadaian are as follows:

- Guarantee of receivables of Pegadaian from customers submitted to Bank amounting to 100% of outstanding loan, with current or 1 (one) as the receivables' collectability.
- The purpose of loan facilities is for additional working capital of Pegadaian.
- Communicate to the Bank whenever there are recent changes to the following documents:
 - a. Deed of amendment of the Company's articles of association.
 - b. Licenses that have been renewed.
- In order to monitor business activities, Bank BNI is allowed to review the business location at anytime with prior notice.
- Submit quarterly financial statement no later than 3 (three) months after the end of the reporting date to Bank.
- Submit audited financial statement prepared by public accountant no later than 6 (six) months after the end of the reporting date to Bank.

PT Bank Syariah Indonesia Tbk (Related Party)

On February 9, 2022, Pegadaian has obtained 2 (two) loan facilities *Musyarakah* from PT Bank Syariah Indonesia Tbk (hereinafter referred to as "Bank BSI") with each plafond of Rp300,000 and Rp800,000 and an interest rate of 5.35% per annum. These facilities has matured on February 10, 2023.

On February 9, 2023, Pegadaian has obtained loan facilities working capital from Bank BSI with plafond of Rp300,000 and an interest rate of 6.75% per annum. This facility has a tenure of 12 (twelve) months and will be mature on February 10, 2024.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Pegadaian (continued)

PT Bank Syariah Indonesia Tbk (Related Party) (continued)

On February 9, 2023, Pegadaian has obtained a short term loan facility from Bank BSI with plafond of Rp350,000 and an interest rate of 5.75% per annum. This facility has a tenure of 30 (thirty) days and will be mature on July 28, 2023.

On February 9, 2023, Pegadaian has obtained a short term loan facility from Bank BSI with plafond of Rp350,000 and an interest rate of 5.75% per annum. This facility has a tenure of 30 (thirty) days and will be mature on July 27, 2023.

The financial covenants in the credit agreements obtained by Pegadaian are as follows:

- Using financing facilities for interests or needs in accordance with the purpose of use stated in the agreement.
- Allow officer and/or attorneys or representative of Bank BSI or other parties appointed by Bank BSI to at anytime check the Pegadaian books and evidence directly related to the financing agreement, by Bank BSI as long as it is relevant to the implementation of agreement, with written announcement 7 (seven) working days in advance from Bank BSI with all costs incurred paid by Bank BSI.
- Pegadaian and evidences directly related to agreement, by BSI as long as it is relevant to the implementation of agreement, with written announcement 7 (seven) working days in advance from Bank BSI with all costs incurred paid by Bank BSI.
- As long as the financing is still ongoing, Pegadaian must notify Bank BSI in writing no later than 30 (thirty) days in the event that it has been done as follows :
 - a. Changes to the company's Article of Association include shareholders, company management, capital and share value.
 - b. Obtained financing facilities or loans from other parties.
 - c. Committed itself as a guarantor of debt or pledge property for other parties.
 - d. Taking dividend or capital for interests outside business and personal interests.
 - e. Pay off the company's debts to owners or shareholders.
- Update the list sharia receivables pledged :
 - a. Submit details of the list sharia receivable at the end of month submitted quarterly no later than 30 (thirty) calendar days after the end of the quarterly period, as a basis for updating the list of sharia receivables not less than 100% of principal owed.
 - b. Submit a statement letter of sharia receivables list stating that :
 - 1. Truly belongs to the Pegadaian and no other party owns or participates in owning.
 - 2. Not being and will not be pledge to third parties.
 - 3. Not in a state of dispute and not involved in a civil matter or circumstances that can give rise to a dispute wtith a third party.
 - 4. Not under bail condition.
 - c. Notarial renewal of the fiduciary guarantee certificate for receivable collateral is carried out a maximum of once every 1 (one) year with a minimum Sharia current receivables value of the financing limit.
- Customers should strive to use facilities above 80% of Bank BSI's total financing facilities.
- Submit financial statement unaudited 3 (three) months no later than 90 (ninety) calendar days after the end of the reporting must received by Banks and audited financial statement no later than 180 (one hundred eighty) days after the end of the reporting must received by Banks.
- Submit consolidated Non-Performing Loan (NPL) and Sharia net Non-Performing Loan (NPL) reports quarterly no later than 45 (forty five) calendar days after the end of the quarterly period.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Pegadaian (continued)

PT Bank Central Asia Tbk

On April 13, 2022, Pegadaian has obtained Money Market (PBMM) loan facility from PT Bank Central Asia Tbk (hereinafter referred to as "Bank BCA") with a plafond of Rp9,400,000 and an interest rate of 5.79% per annum. The facility has matured on April 26, 2023.

On April 17, 2023, Pegadaian has obtained a working capital credit facility from Bank BCA with a plafond of Rp300,000 and an interest rate of 6.50% per annum. This facility has a tenure of 12 (twelve) months and will mature on January 26, 2024.

On April 17, 2023, Pegadaian has obtained 4 (four) short-term loan facilities from Bank BCA with each plafond of Rp350,000, Rp1,500,000, Rp2,000,000 and Rp1,000,000 with an interest rate of 5.80% per annum. These facilities has a tenure of 7 (seven) days and will mature on July 3, 2023.

On April 17, 2023, Pegadaian has obtained 9 (nine) short-term loan facilities from Bank BCA with each plafond of Rp450,000, Rp720,000, Rp200,000, Rp1,300,000, Rp300,000, Rp500,000, Rp480,000, Rp1,200,000 and Rp1,100,000 with an interest rate of 5.80% per annum. These facilities have a tenure of 7 (seven) days and will mature on July 4, 2023.

The financial covenants in the credit agreements obtained by Pegadaian are as follows:

- Collateral guaranteed is 100% of the plafond.
- The use of facilities is for additional financing working capital of Pegadaian.
- Comply with all applicable laws, government regulations, government policies, guidance or instruction from the government.
- Communicate in written if there is any changes in status company, articles of association, composition of Board of Directors and Board of Commissioners no later than 30 (thirty) working days the effective date of the change accompanied by supporting documents for the changes.
- Submit the receivables list (AR) to the Bank every 6 (six) months at the latest 45 (forty five) calendar days from the end of the 6 (six) month reporting period.

PT Bank CIMB Niaga Tbk

On August 10, 2022, Pegadaian has obtained loan facilities special transaction loan conventional and special transaction loan *Musyarakah* from PT Bank CIMB Niaga Tbk (hereinafter referred to as "Bank CIMB Niaga") with each plafond of Rp550,000 and Rp200,000. These facilities have matured on May 16, 2023.

On June 6, 2023, Pegadaian has obtained a short term loan facility from Bank CIMB Niaga with plafond of Rp300,000 with an interest rate of 5.75% per annum. This facility has a tenure of 7 (seven) days and will mature on July 4, 2023.

On June 6, 2023, Pegadaian has obtained a short term loan facility from Bank CIMB Niaga with plafond of Rp450,000 with an interest rate of 5.75% per annum. This facility has a tenure of 7 (seven) days and will mature on July 5, 2023.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Pegadaian (continued)

PT Bank CIMB Niaga Tbk (continued)

The financial covenants in the credit agreements obtained by Pegadaian are as follows:

- Fiduciary on receivables with a minimum guarantee value of 60% of the total financing.
- The purpose of loan facilities is for working capital of Pegadaian.
- Provide information to the Bank no later than 30 (thirty) days after the action is taken, in the event of changes in the composition of the Board of Directions, Board of Commissioners, and shareholders or management or other equivalent parties and/or changes in the company's capital structure, including mergers, takeovers, and separation of the controller from the Pegadaian and/or Collateral Provider.
- The detail of receivables must be signed by authorized person and must be updated every 3 (three) months (the maximum deadline for submitting the receivables list is 45 (forty five) days at the end of every 3 (three) months).

PT Bank DKI

On May 18, 2022, Pegadaian has obtained a Money Market Line facility from PT Bank DKI (hereinafter referred to as "Bank DKI") with a plafond of Rp200,000. The facility has matured on May 19, 2023.

On May 18, 2022, Pegadaian has obtained a *Musyarakah* financing facility from Bank DKI with a plafond of Rp750,000. The facility has matured on May 19, 2023.

On May 9, 2023, Pegadaian has obtained a short term loan facility from Bank DKI with a plafond of Rp200,000 with an interest rate of 5.75% per annum. These facilities has a tenure of 28 (twenty eight) days and will mature on July 21, 2023.

On May 9, 2023, Pegadaian has obtained a short term loan facility from Bank DKI sharia business unit with a plafond of Rp750,000 with an interest rate of 5.75% per annum. These facilities has a tenure of 1 (one) month and will mature on July 24, 2023.

The financial covenants in the credit agreements obtained by Pegadaian are as follows:

- Guarantee of receivables of Pegadaian from customers submitted to Bank amounting to 60% of outstanding loan, with current or 1 (one) as the receivables' collectability.
- The purpose of loan facilities is for working capital of Pegadaian.
- Communicate in written if there are any changes of the composition of Board of Directors and Board of Commissioners, or articles of associaton, legal status, and scope of business as well as the issuance of bonds/securities/loans/financing from the bank/other financial institution no later than 30 (thirty) working days from the effective date of the change.
- The list of receivables is tied with a notary fiduciary and registered with the fiduciary registration office upon signing of the credit facility extension. The list of receivables is updated every 3 (three) months.
- Submit Non-Performing Loan (NPL) Report every quarter no later than 60 (sixty) days at the end of period.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Pegadaian (continued)

PT Bank Muamalat Indonesia Tbk

On October 11, 2022, Pegadaian has obtained a special transaction loan *Musyarakah* facility from PT Bank Muamalat Indonesia Tbk (hereinafter referred to as "Bank Muamalat") with a plafond of Rp200,000 with an interest rate of 5.20% per annum. The facility has matured on June 2, 2023.

On June 2, 2023, Pegadaian has obtained a short-term loan facility from Bank Muamalat with a plafond of Rp200,000 with an interest rate of 5.75% per annum. This facility has a tenure of 3 (three) months and will mature on July 27, 2023.

The financial covenants in the credit agreements obtained by Pegadaian are as follows:

- Channeling financing whose funds are sourced from Bank Muamalat with Sharia principles (financing distribution is carried out by the Sharia Pegadaian Unit).
- Submit quarterly unaudited financial statements (March, June, September, and December) no later than 60 (sixty) days after the end of the report, and annual audited financial statements no later than 180 (one hundred eighty) days after the end of the reporting period.
- Communicate in written of the following of :
 - i. Any changes of company article's of association including changes composition of shareholders, management (Board of Directors and Board of Commissioners), capital, and nominal value of shares.
 - ii. Obtain financing facilities from banks/other financing institutions.
- Binding guarantees provided by end users to Pegadaian in accordance with applicable Pegadaian regulation and well secured and cannot be collateralized to other parties.
- Allow Bank Muamalat or other appointed parties to inspect Pegadaian's business and financial activities, as well as check all guarantees after obtaining written approval from Pegadaian based on notification from Bank Muamalat if within 14 (fourteen) calendar days there is no reply, then Pegadaian is considered to have approved Bank Muamalat's notification.

PT Bank Permata Tbk

On November 30, 2022, Pegadaian has obtained a short term loan facility from PT Bank Permata Tbk (hereinafter referred to as "Bank Permata") with a plafond of Rp450,000 with an interest rate of 5.75% per annum. These facilities has a tenure of 3 (three) months and will mature on September 8, 2023.

On November 30, 2022, Pegadaian has obtained a short-term loan facility from Bank Permata with a plafond of Rp200,000 with an interest rate of 5.75% per annum. These facilities has a tenure of 3 (three) months and will mature on August 16, 2023.

On November 30, 2022, Pegadaian has obtained a working capital credit facility from Bank Permata sharia business unit with a plafond of Rp200,000 with an interest rate of 7.75% per annum. These facilities has a tenure of 12 (twelve) months and will mature on October 25, 2023.

On November 30, 2022, Pegadaian has obtained a short-term loan facility from Bank Permata sharia business unit with a plafond of Rp400,000 with an interest rate of 5.75% per annum. These facilities has a tenure of 3 (three) months and will mature on August 18, 2023.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Pegadaian (continued)

PT Bank Permata Tbk (continued)

The financial covenants in the credit agreements obtained by Pegadaian are as follows:

- Fiduciary of customer's account receivable (A/R), with a minimum amount of 100% of the outstanding facility.
- The purpose of loan facilities is for working capital of Pegadaian.
- Pegadaian shall communicate in written to the bank, in condition of receiving a money loan or leasing facility from another party, amendments to the articles of association, no later than within 14 (fourteen) calendar days.
- Account receivables reports every quarter, no later than 90 (ninety) days after the end of the reporting period.

On June 30, 2023 and December 31, 2022, Pegadaian has fulfilled all the covenants as required by the above trustee agreements.

Fund Borrowings - Permodalan Nasional Madani (PNM)

PT Bank Negara Indonesia (Persero) Tbk (Related Party)

On November 16, 2021, PT Permodalan Nasional Madani (hereinafter referred to as "PNM") has obtained a Working Capital Credit facility from PT Bank Negara Indonesia (Persero) Tbk (hereinafter referred to as "Bank BNI") with a plafond of Rp1,000,000. This loan facility will mature on November 25, 2024.

On April 14, 2023, PNM has obtained a Working Capital Credit facility from Bank BNI with a plafond of Rp300,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on September 17, 2023.

On April 14, 2023, PNM has obtained a Working Capital Credit facility from Bank BNI with a plafond of Rp305,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on October 14, 2023.

On April 14, 2023, PNM has obtained a Working Capital Credit facility from Bank BNI with a plafond of Rp200,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on March 30, 2024.

On April 14, 2023, PNM has obtained a Working Capital Credit facility from Bank BNI with a plafond of Rp250,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on December 7, 2024.

On April 14, 2023, PNM has obtained a Working Capital Credit facility from Bank BNI with a plafond of Rp300,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on March 3, 2025.

On April 14, 2023, PNM has obtained a Working Capital Credit facility from Bank BNI with a plafond of Rp500,000 and an interest rate of 6.15%. This loan facility has a tenure of 3 (three) months and will mature on September 14, 2023.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Negara Indonesia (Persero) Tbk (Related Party) (continued)

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain the quality of the Gearing Ratio at a maximum of 10 (ten) times.
- Subsidiary is required to maintain a maximum of 10 (ten) times of Debt to Equity Ratio (DER).
- Subsidiary is required to maintain Non-Performing Loan for Mekaar products of no more than 5%.

PT Bank Tabungan Negara (Persero) Tbk (Related Party)

On October 20, 2020, PNM has obtained a Working Capital Credit facility from PT Bank Tabungan Negara (Persero) Tbk (hereinafter referred to as "BTN") with a plafond of Rp750,000 and an interest rate of 7.50%. This loan facility has a tenure of 35 (thirty five) months and will mature on October 7, 2023.

On September 30, 2021, PNM has obtained a Working Capital Credit facility from BTN with a plafond of Rp200,000 and an interest rate of 7.75%. This loan facility has a tenure of 35 (thirty five) months and will mature on September 7, 2024.

On September 30, 2021, PNM has obtained a Working Capital Credit facility from BTN with a plafond of Rp300,000 and an interest rate of 7.75%. This loan facility has a tenure of 34 (thirty four) months and will mature on September 7, 2024.

On September 30, 2021, PNM has obtained a Working Capital Credit facility from BTN with a plafond of Rp250,000 and an interest rate of 7.25%. This loan facility has a tenure of 32 (thirty two) months and will mature on September 7, 2024.

On September 28, 2022, PNM has obtained a Working Capital Credit facility from BTN with a plafond of Rp750,000 and an interest rate of 6.70%. This loan facility has a tenure of 12 (twelve) months and will mature on March 7, 2024.

On September 28, 2022, PNM has obtained a Working Capital Credit facility from BTN with a plafond of Rp750,000 and an interest rate of 6.70%. This loan facility has a tenure of 12 (twelve) months and will mature on April 7, 2024.

On June 30, 2021, PNM has obtained a BTN iB Working Capital Financing facility from BTN with a plafond of Rp500,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on June 30, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain the quality of the Gearing Ratio at a maximum of 10 (ten) times.
- Subsidiary is required to maintain a maximum of 10 (ten) times of Debt to Equity Ratio (DER).
- Subsidiary is required to maintain Non-Performing Loan for Mekaar products of no more than 5%.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Mandiri (Persero) Tbk (Related Party)

On February 23, 2021, PNM has obtained a Working Capital Credit facility from PT Bank Mandiri (Persero) Tbk (hereinafter referred to as "Bank Mandiri") with a plafond of Rp1,000,000. This loan facility has matured on February 22, 2023.

On February 2, 2023, PNM has obtained a Working Capital Credit facility from Bank Mandiri with a plafond of Rp1,000,000 and an interest rate of 6.70%. This loan facility has a tenure of 12 (twelve) months and will mature on January 23, 2024.

On February 2, 2023, PNM has obtained a Short Term Credit facility from Bank Mandiri with a plafond of Rp500,000 and an interest rate of 6.70%. This loan facility has a tenure of 5 (five) months and will mature on August 18, 2023.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain the quality of Non-Performing Loans of no more than 5% of the total product.

Lembaga Pembiayaan Ekspor Indonesia (Related Party)

On June 9, 2021, PNM has obtained an Export Working Capital Credit facility from Lembaga Pembiayaan Ekspor Indonesia with a plafond of Rp20,800 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on June 16, 2024.

On June 9, 2021, PNM has obtained an Export Working Capital Credit facility from Lembaga Pembiayaan Ekspor Indonesia with a plafond of Rp33,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on June 29, 2024.

On June 9, 2021, PNM has obtained an Export Working Capital Credit facility from Lembaga Pembiayaan Ekspor Indonesia with a plafond of Rp20,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on July 16, 2024.

On June 9, 2021, PNM has obtained an Export Working Capital Credit facility from Lembaga Pembiayaan Ekspor Indonesia with a plafond of Rp20,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on August 31, 2024.

On June 9, 2021, PNM has obtained an Export Working Capital Credit facility from Lembaga Pembiayaan Ekspor Indonesia with a plafond of Rp75,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on September 24, 2024.

On June 9, 2021, PNM has obtained an Export Working Capital Credit facility from Lembaga Pembiayaan Ekspor Indonesia with a plafond of Rp31,200 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on September 30, 2024.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

Lembaga Pembiayaan Ekspor Indonesia (Related Party) (continued)

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum Non-Performing Loan (NPL) Ratio of 3.5%.
- Subsidiary is required to maintain a ratio of end-user receivables (collectibility 1) to the debit balance of at least 100%.
- Subsidiary is required to submit annual financial reports audited by a public accountant.
- Subsidiary is required to submit quarterly financing quality.
- Subsidiary is required to submit quarterly financial reports.

PT Sarana Multigriya Finansial (Persero) (Related Party)

On May 30, 2022, PNM has obtained 2 (two) *Mudharabah Muqayyadah* facilities from PT Sarana Multigriya Finansial (Persero) (hereinafter referred to as "SMF") with a plafond of Rp25,671 and Rp24,372 respectively with an interest rate of 6.15%. Both loan facilities have a tenure of 36 (thirty six) months and will mature on June 26, 2025.

On May 30, 2022, PNM has obtained 2 (two) *Mudharabah Muqayyadah* facilities from SMF with a plafond of Rp11,572 and Rp10,070 respectively with an interest rate of 4.60%. Both loan facilities have a tenure of 12 (twelve) months and will mature on August 20, 2023.

On November 21, 2022, PNM has obtained an Uncommitted Facility Line facility from SMF with a plafond of Rp16,166 with an interest rate of 6.00%. This loan facility has a tenure 12 (twelve) months and will mature on November 22, 2023.

On November 21, 2022, PNM has obtained a *Mudharabah Muqayyadah* facility from SMF with a plafond of Rp18,946 with an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on November 22, 2023.

On November 21, 2022, PNM has obtained an Uncommitted Facility Line facility from SMF with a plafond of Rp139,884 with an interest rate of 6.00%. This loan facility has a tenure 24 (twenty four) months and will mature on March 1, 2025.

On November 21, 2022, PNM has obtained a *Mudharabah Muqayyadah* facility from SMF with a plafond Rp232,100 with an interest rate of 6.00%. This loan facility has a tenure of 24 (twenty four) months and will mature on March 1, 2025.

On November 21, 2022, PNM has obtained an Uncommitted Facility Line facility from SMF with a plafond of Rp69,475 with an interest rate of 6.55%. This loan facility has a tenure 12 (twelve) months and will mature on June 12, 2024.

On November 21, 2022, PNM has obtained a *Mudharabah Muqayyadah* facility from SMF with a plafond of Rp67,604 with an interest rate of 6.55%. This loan facility has a tenure of 12 (twelve) months and will mature on June 12, 2024.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Sarana Multigriya Finansial (Persero) (Related Party) (continued)

The financial covenants in the credit agreement obtained by PNM include, before obtaining written approval, PNM is not permitted to:

- File a bankruptcy petition.
- Transfer and/or handover to other parties the rights and obligations arising from this agreement.
- Bind itself as guarantor or debt guarantor and make use of the Company's assets as collateral.
- Make use of the loan facility not in accordance with its purpose.

Government Investment Center (Related Party)

On August 14, 2020, PNM obtained a Working Capital Credit facility from Government Investment Center (hereinafter referred to as "PIP") with a plafond of Rp647,000 and an interest rate of 4.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on August 28, 2023.

On August 14, 2020, PNM has obtained a Working Capital Credit facility from PIP with a plafond of Rp500,000 and an interest rate of 4.00%. This loan facility has a tenure of 35 (thirty five) months and will mature on August 28, 2023.

On April 20, 2021, PNM has obtained a Working Capital Credit facility from PIP with a plafond of Rp400,000 and an interest rate of 4.00%. This loan facility has a tenure of 35 (thirty five) months and will mature on April 10, 2024.

On April 20, 2021, PNM has obtained a Working Capital Credit facility from PIP with a plafond of Rp600,000 and an interest rate of 4.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on April 28, 2024.

On April 20, 2021, PNM has obtained a Working Capital Credit facility from PIP with a plafond of Rp600,000 and an interest rate of 4.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on June 11, 2024.

On April 20, 2021, PNM has obtained a Working Capital Credit facility from PIP with a plafond of Rp400,000 and an interest rate of 4.00%. This loan facility has a tenure of 34 (thirty four) months and will mature on April 10, 2024.

On April 20, 2021, PNM has obtained 2 (two) Working Capital Credit facilities from PIP with a plafond of Rp300,000 and Rp200,000 and an interest rate of 4.00%. These two loan facilities have a tenure of 30 (thirty) months and will mature on April 10, 2024.

On April 28, 2022, PNM has obtained 2 (two) Working Capital Credit facilities from PIP with a plafond of Rp500,000 and Rp500,000 and an interest rate of 4.00%. These two loan facilities have a tenure of 36 (thirty six) months and will mature on June 10, 2025.

On April 28, 2022, PNM has obtained 2 (two) Working Capital Credit facilities from PIP with a plafond of Rp500,000 and Rp500,000 and an interest rate of 4.00%. These two loan facilities have a tenure of 34 (thirty four) months and will mature on June 10, 2025.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

Government Investment Center (Related Party) (continued)

On April 28, 2022, PNM has obtained 2 (two) Working Capital Credit facilities from PIP with a plafond of Rp250,000 and Rp250,000 and an interest rate of 4.00%. These two loan facilities have a tenure of 33 (thirty three) months and will mature on June 10, 2025.

On November 2, 2022, PNM has obtained 2 (two) Working Capital Credit facilities from PIP with a plafond of Rp450,000 and Rp1,050,000 and an interest rate of 4.00%. These two loan facilities have a tenure of 36 (thirty six) months and will mature on December 10, 2025.

On November 2, 2022, PNM has obtained 2 (two) Working Capital Credit facilities from PIP with a plafond of Rp350,000 and Rp150,000 and an interest rate of 4.00%. These two loan facilities have a tenure of 34 (thirty four) months and will mature on December 10, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to distribute special loans/financing for Ultra Micro (UMi) business owners.
- Subsidiary is required to submit a list of current accounts receivable which serves as fiduciary every 1 (one) month with a value of 100% of the outstanding loan.

Lembaga Pengelola Dana Bergulir

On March 12, 2021, PNM has obtained 3 (three) Working Capital Credit facilities from Lembaga Pengelola Dana Bergulir with a plafond of Rp15,000, Rp4,000 and Rp4,000 and an interest rate of 6.75%. These three loan facilities have a tenure of 47 (forty seven) months and will mature on February 7, 2024.

On March 12, 2021, PNM has obtained a Working Capital Credit facility from Lembaga Pengelola Dana Bergulir with a plafond of Rp15,000 and an interest rate of 6.75%. This loan facility has a tenure of 47 (forty seven) months and will mature on May 7, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to provide special Loans/Financing for the Mekaar Program.
- Subsidiary is required to submit a list of receivables which serve as fiduciary every 6 (six) months with a minimum value of or equal to 100% of the outstanding loan.

Asian Development Bank

On January 25, 2005, PNM obtained a micro-credit facility for environmental and settlement planning from the Asian Development Bank with a plafond of USD364,782 (full amount) with an interest rate on foreign loans plus 0.35% per annum. This loan facility has a tenure of 228 (two hundred twenty eight) months and will mature on December 1, 2028.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Central Asia Tbk

On July 11, 2022, PNM has obtained 2 (two) Installment Loan 1 facilities from PT Bank Central Asia Tbk (hereinafter referred to as "BCA") with a plafond of Rp450,000 and Rp50,000 and an interest rate of 5.35%. These two loan facilities have a tenure of 12 (twelve) months and will mature on July 22, 2023.

On July 11, 2022, PNM has obtained an Installment Loan 2 facility from BCA with a plafond of Rp300,000 and an interest rate of 6.30%. This loan facility has a tenure of 7 (seven) months and will mature on July 6, 2023.

On July 11, 2022, PNM has obtained an Installment Loan 2 facility from BCA with a plafond of Rp150,000 and an interest rate of 6.30%. This loan facility has a tenure of 6 (six) months and will mature on July 19, 2023.

On August 23, 2022, PNM has obtained a Working Capital Credit facility from BCA with a plafond of Rp30,000 and an interest rate of 9.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on December 23, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a Non-Performing Loan (NPL) ratio above 90 (ninety) days, a maximum of 5%.

PT BCA Syariah

On October 3, 2019, PNM has obtained a *Mudharabah* facility from PT BCA Syariah (hereinafter referred to as "BCA Syariah") with a plafond of Rp50,000 and an interest rate of 7.00%. This loan facility has a tenure of 48 (forty eight) months and will mature on October 22, 2023.

On October 3, 2019, PNM has obtained 2 (two) *Mudharabah* facilities from BCA Syariah with a plafond of Rp10,000 and Rp30,000 and an interest rate of 7.00%. These two loan facilities have a tenure of 46 (forty six) months and will mature on September 25, 2023.

On March 24, 2021, PNM has obtained 2 (two) *Mudharabah* facilities from BCA Syariah with a plafond of Rp9,100 and Rp60,000 and an interest rate of 7.00%. These two loan facilities have a tenure of 48 (forty eight) months and will mature on March 24, 2025.

On October 25, 2022, PNM has obtained a Working Capital Credit facility from BCA Syariah with a plafond of Rp5,000 and an interest rate of 10.25%. This loan facility has a tenure 45 (forty five) months and will mature on August 25, 2025.

On October 25, 2022, PNM has obtained a Working Capital Credit facility from BCA Syariah with a plafond of Rp10,900, and an interest rate of 10.25%. This loan facility has a tenure 47 (forty seven) months and will mature on October 25, 2025.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT BCA Syariah (continued)

On October 25, 2022, PNM has obtained a Working Capital Credit facility from BCA Syariah with a plafond of Rp14,100 and an interest rate of 10.25%. This loan facility has a tenure 57 (fifty seven) months and will mature on October 25, 2027.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum of 10 (ten) times of Debt to Equity Ratio (DER).
- Subsidiary is required to maintain non-performing loan arrears of a maximum of 5%.

PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk

On October 10, 2022, PNM has obtained a Working Capital Credit facility from PT Bank Pembangunan Daerah Jawa Barat and Banten Tbk (hereinafter referred to as "Bank BJB") with a plafond of Rp250,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on October 19, 2023.

On October 10, 2022, PNM has obtained a Working Capital Credit facility from Bank BJB with a plafond of Rp250,000 and an interest rate of 6.00%. This loan facility has a tenure 12 (twelve) months and will mature on November 22, 2023.

On October 10, 2022, PNM has obtained a Working Capital Credit facility from Bank BJB with a plafond of Rp100,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on November 28, 2023.

On October 10, 2022, PNM has obtained a Working Capital Credit facility from Bank BJB with a plafond of Rp150,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on December 16, 2023.

On June 22, 2023, PNM has obtained a Working Capital Credit facility from Bank BJB with a plafond of Rp750,000 and an interest rate of 6.40%. This loan facility has a tenure of 12 (twelve) months and will mature on June 1, 2024.

On August 4, 2022, PNM has obtained a Working Capital Credit facility from Bank BJB with a plafond of Rp130,000 and an interest rate of 6.30%. This loan facility has a tenure of 12 (twelve) months and will mature on August 5, 2023.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to submit quarterly financial reports.
- Subsidiary is required to submit unaudited annual financial reports.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Pembangunan Daerah Daerah Istimewa Yogyakarta (BPD DIY)

On July 9, 2020, PNM has obtained a Term Loan facility from BPD DIY with a plafond of Rp100,000 with an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on July 9, 2023.

On September 16, 2021, PNM has obtained a Term Loan facility from BPD DIY with a plafond of Rp100,000 with an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on September 16, 2024.

On December 5, 2022, PNM has obtained a Term Loan facility from BPD DIY with a plafond of Rp300,000 with an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on December 6, 2023

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a Financing to Asset ratio of 65%;
- Subsidiary is required to maintain a Current Ratio minimum of 120%;
- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times;
- Subsidiary is required to maintain a net Non-Performing Loan (NPL) Ratio maximum of 5%.

PT Bank of China

On February 6, 2022, PNM has obtained a Money Market Line facility from the Bank of China with a plafond of Rp200,000 and an interest rate of 5.95%. This loan facility has a tenure of 3 (three) months and will mature on August 16, 2023.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain Total Consolidated Debt to Total Equity of a maximum of 10 (ten) times.
- Subsidiary is required to maintain a maximum ratio of 5% for non-performing loans.

Citibank N.A.

On March 13, 2023, PNM has obtained a Money Market Line facility from Citibank N.A. with a plafond of Rp150,000 with an interest rate of 6.70%. This loan facility has a tenure of 12 (twelve) months and will mature on March 15, 2024.

Financial covenants in the credit agreement obtained by PNM are that the subsidiary is required to report DER, FAR, Micro financing ratio, net NPL, Current ratio, net ROA, net ROE and BOPO.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Danamon Indonesia - sharia business unit

On October 20, 2022, PNM has obtained a *Musyarakah* facility from PT Bank Danamon Indonesia - sharia business unit (hereinafter referred to as "Danamon Sharia") with a plafond of Rp500,000 and an interest rate of 6.50%. This loan facility has a tenure of 8 (eight) months and matured on June 20, 2023.

On December 21, 2022, PNM has obtained a *Musyarakah* facility from Danamon Sharia with a plafond of Rp400,000 and an interest rate of 6.40%. This loan facility has a tenure of 15 (fifteen) months and will mature on April 18, 2024.

On December 21, 2022, PNM has obtained a *Musyarakah* facility from Danamon Sharia with a plafond of Rp600,000 and an interest rate of 6.50%. This loan facility has a tenure of 10 (ten) months and will mature on November 10, 2023.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a net Non-Performing Loan (NPL) Ratio maximum of 5.
- Subsidiary is required to maintain a Gearing Ratio maximum of 10 (ten) times.

PT Bank DKI

On November 19, 2020, PNM has obtained a Working Capital Credit facility from PT Bank DKI (hereinafter referred to as "Bank DKI") with a plafond of Rp200,000 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on November 20, 2023.

On November 19, 2020, PNM has obtained a Working Capital Credit facility from Bank DKI with a plafond of Rp100,000 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on November 24, 2023.

On May 10, 2021, PNM has obtained a Working Capital Credit facility from Bank DKI with a plafond of Rp500,000 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on May 21, 2024.

On December 2, 2021, PNM has obtained a Syndicated facility from Bank DKI with a plafond of Rp653,165 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on December 29, 2024.

On December 2, 2021, PNM has obtained a Syndicated facility from Bank DKI with a plafond of Rp136,076 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on June 24, 2025.

On December 2, 2021, PNM has obtained a Syndicated facility from Bank DKI with a plafond of Rp136,076 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on July 3, 2025.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank DKI (continued)

On June 12, 2023, PNM has obtained a Working Capital Credit facility from Bank DKI with a plafond of Rp100,000 with an interest rate of 6.50%. This loan facility has a tenure of 12 (twelve) months and will mature on June 14, 2024.

On November 19, 2020, PNM has obtained a *Mudharabah* facility from Bank DKI with a plafond of Rp200,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on November 20, 2023.

On November 19, 2020, PNM has obtained a *Mudharabah* facility from Bank DKI with a plafond of Rp100,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on November 25, 2023.

On May 10, 2021, PNM has obtained a *Mudharabah* facility from Bank DKI with a plafond of Rp500,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on May 21, 2024.

On December 2, 2021, PNM has obtained a Syndicated *Mudharabah* facility from Bank DKI with a plafond of Rp546,835 and an interest rate of 7.75%. This loan facility has a tenure of 36 (thirty six) months and will mature on December 29, 2024.

On December 2, 2021, PNM has obtained a Syndicated *Mudharabah* facility from Bank DKI with a plafond of Rp113,924 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on June 24, 2025.

On December 2, 2021, PNM has obtained a Syndicated *Mudharabah* facility from Bank DKI with a plafond of Rp113,924 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on July 13, 2025.

On June 12, 2023, PNM has obtained a *Mudharabah* facility from Bank DKI with a plafond of Rp100,000 and an interest rate of 6.50%. This loan facility has a tenure of 12 (twelve) months and will mature on June 12, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum non-performing loan gross of 5%.

PT Bank HSBC Indonesia

On April 6, 2023, PNM has obtained a Term Loan facility from PT Bank HSBC Indonesia with a plafond of Rp1,000,000 and an interest rate of 6.75%. This loan facility has a tenure of 12 (twelve) months and will mature on April 9, 2024.

The financial covenant in the credit agreement obtained by PNM is that the subsidiary is required to maintain a maximum loan to capital ratio of 10 (ten) times.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank JTrust Indonesia Tbk

On March 10, 2022, PNM has obtained a Working Capital Credit facility from PT Bank JTrust Indonesia Tbk (hereinafter referred to as "Bank JTrust") with a plafond of Rp200,000 and an interest rate of 6.00%. This loan facility matured on March 10, 2023.

On January 27, 2023, PNM has obtained a Money Market Line facility from Bank JTrust with a plafond of Rp100,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on January 30, 2024.

On April 10, 2023, PNM has obtained a Money Market Line facility from Bank JTrust with a plafond of Rp300,000 and an interest rate of 6.25%. This loan facility has a tenure 12 (twelve) months and will mature on April 11, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a Current Ratio of at least 1.2 (one point two) times.
- Subsidiary is required to maintain Non-Performing Loans at a maximum of 5%.
- Subsidiary is required to maintain a Financing to Asset Ratio of at least 65%.
- Subsidiary is required to maintain a Micro Financing Ratio of at least 50%.

PT Bank Pembangunan Daerah Kalimantan Tengah

On December 14, 2022, PNM has obtained a Working Capital Credit facility from PT Bank Pembangunan Daerah Kalimantan Tengah with a plafond of Rp250,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on August 8, 2023.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain the quality of Non-Performing Loans in their entire product at maximum of 3%.
- Subsidiary is required to maintain the quality of the Gearing Ratio at a maximum of 10 (ten) times.

PT Bank Maybank Indonesia Tbk

On November 30, 2021, PNM has obtained a *Mudharabah* line facility from PT Bank Maybank Indonesia Tbk (hereinafter referred to as "Maybank") with a plafond of Rp390,000 with an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on December 1, 2024.

On June 29, 2022, PNM has obtained a *Mudharabah* line facility from Maybank with a plafond of Rp50,000 with an interest rate of 7.00%. This loan facility has a tenure of 12 (twelve) months and will mature on July 1, 2023.

On June 29, 2022, PNM has obtained a *Mudharabah* line facility from Maybank with a plafond of Rp150,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on July 8, 2023.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Maybank Indonesia Tbk (continued)

On June 29, 2022, PNM has obtained a *Mudharabah* line facility from Maybank with a plafond of Rp110,000 and an interest rate of 6.75%. This loan facility has a tenure of 12 (twelve) months and will mature on March 3, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a minimum Current Ratio quality of 1.2 (one point two) times.
- Subsidiary is required to maintain a Debt to Equity Ratio of a maximum of 10 (ten) times.
- Subsidiary is required to maintain a maximum Non-Performing Loan Gross of 5%.
- Subsidiary is required to maintain Mekaar Non-Performing Loans at a maximum of 3%.

PT Bank Muamalat Indonesia Tbk

On November 8, 2022, PNM has obtained a *Musyarakah* facility from PT Bank Muamalat Indonesia Tbk (hereinafter referred to as "Bank Muamalat") with a plafond of Rp500,000 with an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on November 3, 2023.

On November 8, 2022, PNM has obtained a *Musyarakah* facility from Bank Muamalat with a plafond of Rp350,000 with an interest rate of 6.50%. This loan facility has a tenure 12 (twelve) months and will mature on March 20, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 9 (nine) times.
- Subsidiary is required to maintain the quality of Non-Performance Financing for Mekaar products of no more than 2%.
- Subsidiary is required to maintain a Current Ratio of at least 1.2 (one point two) times.

PT Bank Nationalnobu Tbk

On December 1, 2022, PNM has obtained a Money Market Line facility from PT Bank Nationalnobu Tbk with a plafond of Rp150,000 with an interest rate of 6.10%. This loan facility has a tenure of 2 (two) months and will mature on July 5, 2023.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain the quality of Non-Performing Loans of no more than 5% of the total product.
- Subsidiary is required to maintain a maximum Gearing Ratio of 10%.
- Subsidiary is required to maintain a Current Ratio of at least 1.2 (one point two) times.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Pan Indonesia Tbk

On April 1, 2022, PNM has obtained a Term Loan facility from PT Bank Pan Indonesia Tbk (hereinafter referred to as "Bank Panin") with a plafond of Rp150,000 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on July 21, 2025.

On April 1, 2022, PNM has obtained a Term Loan facility from Bank Panin with a plafond of Rp300,000 and an interest rate of 6.75%. This loan facility has a tenure of 12 (twelve) months and will mature on February 22, 2024.

On April 1, 2022, PNM has obtained a Term Loan facility from Bank Panin with a plafond of Rp300,000 and an interest rate of 6.75%. This loan facility has a tenure of 12 (twelve) months and will mature on March 8, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain the quality of Debt to Equity for a maximum of 10 (ten) times.
- Subsidiary is required to maintain a maximum non-performing financing ratio of 5%.

PT Bank Panin Dubai Syariah Tbk

On April 1, 2022, PNM has obtained a *Mudharabah* facility from PT Bank Panin Dubai Syariah Tbk with a plafond of Rp291,000 and an interest rate of 6.75%. This loan facility has a tenure of 12 months and will mature on March 24, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain the quality of the Debt to Equity Ratio of a maximum of 10 (ten) times.
- Subsidiary is required to maintain a maximum non-performing financing ratio of 5%.

PT Bank Permata Tbk

On February 17, 2023, PNM has obtained a Money Market Line facility from PT Bank Permata Tbk (hereinafter referred to as "Bank Permata") with a plafond of Rp200,000 with an interest rate of 6.40%. This loan facility has a tenure of 3 (three) months and will mature on September 8, 2023.

On March 21, 2022, PNM has obtained a *Musyarakah Mutanaqisah* facility from Bank Permata with a plafond of Rp250,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on July 7, 2023.

On March 21, 2022, PNM has obtained a *Musyarakah Mutanaqisah* facility from Bank Permata with a plafond of Rp250,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on July 12, 2023.

On February 17, 2023, PNM has obtained a *Musyarakah Mutanaqisah* facility from Bank Permata with a plafond of Rp800,000 and an interest rate of 6.75%. This loan facility has a tenure of 12 (twelve) months and will mature on March 20, 2024.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Permata Tbk (continued)

On February 17, 2023, PNM has obtained a *Musarakah Mutanaqisah* facility from Bank Permata with a plafond of Rp512,000 with an interest rate of 6.75%. This loan facility has a tenure of 12 (twelve) months and will mature on April 14, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a Current Ratio of at least 1.2 (one point two) times.
- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum net Non-Performing Loan of 5%.

PT Bank Resona Perdania

On March 9, 2023, PNM has obtained a Term Loan facility from PT Bank Resona Perdania with a plafond of Rp100,000 with an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on March 10, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum net Non-Performing Loan of 5%.
- Subsidiary is required to maintain a current ratio of at least 100%.
- Subsidiary is required to maintain a maximum Debt to Equity Ratio (DER) of 10%.
- Subsidiary is required to maintain a maximum Debt-Service Coverage Ratio (DSCR) of 100%.

PT Bank SBI Indonesia

On December 16, 2021, PNM has obtained an on demand PRK facility from PT Bank SBI Indonesia (hereinafter referred to as "Bank SBI") with a plafond of Rp100,000 and an interest rate of 6.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on December 28, 2024.

On December 16, 2021, PNM has obtained an on demand PRK facility from Bank SBI with a plafond of Rp50,000 and an interest rate of 6.00%. This loan facility has a tenure 36 (thirty six) months and will mature on March 28, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a Current Ratio of at least 1.2 (one point two) times.
- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum net Non-Performing Loan of 5%.
- Subsidiary is required to maintain a Financing to Asset Ratio of at least 65%.
- Subsidiary is required to maintain Micro Financing Assets of at least 50%.
- Subsidiary is required to maintain an Interest Coverage Ratio of at least 1.1 (one point one) times.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Shinhan Indonesia

On December 21, 2022, PNM has obtained a Demand Loan facility from PT Bank Shinhan Indonesia with a plafond of Rp100,000 with an interest rate of 6.00%. This loan facility has a tenure of 6 (six) months and will mature on July 18, 2023.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum gearing ratio of 10 (ten) times.
- Subsidiary is required to maintain net Non-Performing Loans at a maximum of 5%.
- Subsidiary is required to maintain an interest coverage ratio of 1.00.

PT Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat

On September 28, 2021, PNM obtained a Working Capital Credit facility from PT Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat (hereinafter referred to as "Bank Sulsebar") with a plafond of Rp50,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on March 25, 2025.

On September 28, 2021, PNM has obtained a Working Capital Credit facility from Bank Sulsebar with a plafond of Rp50,000 and an interest rate of 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on March 21, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum current ratio of 100%.
- Subsidiary is required to maintain a maximum gearing ratio of 10 (ten) times.
- Subsidiary is required to maintain maximizing Return on Assets (ROA).
- Subsidiary is required to maintain maximizing Return on Equity (ROE).

PT Bank Victoria International Tbk

On June 20, 2023, PNM has obtained a Money Market Line facility from PT Bank Victoria International Tbk (hereinafter referred to as "Bank Victoria") with a plafond of Rp50,000 with an interest rate of 6.30%. This loan facility has a tenure of 6 (six) months and will mature on September 16, 2023.

On June 20, 2023, PNM has obtained a Money Market Line facility from Bank Victoria with a plafond of Rp100,000 with an interest rate of 6.30%. This loan facility has a tenure 3 (three) months and will mature on September 21, 2023.

On August 23, 2022, PNM has obtained a Working Capital Credit facility from Bank Victoria with a plafond of Rp10,000 with an interest rate of 10.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on August 23, 2025.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Victoria International Tbk (continued)

On August 23, 2022, PNM has obtained a Working Capital Credit facility from Bank Victoria with a plafond of Rp10,000 with an interest rate of 10.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on October 27, 2025.

The financial covenant in the credit agreement obtained by PNM is that the subsidiary is required to maintain the quality of Non-Performing Loans of no more than 5%.

PT Bank China Construction Bank Indonesia Tbk

On June 30, 2022, PNM has obtained a Working Capital Credit facility from PT Bank China Construction Bank Indonesia Tbk (hereinafter referred to as "Bank CCB Indonesia") with a plafond of Rp270,000. This loan facility has matured on June 30, 2023.

On January 4, 2023, PNM has obtained an Installment Loan facility from Bank CCB Indonesia with a plafond of Rp315,000 with an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on January 4, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain Collateral Coverage Ratio quality of at least 100%.
- Subsidiary is required to maintain a maximum Gearing Ratio of 8 (eight) times.
- Subsidiary is required to maintain Mekaar Non-Performing Loans at a maximum of 3%.

PT Bank of India Indonesia Tbk

On December 22, 2022, PNM has obtained a Demand Loan facility from PT Bank of India Indonesia Tbk (hereinafter referred to as "Bank of India") with a plafond of Rp150,000 with an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on December 22, 2023.

On June 26, 2023, PNM has obtained a Demand Loan facility from Bank of India with a plafond of Rp150,000 with an interest rate of 6.05%. This loan facility has a tenure of 12 (twelve) months and will mature on June 22, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain the quality of Non-Performance Financing for Mekaar products of no more than 2%.
- Subsidiary is required maintain a Current Ratio of at least 1.2 (one point two) times.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank IBK Indonesia Tbk

On May 30, 2022, PNM has obtained a Working Capital Executing facility from PT Bank IBK Indonesia Tbk (hereinafter referred to as "Bank IBK") with a plafond of Rp100,000 and an interest rate of 6.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on June 20, 2025.

On May 30, 2022, PNM has obtained a Working Capital Executing facility from Bank IBK with a plafond of Rp100,000 with an interest rate of 6.00%. This loan facility has a tenure 36 (thirty six) months and will mature on July 13, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain the quality value of the minimum Asset Ratio of 65%.
- Subsidiary is required to maintain the quality value of the Micro Financing Ratio of 50%.
- Subsidiary is required to maintain a quality value of a minimum Current Ratio of 120%.
- Subsidiary is required to maintain Gearing Ratio value of a maximum of 10 (ten) times.
- Subsidiary is required to maintain Non-Performing Loan Ratio of a maximum of 5%.

PT Bank Oke Indonesia Tbk

On April 1, 2022, PNM has obtained a Working Capital Loan facility from PT Bank Oke Indonesia Tbk (hereinafter referred to as "Bank Oke") with a plafond of Rp100,000 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on April 18, 2025.

On April 1, 2022, PNM has obtained a Working Capital Loan facility from Bank Oke with a plafond of Rp150,000 and an interest rate of 6.50%. This loan facility has a tenure 36 (thirty six) months and will mature on May 18, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain the quality of the financial ratio Capital Adequacy Ratio (CAR) of at least 10%.
- Subsidiary is required to maintain the quality of their financial ratios, a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a quality ratio of receivables of more than 90 (ninety) days, a maximum of 5% to gross receivables.

PT Bank QNB Indonesia Tbk

On December 19, 2022, PNM obtained a Term Loan facility from PT Bank QNB Indonesia Tbk (hereinafter referred to as "Bank QNB") with a plafond of Rp250,000 and an interest rate of 6.00%. This loan facility has a tenure of 12 (twelve) months and will mature on the following date December 20, 2023.

On December 19, 2022, PNM has obtained a Revolving Credit Facility from Bank QNB with a plafond of Rp100,000 and an interest rate of 6.30%. This loan facility has a tenure of 3 (three) months and will mature on September 8, 2023.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank QNB Indonesia Tbk (continued)

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary must maintain the quality of Non-Performance Financing for Mekaar products of no more than 2%.
- Subsidiary is required to maintain a quality Current Ratio of at least 1.2 (one point two) times.

PT Bank Pembangunan Daerah Kalimantan Selatan

On June 3, 2022, PNM has obtained a Working Capital Credit facility from PT Bank Pembangunan Daerah Kalimantan Selatan (hereinafter referred to as "Bank Kalsel") with a plafond of Rp50,000 with an interest rate of 11.00%. This loan facility has a tenure of 60 (sixty) months and will mature on December 16, 2025.

On June 3, 2022, PNM has obtained a Working Capital Credit facility from Bank Kalsel with a plafond of Rp10,000 and an interest rate of 10.00%. This loan facility has a tenure of 59 (fifty nine) months and will mature on June 5, 2027.

On June 3, 2022, PNM has obtained a Working Capital Credit facility from Bank Kalsel with a plafond of Rp40,000 and an interest rate of 10.00%. This loan facility has a tenure of 59 (fifty nine) months and will mature on July 19, 2027.

On June 3, 2022, PNM has obtained a Working Capital Credit facility from Bank Kalsel with a plafond of Rp14,000 and an interest rate of 10.00%. This loan facility has a tenure of 59 (fifty nine) months and will mature on October 9, 2027.

On June 3, 2022, PNM has obtained a Working Capital Credit facility from Bank Kalsel with a plafond of Rp10,770 and an interest rate of 10.00%. This loan facility has a tenure of 31 (thirty one) months and will mature on September 27, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a Non-Performing Loan Ratio (NPL) above 90 (ninety) days, a maximum of 5%.
- Subsidiary is required to maintain a Current Ratio of at least 150%.
- Subsidiary is required to maintain solvency of at least 200%.
- Subsidiary is required to maintain a Profit Margin that is greater than the credit interest rate.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Hibank Indonesia (formerly PT Bank Mayora) (Related Party)

On December 11, 2015, PNM has obtained a Working Capital Credit facility from PT Bank Mayora with a plafond of Rp3,000 with an interest rate of 13.00%. This loan facility has a tenure of 120 (one hundred and twenty) months and will mature on December 11, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum net Non-Performing Loan Ratio (NPL) of 8%.
- Subsidiary is required to submit financial reports at the end of each year.
- Subsidiary is required to open an account with a bank.
- Subsidiary is required to maintain books and records regarding the bank's business.
- Subsidiary is required to allow bank employees or representatives to inspect the bank's business from time to time.
- Subsidiary is required to insure the goods guaranteed by the bank.

PT Bank CIMB Niaga – Sharia Business Unit

On March 25, 2022, PNM has obtained a Working Capital Credit facility from PT Bank CIMB Niaga - Sharia Business Unit with a plafond of Rp6,000 with an interest rate of 3.40%. This loan facility has a tenure of 23 (twenty three) months and will mature on March 31, 2024.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a maximum Non-Performing Financing Ratio (NPF) of 5%.
- Subsidiary is required to maintain the company's health level at a minimum of healthy criteria.

PT Danareksa Finance (Related Party)

On January 3, 2023, PNM has obtained a Working Capital Credit facility from PT Danareksa Finance (hereinafter referred to as "Danareksa Finance") with a plafond of Rp25,000 with an interest rate of 9.00%. This loan facility has a tenure of 11 (eleven) months and will mature on January 12, 2024.

On January 3, 2023, PNM has obtained a Working Capital Credit facility from Danareksa Finance with a plafond of Rp930 with an interest rate of 7.76%. This loan facility has a tenure of 35 (thirty five) months and will mature on February 8, 2026.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary is required to maintain a total debt or equity ratio below 3.5 (three point five) times.
- Subsidiary is required to maintain EBITDA or Interest Expense Ratio above 2 (two) times.
- Subsidiary is required to maintain a maximum Non-Performing Financing Ratio (NPF) of 5%.
- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - Permodalan Nasional Madani (PNM) (continued)

PT Bank Ina Perdana Tbk

On February 28, 2022, PNM has obtained a Working Capital Credit facility from PT Bank Ina Perdana Tbk with a plafond of Rp30,000 with an interest rate of 10.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on February 25, 2025.

The financial covenants in the credit agreements obtained by PNM are as follows:

- Subsidiary are required to submit audited financial reports every year, no later than 6 (six) months after the reporting period ends.
- Subsidiary are required to submit internal financial reports every 3 (three) months, no later than 30 (thirty) days after the end of the period.
- Subsidiary are required to maintain a sinking fund in 2 (two) installments.

On June 30, 2023 and December 31, 2022, Permodalan Nasional Madani (PNM) has fulfilled the covenants required in the agreement received.

Fund Borrowings - Bank Raya

PT Sarana Multigriya Finansial (Persero) (Related Party)

On December 14, 2020, Bank Raya has obtained a loan facility from PT Sarana Multigriya Finansial (Persero) for distributing KPR Sejahtera for people with low incomes with a plafond of Rp17,319 and an interest rate of 4.45%. This loan facility has a tenure of 184 (one hundred and eighty four) months and will mature on January 10, 2036.

The financial covenants in this agreement include, prior to obtaining written approval, Bank is not permitted to:

- Apply for bankruptcy.
- Transferring and/or handing over to other parties the rights and obligations arising from this agreement.
- Commit itself as guarantor or debt guarantor and guarantee the Bank's assets.
- Using the loan facility is not in accordance with its purpose.

Fund Borrowings - BRI Multifinance

PT Bank BTPN Tbk

On January 4, 2022, BRI Multifinance has obtained a loan facility from PT Bank BTPN Tbk (hereinafter referred to as "Bank BTPN") with a plafond of USD40,000,000 (full amount). This loan facility has matured on December 30, 2022.

On March 17, 2023, BRI Multifinance has obtained a Loan on Note facility from Bank BTPN with a plafond of Rp600,000 with an interest rate of 6.00%. This loan facility has a tenure of 30 (thirty) days and will mature on July 6, 2023.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - BRI Multifinance (continued)

PT Bank BTPN Tbk (continued)

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary are required to maintain a Debt to Equity Ratio of not more than 8.5 (eight point five) times.
- Subsidiary are required to maintain a Non-Performing Loan (NPL) Ratio above 90 (ninety) days, a maximum of 5%.

MUFG Bank, Ltd

On August 8, 2022, BRI Multifinance has obtained loan facilities short-term loan from MUFG Bank, Ltd with a plafond of USD60,000,000 (full amount) with an interest rate of 6.14%. This loan facility has a tenure of 9 (nine) days and will mature on July 5, 2023.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary are required to maintain a Debt to Equity Ratio of not exceeding 8.5 (eight point five) times.
- Subsidiary are required to maintain a Non-Performing Loan (NPL) Ratio above 90 (ninety) days with a maximum of 5%.

PT Bank Central Asia Tbk

On October 11, 2022, BRI Multifinance has obtained an Uncommitted Credit Line facility from PT Bank Central Asia Tbk (hereinafter referred to as "Bank BCA") with a plafond of Rp200,000 and an interest rate of 6.30%. This loan facility has a tenure of 31 (thirty one) days and will mature on July 10, 2023.

On August 12, 2021, BRI Multifinance has obtained an Installment Loan facility from Bank BCA with a plafond of Rp300,000 and an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on November 25, 2024.

On October 11, 2022, BRI Multifinance has obtained an Installment Loan facility from Bank BCA with a plafond of Rp250,000 and an interest rate of 7.00%. This loan facility has a tenure of 24 (twenty four) months and will mature on December 7, 2024.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a Non-Performing Loan (NPL) Ratio above 90 (ninety) days with a maximum of 5%.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - BRI Multifinance (continued)

PT Bank Victoria International Tbk

On August 6, 2022, BRI Multifinance has obtained an Uncommitted Credit Line facility from PT Bank Victoria International Tbk with a plafond of Rp500,000 with an interest rate of 6.00% - 6.45%. This loan facility has a tenure of 3 (three) months and will mature on September 22, 2023.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary are required to maintain a maximum Gearing Ratio of 8 (eight) times.
- Subsidiary are required to maintain a Non-Performing Loan (NPL) Ratio above 90 (ninety) days, a maximum of 5%.

PT Bank HSBC Indonesia

On January 21, 2022, BRI Multifinance has obtained a Committed Working Capital Loan facility from PT Bank HSBC Indonesia (hereinafter referred to as "HSBC Bank") with a plafond of Rp300,000. This facility has matured on April 12, 2023.

On April 12, 2023, BRI Multifinance has obtained a Corporate Facility Agreement facility from Bank HSBC with a plafond of Rp300,000 and an interest rate of 6.50%. This loan facility has a tenure of 12 (twelve) months and will mature on April 16, 2024.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum Non-Performing Loan (NPL) Ratio of 5%.

PT Bank UOB Indonesia

On December 26, 2022, BRI Multifinance has obtained a Revolving Credit Facility (RCF) from PT Bank UOB Indonesia with a plafond of Rp250,000 with an interest rate of 6.50%. This loan facility has a tenure of 6 (six) months and will mature on September 8, 2023.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum Debt to Equity Ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum Non-Performing Loan (NPL) Ratio of 5%.

PT Bank CIMB Niaga Tbk

On January 27, 2021, BRI Multifinance has obtained a Committed Credit Line facility from PT Bank CIMB Niaga Tbk with a plafond of Rp250,000 with an interest rate of 6.50% - 7.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on May 28, 2024.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum loan to capital ratio of 7 (seven) times.
- Subsidiary is required to maintain a maximum Non-Performing Financing (NPF) ratio of 5%.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - BRI Multifinance (continued)

PT Bank Maybank Indonesia Tbk

On December 15, 2021, BRI Multifinance has obtained an Uncommitted Credit Line facility from PT Bank Maybank Indonesia Tbk (hereinafter referred to as "Bank Maybank") with a plafond of Rp400,000 with an interest rate of 6.25%. This loan facility has a tenure of 36 (thirty six) months and will mature on January 31, 2025.

On September 1, 2022, BRI Multifinance has obtained an Uncommitted Working Capital Credit facility from Bank Maybank with a plafond of Rp400,000 with an interest rate of 7.20%. This loan facility has a tenure of 36 (thirty six) months and will mature on February 10, 2026.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum Gearing Ratio of 10 (ten) times.
- Subsidiary is required to maintain a Non-Performing Loan (NPL) ratio above 90 (ninety) days, a maximum of 5%.

PT Bank Oke Indonesia Tbk

On June 22, 2022, BRI Multifinance has obtained a Working Capital Credit facility from PT Bank Oke Indonesia Tbk with a plafond of Rp250,000 with an interest rate of 6.25%. This loan facility has a tenure of 36 (thirty six) months and will mature on July 25, 2025.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum gearing ratio of 8 (eight) times.
- Subsidiary is required to maintain a Non-Performing Loan (NPL) ratio above 90 (ninety) days, a maximum of 5%.

PT Bank IBK Indonesia Tbk

On November 16, 2022, BRI Multifinance has obtained a Working Capital Executing facility from PT Bank IBK Indonesia Tbk with a plafond of Rp250,000 and an interest rate of 6.25%. This loan facility has a tenure of 36 (thirty six) months and will mature on December 2, 2025.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum gearing ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum Non-Performing Loan (NPL) ratio of 5%.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - BRI Multifinance (continued)

PT Bank Danamon Indonesia Tbk

On December 21, 2022, BRI Multifinance has obtained a Term Credit facility from PT Bank Danamon Indonesia Tbk (hereinafter referred to as "Bank Danamon") with a plafond of Rp100,000 and an interest rate of 6.10%. This loan facility has a tenure of 30 days and will mature on July 12, 2023.

On December 21, 2022, BRI Multifinance has obtained a Term Installment Credit facility from Bank Danamon with a plafond of Rp900,000 with an interest rate of 6.65%. This loan facility has a tenure of 24 (twenty four) months and will mature on June 20, 2025.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum gearing ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum Non-Performing Loan (NPL) ratio of 7%.

PT Sarana Multigriya Finansial (Persero) (Related Party)

On May 24, 2023, BRI Multifinance has obtained an Uncommitted Credit Line facility from PT Sarana Multigriya Finansial (Persero) with a plafond of Rp200,000 with an interest rate 6.50% - 6.75%. As of June 30, 2023, BRI Multifinance loan facility is still available at Rp200,000.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum gearing ratio of 10 (ten) times.
- Subsidiary is required to maintain a maximum Non-Performing Loan (NPL) ratio of 5%.

CTBC Bank Co. Ltd.

On July 5 2022, BRI Multifinance has obtained an Uncommitted Credit Line facility from CTBC Bank Co. Ltd. with a plafond of USD20,000,000 (full amount) with an interest rate of 7.15%. This loan facility has a tenure of 36 (thirty six) months and will mature on February 13, 2026.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum gearing ratio of 8.5 times.
- Subsidiary is required to maintain a Non-Performing Loan (NPL) ratio above 90 (ninety) days, a maximum of 5%.

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25. FUND BORROWINGS (continued)

The following are other key information related to fund borrowings (continued):

Fund Borrowings - BRI Multifinance (continued)

PT Bank Mandiri (Persero) Tbk (Related Party)

On July 10, 2021, BRI Multifinance has obtained an Uncommitted Credit Line facility from PT Bank Mandiri (Persero) Tbk (hereinafter referred to as "Bank Mandiri") with a plafond of Rp500,000 with an interest rate of 6.75%. Until June 30, 2023, BRI Multifinance loan facility is still available at Rp500,000.

On November 23, 2020, BRI Multifinance has obtained a Working Capital Credit facility from Bank Mandiri with a plafond of Rp250,000 with an interest rate of 8.00%. This loan facility has a tenure of 36 (thirty six) months and will mature on February 4, 2024.

On July 7, 2021, BRI Multifinance has obtained a Working Capital Credit facility from Bank Mandiri with a plafond of Rp250,000 with an interest rate of 6.50%. This loan facility has a tenure of 36 (thirty six) months and will mature on November 12, 2024.

On March 16, 2022, BRI Multifinance has obtained a Working Capital Credit facility from Bank Mandiri with a plafond of Rp500,000 with an interest rate of 6.25 - 6.35%. This loan facility has a tenure of 36 (thirty six) months and will mature on June 20, 2025.

On August 2, 2022, BRI Multifinance has obtained a Working Capital Credit facility from Bank Mandiri with a plafond of Rp500,000 with an interest rate of 6.50 - 6.90%. This loan facility has a tenure of 24 (twenty four) months and will mature on November 15, 2024.

On March 8, 2023, BRI Multifinance has obtained a Working Capital Credit facility from Bank Mandiri with a plafond of Rp500,000 with an interest rate of 6.95%. This loan facility has a tenure of 24 (twenty four) months and will mature on June 21, 2025.

The financial covenants in the credit agreements obtained by BRI Multifinance are as follows:

- Subsidiary is required to maintain a maximum gearing ratio of 10 (ten) times.
- Subsidiary is required to maintain a Non-Performing Loan (NPL) ratio above 90 (ninety) days, a maximum of 5%.

On June 30, 2023 and December 31, 2022, BRI Multifinance has fulfilled the covenants required in the agreement received.

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26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES

- a) The details of Estimated Losses on Commitments and Contingencies which bear credit risk are as follows:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
Guarantees issued	3,163,988	3,341,794
Undrawn loan facilities	1,110,827	1,393,074
Irrevocable L/C	8,343	202,884
<u>Foreign currency</u>		
Guarantees issued	1,909,847	1,121,139
Irrevocable L/C	63,999	340,248
Undrawn loan facilities	5,899	59,204
Total	6,262,903	6,458,343

- b) The details of commitments and contingencies transactions (except undrawn loan facilities) are as follows:

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>				
Guarantees issued		25,253,864		27,418,018
Irrevocable L/C		597,208		1,340,853
		25,851,072		28,758,871
<u>Foreign currency</u>				
Guarantees issued				
United States Dollar	629,899,968	9,443,775	723,830,676	11,268,234
European Euro	438,640,631	7,194,495	62,685,706	1,039,437
Singaporean Dollar	1,950,000	21,663	1,950,000	22,606
Japanese Yen	15,513,941	1,620	785,187,156	92,503
Hong Kong Dollar		-	38,551,400	76,970
		16,661,553		12,499,750
<u>Irrevocable L/C</u>				
United States Dollar	203,637,789	3,053,039	236,412,806	3,680,356
European Euro	95,459,640	1,565,710	79,491,351	1,318,103
Renminbi	605,572,490	1,259,300	467,867,907	1,047,514
Japanese Yen	552,075,135	57,670	117,655,254	13,861
Great Britain Pound Sterling	504,811	9,638	181,829	3,416
Singaporean Dollar	112,600	1,251	312,465	3,622
Malaysian Ringgit	108,400	348		-
		5,946,956		6,066,872
		22,608,509		18,566,622
		48,459,581		47,325,493

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26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

- b) The details of commitments and contingencies transactions (except undrawn loan facilities) are as follows (continued):

	June 30, 2023		December 31, 2022	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Related parties (Note 44)</u>				
<u>Rupiah</u>				
Guarantees issued		12,421,793		20,378,084
Irrevocable L/C		854,212		1,230,971
		<u>13,276,005</u>		<u>21,609,055</u>
<u>Foreign currency</u>				
Guarantees issued				
United States Dollar	679,426,094	10,186,296	871,920,155	13,573,617
Japanese Yen	4,430,021,900	462,760	4,269,428,558	502,981
Malaysian Ringgit	62,516,500	200,917	62,516,500	220,912
European Euro	532,192	8,729	15,778,583	261,636
		<u>10,858,702</u>		<u>14,559,146</u>
Irrevocable L/C				
United States Dollar	329,539,410	4,940,620	279,667,804	4,353,729
European Euro	27,646,155	453,447	34,688,694	575,198
Japanese Yen	1,048,915,629	109,570	541,503,453	63,795
Renmibi	2,167,335	4,507	-	-
Great Britain Pound Sterling	126,018	2,406	591,751	11,117
Swiss Franc	80,288	1,346	-	-
Singaporean Dollar	-	-	1,391,667	16,133
		<u>5,511,896</u>		<u>5,019,972</u>
		<u>16,370,598</u>		<u>19,579,118</u>
		<u>29,646,603</u>		<u>41,188,173</u>
Total		78,106,184		88,513,666
Less allowance for impairment losses		(5,146,177)		(5,006,065)
Net		72,960,007		83,507,601

- c) The details of commitments and contingencies transactions by collectibility:

	June 30, 2023	December 31, 2022
Current	185,078,695	174,180,091
Special mention	1,790,844	522,513
Substandard	27,571	39,329
Doubtful	50,211	46,322
Loss	36,850	15,474
Total	186,984,171	174,803,729
Less allowance for Impairment losses	(6,262,903)	(6,458,343)
Net	180,721,268	168,345,386

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26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

d) Movements in estimated losses on commitments and contingencies

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category:

June 30, 2023				
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Irrevocable L/C measured at amortized costs</u>				
Carrying value beginning balance	12,410,787	1,247,881	-	13,658,668
Transition to				
Stage 1	-	-	-	-
Stage 2	(1,144)	1,144	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	(408,625)	(1,490)	-	(410,115)
New commitments and contingencies issued or purchased	8,547,729	50,168	-	8,597,897
Derecognized commitments and contingencies	(7,716,976)	(1,223,536)	-	(8,940,512)
Written-off commitments and contingencies	-	-	-	-
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	4,077	257	-	4,334
Carrying value ending balance	12,835,848	74,424	-	12,910,272

December 31, 2022				
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Irrevocable L/C measured at amortized costs</u>				
Carrying value beginning balance	9,677,550	10,094	153	9,687,797
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	(1,921,778)	2,064,851	-	143,073
New commitments and contingencies issued or purchased	12,138,336	513,151	-	12,651,487
Derecognized commitments and contingencies	(7,454,600)	(1,360,440)	(153)	(8,815,193)
Written-off commitments and contingencies	-	-	-	-
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	(28,721)	20,225	-	(8,496)
Carrying value ending balance	12,410,787	1,247,881	-	13,658,668

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26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

d) Movements in estimated losses on commitments and contingencies (continued)

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

June 30, 2023				
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Irrevocable L/C measured at amortized costs</u>				
Allowance for expected credit loss beginning balance	53,122	490,010	-	543,132
Transition to				
Stage 1	186,941	(186,941)	-	-
Stage 2	(1)	1	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	(206,406)	9,435	-	(196,971)
New commitments and contingencies issued or purchased	25,904	24,035	-	49,939
Derecognized commitments and contingencies	(20,751)	(303,011)	-	(323,762)
Written-off commitments and contingencies	-	-	-	-
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	3	1	-	4
Allowance for expected credit loss ending balance	38,812	33,530	-	72,342
December 31, 2022				
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Irrevocable L/C measured at amortized costs</u>				
Allowance for expected credit loss beginning balance	72,098	691,174	153	763,425
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	(47,409)	15,456	-	(31,953)
New commitments and contingencies issued or purchased	94,231	202,771	-	297,002
Derecognized commitments and contingencies	(65,797)	(419,393)	(153)	(485,343)
Written-off commitments and contingencies	-	-	-	-
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	(1)	2	-	1
Allowance for expected credit loss ending balance	53,122	490,010	-	543,132

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26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

d) Movements in estimated losses on commitments and contingencies (continued)

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	June 30, 2023			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Guarantees issued measured at amortized cost</u>				
Carrying value beginning balance	69,738,900	5,116,098	-	74,854,998
Transition to				
Stage 1	-	-	-	-
Stage 2	(922,094)	922,094	-	-
Stage 3	(19,540)	-	19,540	-
Net remeasurement of carrying value	62,299	-	-	62,299
New commitments and contingencies issued or purchased	34,293,712	1,764,205	-	36,057,917
Derecognized commitments and contingencies	(43,318,814)	(2,472,381)	-	(45,791,195)
Written-off commitments and contingencies	-	-	-	-
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	11,231	662	-	11,893
Carrying value ending balance	59,845,694	5,330,678	19,540	65,195,912

	December 31, 2022			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Guarantees issued measured at amortized cost</u>				
Carrying value beginning balance	51,761,062	8,184	83,365	51,852,611
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of carrying value	-	-	(868)	(868)
New commitments and contingencies issued or purchased	69,323,928	5,116,097	-	74,440,025
Derecognized commitments and contingencies	(51,347,987)	(8,183)	(82,497)	(51,438,667)
Written-off commitments and contingencies	-	-	-	-
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	1,897	-	-	1,897
Carrying value ending balance	69,738,900	5,116,098	-	74,854,998

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26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

d) Movements in estimated losses on commitments and contingencies (continued)

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	June 30, 2023			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Guarantees issued measured at amortized cost</u>				
Allowance for expected credit loss beginning balance	1,272,632	3,190,301	-	4,462,933
Transition to				
Stage 1	-	-	-	-
Stage 2	(4,049)	4,049	-	-
Stage 3	(24)	-	24	-
Net remeasurement of allowance for losses	(411,301)	1,861,572	19,516	1,469,787
New commitments and contingencies issued or purchased	657,021	1,192,692	-	1,849,713
Derecognized commitments and contingencies	(515,636)	(2,192,958)	-	(2,708,594)
Written-off commitment and contingencies	-	-	-	-
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	(5)	1	-	(4)
Allowance for expected credit loss ending balance	998,638	4,055,657	19,540	5,073,835

	December 31, 2022			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Guarantees issued measured at amortized cost</u>				
Allowance for expected credit loss beginning balance	622,732	2,260,233	82,957	2,965,922
Transition to				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Net remeasurement of allowance for losses	260	-	(459)	(199)
New commitments and contingencies issued or purchased	1,272,370	3,190,301	-	4,462,671
Derecognized commitments and contingencies	(622,469)	(2,260,233)	(82,498)	(2,965,200)
Written-off commitment and contingencies	-	-	-	-
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	(261)	-	-	(261)
Allowance for expected credit loss ending balance	1,272,632	3,190,301	-	4,462,933

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26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

d) Movements in estimated losses on commitments and contingencies (continued)

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

	June 30, 2023			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Undrawn loan facilities measured at amortized costs</u>				
Carrying value beginning balance	85,704,365	476,350	109,348	86,290,063
Transition to				
Stage 1	825,584	(809,414)	(16,170)	-
Stage 2	(325,726)	336,457	(10,731)	-
Stage 3	(159,832)	(119,732)	279,564	-
Net remeasurement of carrying value	(20,341,697)	(343,874)	(194,591)	(20,880,162)
New commitments and contingencies issued or purchased	49,428,152	2,816,664	-	52,244,816
Derecognized commitments and contingencies	(8,174,843)	(912,462)	(158,411)	(9,245,716)
Written-off commitments and contingencies	(7)	(5,290)	(9,009)	(14,306)
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	483,518	(224)	-	483,294
Carrying value ending balance	107,439,514	1,438,475	-	108,877,989

	December 31, 2022			
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Undrawn loan facilities measured at amortized costs</u>				
Carrying value beginning balance	125,007,122	15,073,824	161,360	140,242,306
Transition to				
Stage 1	2,299,967	(2,158,820)	(141,147)	-
Stage 2	(267,035)	269,370	(2,335)	-
Stage 3	(99,561)	(21,342)	120,903	-
Net remeasurement of carrying value	(24,346,829)	(123,464)	(70,662)	(24,540,955)
New commitments and contingencies issued or purchased	37,120,613	2,711,217	182,333	40,014,163
Derecognized commitments and contingencies	(54,603,173)	(15,273,219)	(133,808)	(70,010,200)
Written-off commitments and contingencies	(46)	(1,216)	(7,296)	(8,558)
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	593,307	-	-	593,307
Carrying value ending balance	85,704,365	476,350	109,348	86,290,063

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26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

d) Movements in estimated losses on commitments and contingencies (continued)

The following table presents the changes in carrying value and allowance for expected losses by financial instrument category (continued):

June 30, 2023				
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Undrawn loan facilities measured at amortized costs</u>				
Allowance for expected credit loss beginning balance	302,788	1,135,992	13,498	1,452,278
Transition to				
Stage 1	52,471	(52,414)	(57)	-
Stage 2	(4,119)	4,332	(213)	-
Stage 3	(2,141)	(14,231)	16,372	-
Net remeasurement of allowance for losses	(115,805)	(9,458)	(18,035)	(143,298)
New commitments and contingencies issued or purchased	44,866	1,545	-	46,411
Derecognized commitments and contingencies	(25,078)	(212,099)	(2,556)	(239,733)
Written-off commitments and contingencies	(7)	(5,290)	(9,009)	(14,306)
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	65,481	(50,107)	-	15,374
Allowance for expected credit loss ending balance	318,456	798,270	-	1,116,726

December 31, 2022				
	Stage 1- 12 - months Expected Credit Loss	Stage 2- Lifetime Expected Credit Loss - Not impaired	Stage 3- Lifetime Expected Credit Loss - Not impaired	Total
<u>Undrawn loan facilities measured at amortized costs</u>				
Allowance for expected credit loss beginning balance	843,872	2,413,109	13,940	3,270,921
Transition to				
Stage 1	61,578	(61,426)	(152)	-
Stage 2	(6,157)	6,705	(548)	-
Stage 3	(2,284)	(2,233)	4,517	-
Net remeasurement of allowance for losses	(572,847)	10,971	7,341	(554,535)
New commitments and contingencies issued or purchased	182,870	241,100	138	424,108
Derecognized commitments and contingencies	(191,219)	(1,494,037)	(4,442)	(1,689,698)
Written-off commitments and contingencies	(46)	(1,216)	(7,296)	(8,558)
Recovery from written-off commitments and contingencies	-	-	-	-
Foreign exchange model or parameter changes and other change	(12,979)	23,019	-	10,040
Allowance for expected credit loss ending balance	302,788	1,135,992	13,498	1,452,278

BRI assessed commitments and contingencies transactions which bear credit risk collectively and individually based on whether objective evidence of impairment exists.

Management believes that the estimated amount of commitments and contingencies losses as of June 30, 2023 and December 31, 2022, are adequate.

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27. LIABILITIES FOR EMPLOYEE BENEFITS

Liabilities for employee benefits consist of:

	June 30, 2023	December 31, 2022
Provision for employee benefit program (Note 42)	13,614,814	10,898,392
Provision for Bonuses and Incentives	4,553,146	8,936,362
Provision for Religious Festify Allowance	1,079,062	834,878
Provision for contract worker	205,150	626,855
Total	19,452,172	21,296,487

Provisions for employee benefit program include defined benefit pension program, post-employment benefit program and other long-term benefit program (gratuity for services program, grand leave, post-employment health BPJS and other benefit program of additional benefit fund) in accordance with BRI and its subsidiaries policies calculated in accordance with the calculation of an independent actuary.

28. OTHER LIABILITIES

Other liabilities consist of:

	June 30, 2023	December 31, 2022
<u>Third parties</u>		
<u>Rupiah</u>		
Future policy benefit liabilities	8,738,842	7,774,936
Investment contract liabilities	3,566,759	3,742,547
Unearned premium	2,839,475	2,236,037
Estimated claim liabilities	2,024,504	1,705,268
Interest payables	1,347,878	1,418,172
Accrued payable	1,128,109	1,482,067
Allowance for litigation liabilities (Note 45b)	1,109,413	1,634,654
Lease liabilities	295,728	347,016
Unearned income	288,556	149,159
Temporary <i>Syirkah</i> Funds	233,271	218,615
Credit card liabilities	204,966	125,857
Reinsurance payables	104,743	423,494
Allowance for timely interest payment	86,759	90,057
Provision for simpedes gift tax	23,563	16,790
Guarantee deposits	12,107	11,867
Others	7,200,962	4,643,687
	29,205,635	26,020,223
<u>Third parties</u>		
<u>Foreign currency</u>		
Time deposits in foreign exchange proceeds from export with Bank Indonesia	1,368,126	-
Interest payable	411,638	481,503
Unearned income	351,572	261,018
Lease liabilities	114,693	130,830
Others	1,533,239	978,306
	3,779,268	1,851,657
Total	32,984,903	27,871,880

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29. SUBORDINATED LOANS AND MARKETABLE SECURITIES

BRI obtained subordinated loans and marketable securities with details as follows:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
Two-step loan	2,205	2,374
Subordinated Bond III	-	499,614
Total	2,205	501,988

a. Two-step loan

The two-step loan in Rupiah represents the loans from the Government which were funded by the Asian Development Bank (ADB), International Bank for Reconstruction and Development (IBRD), International Fund for Agricultural Development (IFAD), United States Agency for International Development (USAID), and Islamic Development Bank (IDB). The interest rates of this loan vary according to the respective agreements with periods ranging from 15 (fifteen) to 40 (forty) years.

The average interest rates for this two-step loan are 2.28% and 2.15% for the six-month period ended June 30, 2023 and December 31, 2022. This loan will mature on various dates up to 2027.

b. Subordinated Bond III Year 2018

On June 27, 2018, BRI issued Subordinated Bond III Year 2018 with a nominal value of Rp500,000 with an interest of 7.70% per annum, for a period of 5 (five) years and will mature on June 26, 2023. The interest of Subordinated Bond III Year 2018 is paid every 3 (three) months, starting from June 26, 2018. At the time of issuance, the Subordinated Bond III Year 2018 were rated AA by Pefindo.

On December 31, 2022, Subordinated Bond III year 2018 obtained an AA rating from Pefindo.

Subordinated Bond III Year 2018 with a nominal value of Rp500,000 has been paid by BRI on its maturity date.

Management believes that all covenants or restrictions stipulated in the trustee agreements have been complied with.

The classification of subordinated loans and marketable securities based on their remaining period until maturity are as follows:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
> 3 months - 1 year	-	499,614
> 1 year - 5 years	2,205	2,374
Total	2,205	501,988

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30. STOCK OPTION

Based on the Extraordinary General Meeting of Shareholders on March 23, 2016, the Shareholder agreed to transfer BRI shares from the proceeds of the buyback held in treasury stock to the management and employee share ownership program.

The aims of this program are to encourage ownership of the Bank's shares by program participants, aligning the Bank's objectives with the objectives of program participants who are management and employees of the Bank as well as improving their performance.

The Bank issued the MESOP program on May 15, 2020 (granting date) amounting to 194,008,300 shares in 2 (two) stages as follows:

- a. Phase I of 97,004,150 shares with vesting period ending October 31, 2020.
- b. Phase II of 97,004,150 shares with vesting period ending May 31, 2021.

The option validity period starts from the distribution date until October 31, 2021. After such date, all the unused option rights will become void.

The eligible parties to receive the MESOP are Directors, Board of Commissioners except Independent Commissioners and permanent employees with reference to tenure, performance assessment, group of positions and titles.

The calculations, methods and assumptions regarding the MESOP are obtained from the reports of independent actuaries, Willis Towers Watson on August 6, 2020.

The compensation expenses recognized in the consolidated income statement and other comprehensive income in relation to the Phase I and Phase II stock options for the six month period ended June 30, 2023 and December 31, 2022 amounted to RpNil and Rp14,686, respectively, credited to stock options in the equity.

The fair value of each option right is estimated on the date of granting the option rights by using the "Black-scholes" model, assuming the following main assumptions:

	MESOP Phase 1	MESOP Phase 2
Vesting period (month)	5.5	12.5
Share price on the date of option (Full Rupiah)	2,240	2,240
Option execution price (Full Rupiah)	2,240	2,240
Fair value options (Full Rupiah)	345	382
Share price volatility	58.46%	43.85%
Risk-free interest rates	5.23	5.56
Dividend rate	5.10	5.10

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31. EQUITY

a. Capital Stock

The details of authorized, issued and fully paid capital stock of BRI as of June 30, 2023 and December 31, 2022 are as follows:

June 30, 2023				
	Number of Shares	Nominal Value per Share (Full Rupiah)	Total Share Value (Full Rupiah)	Percentage of ownership
Authorized capital stock				
Series A Dwiwarna Share	1	50	50	0.00%
Series B Common Shares	299,999,999,999	50	14,999,999,999,950	100.00
Total	300,000,000,000		15,000,000,000,000	100.00%
Issued and fully paid capital stock				
Series A Dwiwarna Share	1	50	50	0.00%
Republic of Indonesia				
Series B Common Shares B				
Republic of Indonesia	80,610,976,875	50	4,030,548,843,750	53.19
Commissioners:				
- Kartika Wirjoatmodjo	442,800	50	22,140,000	0.00
- Rabin Indrajad Hattari	398,400	50	19,920,000	0.00
Directors:				
- Sunarso	2,685,856	50	134,292,800	0.00
- Catur Budi Harto	1,344,957	50	67,247,850	0.00
- Ahmad Solichin Lutfiyanto	3,120,870	50	156,043,500	0.00
- Handayani	2,958,600	50	147,930,000	0.00
- Supari	2,423,114	50	121,155,700	0.00
- Agus Noorsanto	1,601,041	50	80,052,050	0.00
- Agus Sudiarto	1,250,800	50	62,540,000	0.00
- Amam Sukriyanto	1,060,154	50	53,007,700	0.00
- Viviana Dyah Ayu R.K	1,046,200	50	52,310,000	0.00
- Agus Winardono	1,036,881	50	51,844,050	0.00
- Arga Mahanana Nugraha	847,185	50	42,359,250	0.00
- Andrijanto	734,200	50	36,710,000	0.00
Public	70,270,820,270	50	3,513,541,013,500	46.38%
	150,902,748,204		7,545,137,410,200	99.57%
Treasury stock (Note 1d)	656,253,400		32,812,670,000	0.43
Total	151,559,001,604		7,577,950,080,200	100.00%

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31. EQUITY (continued)

a. Capital Stock (continued)

The details of authorized, issued and fully paid capital stock of BRI as of June 30, 2023 and December 31, 2022 are as follows (continued):

	December 31, 2022			
	Number of Shares	Nominal Value per Share (Full Rupiah)	Total Share Value (Full Rupiah)	Percentage of ownership
Authorized capital stock				
Series A Dwiwarna Share	1	50	50	0.00%
Series B Common Shares	299,999,999,999	50	14,999,999,999,950	100.00
Total	300,000,000,000		15,000,000,000,000	100.00%
Issued and fully paid capital stock				
Series A Dwiwarna Share	1	50	50	0.00%
Republic of Indonesia				
Series B Common Shares B				
Republic of Indonesia	80,610,976,875	50	4,030,548,843,750	53.19
Commissioners:				
- Kartika Wirjoatmodjo	442,800	50	22,140,000	0.00
- Hadiyanto	1,048,700	50	52,435,000	0.00
- Rabin Indrajad Hattari	398,400	50	19,920,000	0.00
Directors:				
- Sunarso	2,398,156	50	119,907,800	0.00
- Catur Budi Harto	1,344,957	50	67,247,850	0.00
- Ahmad Solichin Lutfiyanto	3,120,870	50	156,043,500	0.00
- Handayani	2,958,600	50	147,930,000	0.00
- Supari	2,423,114	50	121,155,700	0.00
- Agus Noorsanto	1,401,041	50	70,052,050	0.00
- Agus Sudiarto	1,250,800	50	62,540,000	0.00
- Andrijanto	734,200	50	36,710,000	0.00
- Amam Sukriyanto	1,010,154	50	50,507,700	0.00
- Agus Winardono	982,681	50	49,134,050	0.00
- Viviana Dyah Ayu R.K	996,200	50	49,810,000	0.00
- Arga Mahanana Nugraha	847,185	50	42,359,250	0.00
Public	70,438,345,270	50	3,521,917,263,500	46.49%
	151,070,680,004		7,553,534,000,200	99.68%
Treasury stock (Note 1d)	488,321,600		24,416,080,000	0.32
Total	151,559,001,604		7,577,950,080,200	100.00%

Series A Dwiwarna share is the share that gives the shareholder preferential rights to approve the appointment and dismissal of Board of Commissioners and Directors, amendments in the articles of association, approval on BRI's merger, dissolution, acquisition and separation, as well as submission of BRI's bankruptcy and liquidation declaration request.

Series B shares are common shares that can be owned by the public.

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31. EQUITY (continued)

b. Additional Paid-in Capital

The details of additional paid-in capital are as follows:

	June 30, 2023	December 31, 2022
Additional capital by the Government related to recapitalization program	1,092,144	1,092,144
Remaining balance of paid-up capital by the Government	5	5
Additional paid-in capital from IPO	589,762	589,762
Exercise of stock options		
Year 2004	49,514	49,514
Year 2005	184,859	184,859
Year 2006	619,376	619,376
Year 2007	140,960	140,960
Year 2008	29,013	29,013
Year 2009	14,367	14,367
Year 2010	43,062	43,062
Stock option MSOP Stage-I which is already expired	504	504
Stock option MSOP Stage-II which is already expired	1,845	1,845
Stock option MSOP Stage-III which is already expired	8,447	8,447
Acquisition of merging entities in 2018	(81,195)	(81,195)
Bonus shares compensation in 2019	208,331	208,331
Bonus shares compensation in 2020	510,819	510,819
Bonus shares compensation in 2021	1,154,211	1,154,211
Stock option MSOP Stage-IV which is already expired	62,862	62,862
Loss of control over subsidiaries	565,209	565,209
Additional capital for PMHMETD transactions	94,419,142	94,419,142
Acquisition transaction under common control in 2021	(23,370,339)	(23,370,339)
Compensation for bonus shares in 2022	(1,341)	(1,341)
Acquisition transaction under common control in 2022	(604,474)	(604,474)
Reversal of provision for bonus shares compensation	210,266	-
Total	75,847,349	75,637,083

In line with the realization of the Recapitalization Program for Commercial Banks in accordance with Government Regulation No. 52 Year 1999 regarding the "Increase in Investment by the Republic of Indonesia in State-Owned Banks", the Government determined that the recapitalization requirement amount of BRI to achieve Capital Adequacy Ratio (CAR) of 4% was Rp29,063,531 as of June 30, 2003, the authorized and issued capital stock of BRI has not yet been increased by additional capital from the above recapitalization program, therefore, the paid-up capital from the Government of Rp29,063,531 was recorded temporarily in "Additional Paid-in Capital" account together with the previous balance of paid-up capital of Rp5 from the Government.

Based on the Decision Letter of the Minister of Finance No. 427/KMK.02/2003 dated September 30, 2003, the final recapitalization requirement of BRI amounted to Rp29,063,531. The amount of Rp3,272,000 was converted to paid-up capital and the remaining balance of Rp25,791,531 was recorded as additional paid-in capital. Furthermore, with the implementation of the quasi-reorganization by BRI, the accumulated losses before quasi-reorganization as of June 30, 2003 amounting to Rp24,699,387 was eliminated against additional paid-in capital, resulting in additional paid-in capital amounting to Rp1,092,149 as of June 30, 2003.

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31. EQUITY (continued)

b. Additional Paid-in Capital (continued)

On November 10, 2003, BRI conducted an IPO by issuing 1,764,705,000 new Series B common shares with a par value of Rp500 (full Rupiah) per share at the offering price of Rp875 (full Rupiah) per share, resulting in additional paid-in capital as follows:

Total New Series B Common Shares Issued to the Public Under the IPO (Shares) (Note 1c)	1,764,705,000
Additional paid-in capital per share (Full Rupiah)	375
Total additional paid-in capital Share (Full Rupiah)	661,764
Less	
- 3% discount given to BRI customers	(2,961)
- Cost of IPO	(69,041)
Additional paid-in capital from IPO	589,762

In accordance with the Extraordinary General Meeting of Shareholders on October 3, 2003, as disclosed in the Deed No. 6 of Notary Imas Fatimah, S.H., the shareholders approved the issuance of stock options to be implemented in 3 (three) phases. The stock options are granted to Directors and employees in certain positions and appointments who have fulfilled the stipulated requirements (Management Stock Option Plan (MSOP)).

The compensation cost of the MSOP is recognized as stock options which is part of equity.

BRI employees have exercised their stock options for MSOP I starting from November 10, 2004, MSOP II starting from November 10, 2005 and MSOP III starting from November 15, 2006. MSOP I, II and III stock options that have been exercised from 2004 to 2010 amounted to 569,876,000 shares where there were 4,728,500 shares in 2010, 4,553,000 shares in 2009, 7,499,000 shares in 2008, 31,379,000 shares in 2007, 250,721,000 shares in 2006, 185,610,000 shares in 2005 and 85,385,500 shares in 2004. The additional paid-in capital arising from the exercise of stock options amounted to Rp43,062 in 2010, Rp14,367 in 2009, Rp29,013 in 2008, Rp140,960 in 2007, Rp619,376 in 2006, Rp184,859 in 2005 and Rp49,514 in 2004.

Entities under common control transaction

Based on the Deed Sale and Purchase of Shares No. 70 dated December 20, 2018, of Ashoya Ratam, S.H., M.Kn., PT Bahana Artha Ventura transferred 15,874 shares of BRI Ventura to BRI (Note 1f) and based on the Deed of Shares Takeover No. 53 dated December 21, 2018, made before Masjuki, S.H., a substitute notary of Notary M. Nova Faisal, S.H., M.Kn., PT Danareksa (Persero) sold 335,000,000 shares of PT Danareksa Sekuritas (Danareksa Sekuritas) to BRI (Note 1f).

These sale and purchase transactions constitute a business combination of entities under common control where the ultimate shareholder of BRI, PT Danareksa (Persero) and PT Bahana Artha Ventura is the Government of the Republic of Indonesia. Therefore, the transactions are treated based on the pooling of interests method in accordance with the SFAS No. 38 (Revised 2012), "Business Combination of Entities Under Common Control".

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31. EQUITY (continued)

b. Additional Paid-in Capital (continued)

Entities under common control transaction (continued)

The difference between the amount of the considerations transferred and the carrying amount of the investment obtained from this transaction is recorded in the "additional paid-in capital" account in equity, with details as follows:

	Considerations transferred	Investment Carrying amount	Additional Paid- in Capital
Danareksa Sekuritas	446,888	366,359	80,529
BRI Ventures	3,090	2,424	666
Total	449,978	368,783	81,195

Based on the Deed of Sale and Purchase of Shares No. 47 dated December 20, 2018 made before Masjuki, S.H., Notary substitute for M. Nova Faisal, S.H., M.Kn., PT Danareksa (Persero) has transferred the share ownership of PT Danareksa Investment Management ("DIM") amounting to 10,500,000 shares to BRI (Note 1f). For this transaction, BRI has significant influence on DIM so that this transaction is recorded in accordance with SFAS No. 15 "Investment in Associated Entities", where in the equity method initial recognition is recognized according to the acquisition price which is then added or reduced to recognize BRI's share of DIM's profit or loss after date of acquisition.

Furthermore, based on the Deed of Sale and Purchase of Shares No. 32 dated November 30, 2022 made before Fathiah Helmi, S.H., Notary in Jakarta PT Danareksa (Persero) has transferred ownership of PT Danareksa Investment Management ("DIM") shares totaling 9,000,000 shares to BRI (Note 1f), so that BRI owns 19,500,000 shares or equivalent to 65% of the total outstanding shares of DIM. For this transaction, BRI obtained control over DIM so that this transaction is a business combination of entities under common control and is recorded in accordance with SFAS No. 38 "Business Combinations of Entities under Common Control".

The difference between the amount of consideration transferred and the carrying amount of the investment obtained from this transaction is recorded in the "Additional Paid-in Capital" account in the equity section. At the acquisition date in 2022, the difference between the amount of consideration transferred and the carrying amount of the investment amounted to Rp604,474.

Loss of control over the subsidiary (BRIS)

On October 12, 2020, PT Bank Mandiri (Persero) Tbk (Mandiri), PT Bank Rakyat Indonesia (Persero) Tbk (BRI), PT Bank Negara Indonesia (Persero) Tbk (BNI), PT Bank Syariah Mandiri (BSM), PT Bank BRIsyariah Tbk (BRIS) and PT Bank BNI Syariah (BNIS) have signed a Conditional Merger Agreement (CMA) for the purpose of merging BSM, BRIS and BNIS (Merger Participating Banks).

Based on the CMA, after the effective date of the merger, PT Bank BRIsyariah Tbk (BRIS) will become the surviving entity and all shareholders of PT Bank BNI Syariah (BNIS) and PT Bank Syariah Mandiri (BSM) will become shareholders of the entity that accept the merger based on the combined ratio.

Based on the combined ratio of BRI's ownership of BSI, it is 17.29% or 7,092,761,655 shares worth Rp3,546,381.

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31. EQUITY (continued)

b. Additional Paid-in Capital (continued)

Loss of control over the subsidiary (BRIS) (continued)

Since February 1, 2021, BRI has lost control of BRIS which has resulted in BRI having to derecognize BRIS' net assets at their carrying amount of Rp909,707 and the carrying amount of any former non-controlling interest in BRIS when control is lost (including any components of other comprehensive income attributable to non-controlling interests) amounting to Rp1,452,824. After that BRI recognized investment in BSI in accordance with the combined ratio where the difference between BRIS's net assets and BSI's investment was recorded as additional paid-in capital of Rp565,209.

This merger transaction is a business combination transaction of entities under common control in which the ultimate shareholder of BRI, BNI, Mandiri, BSM, BRIS and BNIS is the Government of the Republic of Indonesia. Therefore, the transaction is treated based on the combined interest method in accordance with Statement of Financial Accounting Standards ("SFAS") No. 38, "Business Combination of Entities Under Common Control".

The difference between the carrying amount of the previous investment and the carrying amount of the investment obtained from this transaction is recorded in the "Additional Paid-in Capital" account in the equity section, with details as follows:

	Carrying amount of previous investment	Carrying amount of investment due to merger	Additional paid-in capital
BRI ownership of BSI	2,981,172	3,546,381	565,209

Additional Capital for PMHMETD transactions

In accordance with the Extraordinary General Meeting of Shareholders on July 22, 2021, as disclosed in the Deed No. 61 of Notary Fathiah Helmi, S.H., the shareholders approved the company issues new shares in connection with the issuance of Additional Capital with Preemptive Rights I (PMHMETD I) mechanism.

Additional Capital with Preemptive Rights I has received an effective statement from the Financial Services Authority ("OJK") on August 30, 2021. The Government of the Republic of Indonesia, as the controlling shareholder of the Company, takes part to all Preemptive Rights to which it is entitled by conducting *Inbreng* on shares owned by the Government's shares in Pegadaian and PNM to BRI as follows:

- a) 6,249,999 Series B shares or representing 99.99% of the issued and fully paid capital in Pegadaian;
- b) 3,799,999 Series B shares or representing 99.99% of the issued and fully paid capital in PNM.

The *inbreng* transaction is in accordance with the Deed of Transfer of Rights to Shares of the Republic of Indonesia for the Company (Persero) PT Pegadaian, the Limited Liability Company (Persero) PT Permodalan Nasional Madani for and in the context of Additional State Participation of the Republic of Indonesia in the Company's Equity Participation Company (Persero) PT Bank Rakyat Indonesia Tbk No. 13 dated September 13, 2021, Notary Fathiah Helmi, S.H., for the *Inbreng* Transaction is a business combination transaction of entities under common control in which the ultimate shareholder of BRI, PT Pegadaian (Persero) and PT Permodalan Nasional Madani is the Government of the Republic of Indonesia. Therefore, the transaction is treated based on the pooling of interest method in accordance with Statement of Financial Accounting Standards ("SFAS") No. 38, "Business Combination of Entities Under Common Control".

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31. EQUITY (continued)

b. Additional Paid-in Capital (continued)

Additional Capital for PMHMETD transactions (continued)

The difference between the nominal of investment and carrying amount of investment from this transaction is recorded in "Additional paid-in capital" in equity section as follows:

	Nominal of Investment	Carrying amount of investment	Additional paid-in capital
PNM	6,100,068	6,073,819	26,249
Pegadaian	48,670,528	25,326,438	23,344,090
Total	54,770,596	31,400,257	23,370,339

The nominal amount of investment transferred is in accordance with the fair value result from the External Independent Appraisal (KJPP) Suwendho Rinaldy and Partners, in accordance with report no. 00244/2.0059-02/BS/07/0242/1/VI/2021 dated June 30, 2021 and No. 00245/2.0059-02/BS/07/0242/1/VI/202 dated June 30, 2021.

The PMHMETD I increased the issued and fully paid capital of 28,213,191,604 shares or Rp1,410,659, consisting of the Government *inbreng* shares totaling 16,108,998,710 shares or Rp805,450 and the public as many as 12,104,192,894 shares or Rp605,210, which resulted in an increase in additional paid-in capital of Rp94,419,142 (after deducting emission costs).

c. Differences Arising from Translation of Foreign Currency Financial Statements

This account represents the exchange rate differences arising from the translation of the financial statements of BRI overseas branches/representative office (Cayman Islands, New York, Hong Kong, Singapore, Timor-Leste and Taipei) and subsidiaries with functional currency of United States Dollar, Hong Kong Dollar, Singaporean Dollar and New Taiwanese Dollar into Rupiah (Note 2ai). Assets and liabilities as well as commitments and contingencies denominated in other foreign currency were translated into Rupiah using the Reuters spot rates at 4.00 p.m. WIB (Western Indonesian time) on the statements of financial position date. The consolidated statements of profit or loss and other comprehensive income for the six month period ended June 30, 2023 and 2022, is the sum of consolidated statements of profit or loss and other comprehensive income which are translated into Rupiah using the average mid-rate of currency exchange for the respective month.

d. Distribution of Net Income

In the Annual General Meetings of BRI's Shareholders held on March 13, 2023 and March 1, 2022, the Shareholders agreed to distribute dividend from net income for the years ended December 31, 2022 and 2021 are as follows:

	Income for the year	
	Ended December 31,	
	2022	2021
Consolidated	43,494,766	26,406,603

Based on Letter from State Minister for State Owned Enterprises No. S-820/MBU/12/2022 dated December 19, 2022, the distribution of interim dividends for the 2022 financial year was determined, which was then approved by the Board of Directors based on the Board of Directors Meeting on December 20, 2022 in the amount of Rp8,602,823.

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31. EQUITY (continued)

e. Reclassification of Appropriated Retained Earnings

In order to maintain its capital structure, BRI has reclassified its appropriated retained earnings into unappropriated retained earnings amounting to Rp15,093,056. This is in accordance with the implementation of the Financial Services Authority Regulation (POJK) No. 34/POJK.03/2016 dated September 26, 2016 regarding "Amendment to POJK No. 11/POJK.03/2016 regarding Minimum Capital Adequacy Requirement for Commercial Banks".

f. Bonus Shares Program

Taking into account the development of BRI's business performance and in order to increase the employee's sense of belonging to the company and provide long-term incentives for employees to achieve the determined targets, the BRI's Board of Directors decided to provide a share ownership bonus program for management and employees (Employee Stock Allocation (ESA)). The distribution of shares is given to each worker based on the individual and company performance.

Payment of the BRI Phase 1 ESA I Program has been carried out in accordance with the Directors' Letter No. 751-DIR/KHC/05/2019 dated May 22, 2019 concerning the Implementation of the Management and Employee Stock Ownership Program to 50,775 employees totaling 143,415,500 shares (Note 1d).

Payment of the BRI Phase 2 ESA I Program has been carried out in accordance with Letter No. B.442-DIR/HCS/03/2020 to 173 employees totaling 4,396,700 shares (Note 1d).

According to the letter of the Board of Directors No. B.03-DIR/HCS/01/2020 dated on January 2, 2020, BRI re-implemented the ESA II, III, and IV programs. The ESA program has a grant date on January 2, 2020, with the vesting period ended on January 31, 2020 (ESA II), March 31, 2021 (ESA III), and October 31, 2021 (ESA IV).

The fair value of ESA II BRI at the time of distribution is Rp995,148 which is recognized in the consolidated profit or loss and other comprehensive income. BRI has made payment of ESA II program on February 25, 2020.

The fair value of ESA III and ESA IV at the time of distribution on January 2, 2020 amounted to Rp953,005 and Rp930,721, respectively. The fair value of ESA III and IV are amortized during the vesting period and recognized in consolidated profit or loss and other comprehensive income, while accumulated costs during the vesting period were recognized in equity.

g. Changes in the proportion of ownership by non-controlling interests in PT Asuransi BRI Life (BRI Life)

Based on Deed No. 8 dated March 2, 2021, of Jose Dima Satria, S.H., M.Kn., Notary in South Jakarta, where the shareholders agreed to issue new shares so that the authorized capital of BRI Life becomes Rp400,000,000,000 (four hundred billion rupiah), divided into 4,000,000 (four million) shares with each share having a nominal value of Rp100,000 (one hundred thousand rupiah) (Note 1f).

Based on the Shareholders Agreement dated March 2, 2021, FWD Financial Services Pte. Ltd. will take over as much as 936,458 (nine hundred thirty-six thousand four hundred and fifty-eight) shares in furtherance of the long-term strategic cooperation. In result the composition of BRI Life's share ownership of BRI is at 63.83%, Yayasan Kesejahteraan Pekerja BRI at 6.31%, and FWD Financial Services Pte. Ltd at 29.86% (Note 1f).

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31. EQUITY (continued)

- g. Changes in the proportion of ownership by non-controlling interests in PT Asuransi BRI Life (BRI Life) (continued)

Based on Deed No. 11 dated March 2, 2023 concerning the Declaration of Shareholders Decision of PT Asuransi BRI Life decided and approved the increase in issued and paid-up capital from Rp339,200 to Rp365,559, by issuing new shares of 263,580 (two hundred sixty-three thousand five hundred eighty) shares, which were taken entirely by FWD Management Holdings Limited. Thereby as of March 2, 2023, the composition of BRI Life's share ownership becomes BRI 54.77%, Yayasan Kesejahteraan Pekerja BRI 5.42%, and FWD Management Holdings Limited 39.82% (Note 1f).

As the proportion of equity held by non-controlling interests has changed, BRI adjusted the carrying amount of controlling and non-controlling interests to reflect changes of ownership in BRI Life. The difference between the adjusted carrying amount of the non-controlling interest and the fair value of the benefits received by BRI is recognized directly in equity, namely in the "Impact of transactions with non-controlling" account amounting to Rp1,758,580.

- h. Non-controlling interest

Below are the details of non-controlling interests:

	June 30, 2023	December 31, 2022
<u>Non-controlling interests:</u>		
Parent Entity		
PT Asuransi BRI Life	4,081,713	3,223,619
PT Bank Raya Indonesia Tbk	453,436	451,221
PT BRI Asuransi Indonesia	174,931	162,216
PT BRI Danareksa Sekuritas	150,571	156,079
PT Danareksa Investment Management	76,243	79,610
Subsidiaries	36,254	28,561
Total	4,973,148	4,101,306

- i. Partially Transfer of Series B Shares owned by the Republic of Indonesia to the Indonesia Investment Authority

Based on Government Regulation of the Republic of Indonesia No. 111 year 2021 regarding the Addition of the State Equity Participation of the Republic of Indonesia into the Capital of the Investment Management Institution, it has been stipulated of the addition of the state's equity participation to the Investment Management Institution (in this case the Indonesia Investment Authority). The additional capital participation comes from the transfer of BRI series B shares owned by the Republic of Indonesia to BRI.

Subsequently, in accordance with the Notarial Deed No. 33 regarding the Agreement on the Transfer of Rights to the Shares of the Republic of Indonesia in PT Bank Rakyat Indonesia (Persero) Tbk, to and in the context of the addition of the State Equity Participation of the Republic of Indonesia into the Capital of the Investment Management Institution made by Notary Fathiah Helmi, S.H. The partial transfer of series B shares belonging to the Republic of Indonesia in BRI to the Indonesia Investment Authority has been effective upon the signing of the Deed on December 23, 2021.

The transfer of part of the series B shares owned by the Republic of Indonesia in BRI to the Indonesia Investment Authority amounted to 5,498,021,834 shares or 3.63%, so that the series B shares owned by the Republic of Indonesia in BRI amounting to 80,610,976,875 shares or 53.19%.

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32. INTEREST AND SHARIA INCOME

Interest income are derived from:

	For the six-month period ended as of June 30,	
	2023	2022
<u>Rupiah</u>		
Loan		
Micro	37,985,255	33,164,136
Retail	25,719,132	24,968,740
Corporate	722,417	2,320,456
Finance receivables	2,482,116	2,732,401
Securities		
Fair value through profit or loss		
Government Bonds	119,676	109,738
Bonds	19,602	7,566
Fair value through Other Comprehensive Income		
Government Bonds	1,680,784	2,132,003
Bonds	383,902	402,958
Negotiable Certificate of Deposit	293	1,254
Medium-Term Note	13,975	6,069
Amortized Costs		
Government Bonds	3,188,798	3,185,985
Bonds	33,787	51,063
Medium-Term Note	2,750	2,750
Negotiable Certificate of Deposit	-	1,941
Securities purchased under agreement to resell	1,211,977	374,509
Placements with Bank Indonesia and other financial institutions		
Deposit Facility/Term Deposit	154,559	280,820
Inter-bank call money	24,959	319
Others	486,330	197,017
Current accounts with Bank Indonesia	3,950	4,547
Others	461,140	184,210
	74,695,402	70,128,482
<u>Foreign currency</u>		
Loan		
Corporate	2,548,556	1,190,211
Retail	103,753	181,654
Finance receivables	3,012	4,664
Securities		
Fair value through profit or loss		
Government Bonds	6,779	1,816
Bonds	718	331
Fair value through Other Comprehensive Income		
Government Bonds	515,692	479,780
Bonds	127,080	47,697
Bank Indonesia Certificate	48,896	3,428
Negotiable Certificate of Deposit	6,115	208
Amortized Costs		
Government Bonds	336,100	368,997
Bonds	9,988	8,539

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32. INTEREST AND SHARIA INCOME (continued)

Interest income are derived from (continued):

	For the six-month period ended as of June 30,	
	2023	2022
<u>Foreign currency (continued)</u>		
Securities purchased under agreement to resell	379	-
Placement with Bank Indonesia and other financial instruments		
Deposit Facility/Term Deposits	686,818	8,397
Inter-bank call money	235,783	38,640
Others	142,775	48,562
Current accounts with Bank Indonesia	19	19
Others	157,259	14,443
	4,929,722	2,397,386
Total Interest Income	79,625,124	72,525,868
Sharia income are derived from:		
<u>Rupiah</u>		
Murabahah	4,748,189	3,207,115
Mudharabah	1,215,527	1,126,109
Ujrah	1,945	1,871
Total Sharia Income	5,965,661	4,335,095
Total	85,590,785	76,860,963

33. INTEREST AND SHARIA EXPENSES

This account represents interest expense on:

	For the six-month period ended as of June 30,	
	2023	2022
<u>Rupiah</u>		
Time Deposits	8,628,084	4,710,682
Demand Deposits	2,006,901	1,386,775
Fund borrowings	1,536,688	761,793
Marketable securities issued	1,048,545	1,508,859
Saving Deposits	646,256	570,771
Securities sold under agreement to repurchase	197,328	26,925
Deposits from other Banks and Financial Institutions	73,873	42,634
Subordinated Loans	19,091	19,586
Deposits Certificate	3,845	7,775
Others	1,791,647	1,712,326
	15,952,258	10,748,126

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33. INTEREST AND SHARIA EXPENSES (continued)

This account represents interest expense on (continued):

	For the six-month period ended as of June 30,	
	2023	2022
<u>Foreign currency</u>		
Demand Deposits	1,196,411	88,850
Fund borrowings	744,664	232,089
Time Deposits	732,087	155,328
Marketable securities issued	331,544	365,602
Deposits from other Banks and Financial Institutions	207,360	113,307
Securities sold under agreement to repurchase	85,135	6,788
Saving Deposits	4,429	1,927
Others	221,055	2,328
	3,522,685	966,219
	19,474,943	11,714,345
Sharia expense	575,540	533,095
Total Sharia Expense	575,540	533,095
Total	20,050,483	12,247,440

34. PROVISION FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS - NET

This account represents provision for (reversal of) impairment losses on financial assets as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Loans (Note 11f)	12,477,049	16,691,207
Finance receivables (Note 13c)	736,104	1,116,307
Export Bills and Other Receivables (Note 8d)	601,469	131,363
Acceptances Receivables (Note 14d)	120,081	(129,442)
Current accounts with Other Banks (Note 5e)	29,706	4,222
Sharia loans (Note 12)	28,654	(97,777)
Securities (Note 7i)	24,032	(222,194)
Placement with Bank Indonesia and other financial institutions (Note 6e)	502	(358)
Total	14,017,597	17,493,328

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35. SALARIES AND EMPLOYEE BENEFIT

The details of this account are as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Salaries, wages and allowances	11,973,200	10,702,776
Bonuses, incentives and tantiem	2,887,094	4,657,523
Employees program (Note 42)	1,715,600	1,141,744
Training and Developments	495,987	311,407
Jamsostek contribution	481,689	478,822
Medical allowances	313,959	91,845
Share compensation costs	82	3,430
Others	993,642	1,637,303
Total	18,861,253	19,024,850

Total salaries and allowances of the Board of Directors amounted to Rp109,472 and Rp88,396 for the six month period ended June 30, 2023 and 2022, respectively, and total salaries and allowances of the Board of Commissioners amounted to Rp41,288 and Rp40,816 for the six month period ended June 30, 2023 and 2022, respectively (Note 44).

Bonuses, incentives and tantiem of BRI's Boards of Directors, Commissioners and key employees amounting to Rp185,918 and Rp185,532 for the six month period ended June 30, 2023 and 2022, respectively (Note 44).

36. GENERAL AND ADMINISTRATIVE EXPENSES

The details of this account are as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Outsourcing service	2,254,741	2,427,927
Third party goods and services	2,003,537	1,465,655
Depreciation of premises and equipments and right-of-use assets (Note 16)	1,880,082	1,570,360
Repairs and maintenance	1,233,251	844,798
E-Channel	1,056,824	1,324,051
Rent	872,683	533,525
Transportation	764,047	407,233
Professional fees	402,003	348,594
Electricity and water	359,702	322,252
Communications	214,346	201,443
Office supplies	207,206	201,302
Research and product development	145,909	138,311
Printing and postage	132,672	184,579
Computer installations	46,185	68,557
Others	1,960,169	1,412,526
Total	13,533,357	11,451,113

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37. NON OPERATING (EXPENSES)/INCOME - NET

The details of this account are as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Gain on sale of premises and equipments	28,368	78,076
Rent Income	457	5,321
Donation	(109)	(9,073)
Corporate Social Responsibility	(13,169)	(10,418)
Non – PUMK Social and Environmental Responsibility	(21,574)	(33,047)
Others - net	(30,679)	47,800
Total	(36,706)	78,659

38. TAXATION

a) Taxes Payable

As of June 30, 2023 and December 31, 2022, the details of taxes payable are as follows:

	June 30, 2023	December 31, 2022
<u>BRI (parent entity)</u>		
Income tax		
Article 25	1,475,930	1,135,923
Article 29	-	678,296
	<u>1,475,930</u>	<u>1,814,219</u>
<u>Subsidiaries</u>		
Income tax	529,876	1,148,050
Value-added tax	34,872	91,513
	<u>564,748</u>	<u>1,239,563</u>
Total	2,040,678	3,053,782

b) Tax Expense

	For the six-month period ended as of June 30,	
	2023	2022
<u>BRI (parent entity)</u>		
Current tax expense of:		
Current year	4,585,857	6,203,823
Deferred income tax (benefit) expense	1,983,626	(729,782)
	<u>6,569,483</u>	<u>5,474,041</u>

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38. TAXATION (continued)

b) Tax Expense (continued)

	For the six-month period ended as of June 30,	
	2023	2022
<u>Subsidiaries</u>		
Current tax expense of:		
Current year	907,585	912,279
Deferred income tax (benefit) expense	161,702	(38,312)
	1,069,287	873,967
Total	7,638,770	6,348,008

The reconciliation between income before tax expense as presented in the consolidated statement of profit or loss and other comprehensive income and estimated taxable income are as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Income before tax expense as presented in the consolidated statement profit or loss and other comprehensive income	37,200,131	31,224,279
Income of subsidiaries	(4,365,128)	(1,924,505)
Income before tax expense of BRI (parent entity)	32,835,003	29,299,774
Temporary differences:		
Depreciation of premises and equipment	(86,040)	6,782
Unrealized gain/(losses) of securities measured at fair value through profit or loss	(86,252)	(76,996)
Provision for estimated losses on commitments and contingencies	(194,218)	(543,271)
Reversal of stock-based employee benefits	(210,266)	-
Provision for employee expense	(3,757,052)	517,041
Allowance for impairment losses on productive assets	(6,600,235)	3,937,402
	(10,934,063)	3,840,958

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38. TAXATION (continued)

b) Tax Expense (continued)

The reconciliation between income before tax expense as presented in the consolidated statement of profit or loss and other comprehensive income and estimated taxable income are as follows (continued):

	For the six-month period ended as of June 30,	
	2023	2022
Permanent differences:		
Promotions	641,148	726,645
Public relations	136,377	59,007
Representations and donations	84,747	91,784
Travel and compensation	23,256	16,810
Physical and spiritual activities	21,286	21,455
Dividend income exempt from taxes	(95,133)	(1,538,835)
Income from overseas branch offices	(155,144)	(240,438)
Income of associated entities	(439,265)	(287,849)
Income that is not an object of income tax	(574,866)	(168,325)
Others	2,592,742	830,715
	2,235,148	(489,031)
Estimated taxable income	24,136,088	32,651,701
<u>Parent entity</u>		
Income tax expense - current	(4,585,857)	(6,203,823)
Payment of income tax installments during current year	6,238,629	5,566,957
Estimated income tax refund (payable) - Article 29 – net (Note 17)	1,652,772	(636,866)
<u>Subsidiaries</u>		
Income tax expense - current	(907,585)	(912,279)
Payment of income tax installments during current year	682,307	473,918
Estimated income tax payable - Article 29 - net	(225,278)	(438,361)

The calculation of Corporate Income Tax for the year period ended December 31, 2022 is in accordance with the Company's Annual Tax Return.

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38. TAXATION (continued)

b) Tax Expense (continued)

The reconciliation of income tax expense by multiplying the income before tax expense and the applicable tax rate are as follows :

	For the six-month period ended as of June 30,	
	2023	2022
Income before tax expense as presented in the consolidated statement of profit or loss and other comprehensive income	37,200,131	31,224,279
Tax expense with applicable tax rates	7,212,158	6,337,030
Income that cannot be deductible for tax purposes		
BRI	424,678	(92,916)
Subsidiaries	1,934	103,894
	7,638,770	6,348,008

c) Deferred Tax Assets

The calculations of deferred income (expense) tax benefit BRI are as follows:

	For the six-month period ended as of June 30,	
	2023	2022
<u>Parent entity</u>		
Depreciation of premises and equipments	77,499	1,289
Unrealized gain of securities measured at fair value through profit or loss	(16,388)	(14,629)
Allowance for estimated losses on commitments and contingencies	(36,901)	(103,222)
Reversal of stock-based employee benefits	(39,951)	-
Provision for employee expense	(713,840)	98,238
Provision for possible losses on productive assets	(1,254,045)	748,106
	(1,983,626)	729,782
<u>Subsidiaries</u>	(161,702)	38,312
Total	(2,145,328)	768,094

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38. TAXATION (continued)

c) Deferred Tax Assets (continued)

The tax effects of significant temporary differences between commercial and tax reporting (recorded under "Deferred Tax Assets" account) are as follows:

June 30, 2023				
	Beginning balance	Credited/ (charged) to profit or loss	Charged to equity	Ending balance
<u>Parent Entity</u>				
Allowance for impairment losses on productive assets	9,891,617	(1,254,045)	-	8,637,572
Provision for employee expense	3,147,827	(713,840)	-	2,433,987
Allowance for estimated losses on commitments and contingencies	1,226,755	(36,901)	-	1,189,854
Unrealized losses of securities measured fair value through other comprehensive income	1,046,955	-	(426,804)	620,151
Remeasurement of liabilities for employee benefits	162,159	-	283,431	445,590
Stock-based employee benefits	43,047	(39,951)	-	3,096
Depreciation of premises and equipments	(93,585)	77,499	-	(16,086)
Unrealized gain of securities measured fair value through profit or loss	(9,456)	(16,388)	-	(25,844)
Net deferred tax asset - parent entity	15,415,319	(1,983,626)	(143,373)	13,288,320
Net deferred tax asset - subsidiaries	3,297,675			3,160,311
Total deferred tax asset consolidated - net	18,712,994			16,448,631

December 31, 2022				
	Beginning balance	Credited/ (charged) to profit or loss	Charged to equity	Ending balance
<u>Parent Entity</u>				
Allowance for impairment losses on productive assets	9,886,624	4,993	-	9,891,617
Provision for employee expense	2,480,767	667,060	-	3,147,827
Allowance for estimated losses on commitments and contingencies	1,324,961	(98,206)	-	1,226,755
Unrealized losses of securities measured fair value through other comprehensive income	(438,445)	-	1,485,400	1,046,955
Remeasurement of liabilities for employee benefits	301,080	-	(138,921)	162,159
Stock-based employee benefits	43,047	-	-	43,047
Depreciation of premises and equipments	(80,189)	(13,396)	-	(93,585)
Unrealized gain of securities measured fair value through profit or loss	6,549	(16,005)	-	(9,456)
Net deferred tax asset - parent entity	13,524,394	544,446	1,346,479	15,415,319
Net deferred tax asset - subsidiaries	2,760,504			3,297,675
Total deferred tax asset consolidated - net	16,284,898			18,712,994

BRI's management believes that the deferred tax assets can be recovered through taxable income in the future.

On June 30, 2020, the Government issued Government Regulation in Lieu of Law (PERPU) of the Republic of Indonesia No. 1 year 2020 which has become Law (UU) No. 2 year 2020, as well as stipulating Government Regulation (PP) No. 30 year 2020 regarding Reduction Income Tax Rates for Domestic Corporate Taxpayers in the Form of Public Companies and effective from the date of promulgation on June 19, 2020. Furthermore, on October 29, 2021, the Government issued the Law of the Republic of Indonesia No. 7 year 2021 regarding harmonization of tax regulations (UU HPP).

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38. TAXATION (continued)

The regulation has stipulated reduction in income tax rates for domestic corporate taxpayers and permanent establishments from 25% to 22% for fiscal year 2020, 2021, 2022 onwards and a further reduction of the tax rate by 3% for corporate income taxpayers that fulfill certain criteria.

Based on the certificate No. DE/VII/2023-4287 dated July 3, 2023 and the monthly shareholding report from the Securities Administration Bureau, Datindo Entrycom on BRI's share ownership during January until June 2023, all of the certain requirements above to obtain the said tax rate reduction facility on the BRI's financial report for the six-month period ended June 30, 2023 have been fulfilled.

Based on the certificate No. DE/I/2023-0187 dated January 4, 2023 and the monthly shareholding report from the Securities Administration Bureau, Datindo Entrycom on BRI's share ownership during 2022, all of the certain requirements above to obtain the said tax rate reduction facility on the BRI's financial report for the year ended December 31, 2022 have been fulfilled.

Management believes that there is no need to establish a tax allowance for the fiscal year which has not been audited by the Directorate General of Tax.

39. RISK MANAGEMENT

BRI's business activities are always faced with risks related to its function as a financial intermediary institution. Rapid development in the external and internal environments of banks also leads to increasingly complex business risks. Therefore, in order to be able to adapt in the business environment, BRI is required to manage risks in an integrated and systematic way, namely management of credit risk, liquidity risk, operational risk, market risk, strategic risk, compliance risk, reputation risk, and legal risk.

The principles of integrated and systematic risk management by BRI are embedded into several policies and procedures, which is the Risk Management General Policy (KMR). KMR serves as the highest guiding policy for the implementation of risk management procedures in all BRI business operations, starting from general policies, strategies, organisation, risk management in information system, process and the implementation of risk management to internal control system. The implementation of risk management differs according to the type of risks involved and is governed by policies which can be derived from other policies.

Board of Commissioners (BOC) and Board of Directors (BOD) are responsible for effectiveness of risk management at BRI and have an important role in supporting and overseeing the implementation of risk management in all business units.

BOC evaluates the risk management policies and implementation carried out by the BOD. Evaluation is carried out in order to ensure that BOD manages BRI's activities and risk effectively. In carrying out its active supervision, BOC is assisted by the Risk Management Oversight Committee (KPMR).

BOD sets the strategy, direction and implementation of risk management policy. Moreover, BOD has the responsibility to ensure that all material risks and their impacts have been addressed and that corrective measures have been taken to remedy the problems and irregularities found in BRI's business activities. BOD appoints Director of Risk Management to implement the process of monitoring and controlling the risks bank-wide.

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39. RISK MANAGEMENT (continued)

BOD is assisted by individual Risk Management Committee (RMC) and integrated RMC (consolidated with the subsidiaries) as the committee in BRI's risk management system which are assigned to provide recommendations to the President Director in formulating policies, enhancing policy implementation, and evaluating the development and conditions of risk profiles as well as providing advises corrective actions.

Credit risk is the risk due to failure of the debtor and/or other parties to fulfill obligations to BRI, including settlement failure. BRI identifies and measures the risk level of potential borrowers through the development of an Internal Risk Rating. BRI monitors credit quality as part of early identification of credit deterioration. Management Credit risk is carried out through comprehensive and integrated risk management policies. BRI formulates credit Risk Management policies including governance, limit management on acceptable risk exposure limits, limit management on geographic boundaries, and concentration limit management per industry. Credit risk ratings are updated regularly periodically to estimate potential loss as a risk due to credit expansion and determine follow-up improvements.

The application of credit risk management, in addition to aiming to comply with applicable regulations, is also a must in the framework of implementing a credit risk management system at an optimum level of risk and return and in accordance with banking practices. The implementation of credit risk management is expected to be able to encourage BRI's business activities while still paying attention to the principle of precaution.

Credit Risk Management

Through the implementation of Early Warning System (EWS) to the debtor's developments of the debtor's business condition, the effective credit risk management can minimize the risk of losses and optimize the use of capital to earn maximum income.

BRI's credit risk management is intended to minimize the possible losses due to loans default and/or default on other financial contracts, either at the individual level or overall level as credit portfolios. The credit risk management is also carried out by BRI as an effort to fulfill the regulatory requirements.

BRI continues to improve its credit risk assessment methodology in order to improve the accuracy of credit risk management, especially in the process of identifying, measuring, monitoring and controlling risks.

1. Analysis of the maximum exposure to credit risks after considering the value of collaterals and other mitigations of credit risks.

The carrying value of BRI's financial assets, other than loans and securities purchased under agreement to resell depicts the maximum amount of exposure to credit risk.

The tables below show the net maximum exposure to credit risk for securities purchased under the under agreement to resell As of June 30, 2023 and December 31, 2022:

	June 30, 2023		
	Maximum Exposure	Collateral	Net Exposure
Securities purchased under agreement to resell	22,823,619	22,736,818	86,801

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

1. Analysis of the maximum exposure to credit risks after considering the value of collaterals and other mitigations of credit risks (continued)

The tables below show the net maximum exposure to credit risk for securities purchased under the under agreement to resell As of June 30, 2023 and December 31, 2022 (continued):

	December 31, 2022		
	Maximum Exposure	Collateral	Net Exposure
Securities purchased under agreement to resell	51,014,678	50,941,408	73,270

BRI uses collaterals to minimize the credit risks of credits issued. BRI credits or loans can be classified into 2 (two) major categories:

1. Secured loans
2. Unsecured loans

For secured loans, BRI sets the type and collateral value guaranteed according to the credit scheme. The types of collateral consist of:

- a. Physical collateral, in the form of land and buildings, Certificate of Vehicles Ownership (BPKB) and properties.
- b. Financial collateral, in the form of deposits (time deposits, saving deposits and current accounts), securities and gold.
- c. Others, in the form of guarantees, government guarantees and guarantor institutions

In the event of default, however, BRI uses collaterals as the last resort to fulfill counterparty's credit obligations.

Unsecured loans are comprised of fully unsecured loans such as credit cards and Mekaar financing and partially secured loans such as loans for fixed income employees, loans for retirees, and other consumer loans. The repayment of partially secured loans is generally made through automatic payroll deduction.

Thus, although partially secured loans are considered to be unsecured loans, their risk level is lower than their carrying value whereas the risk level of fully unsecured loan is equal to their carrying value.

Credit risk mitigation for partially secured loans consist of employee appointment decision letter and certificate of retirement.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk Concentration Analysis

a. Geographical Sectors

Tables below details the credit risk exposure of consolidated BRI's financial assets at carrying value, categorized according to their geographical regions as of June 30, 2023 and December 31, 2022. Geographical area category based on the operational location of BRI's business which also describes the business potential of each area:

	June 30, 2023							
	Jakarta	West Java	Central Java and DIY	East Java	Sumatera	Central and East Indonesia	Others	Total
Assets								
Current Account								
With Bank Indonesia	88,959,229	5,520	307	10,841	5,855	6,919	63,129	89,051,800
Current Account in Other Banks	31,243,802	27,686	10,600	12,867	28,190	45,936	416,993	31,786,074
Placement in Other Bank								
And Other Financial Institution	24,615,462	311,100	500,000	-	345,502	151,600	8,221,963	34,145,627
Securities								
Fair Value Through Profit or Loss	19,629,004	-	-	-	-	-	146,126	19,775,130
Fair Value Through Other comprehensive Income	128,082,562	-	-	-	-	-	16,450,081	144,532,643
Amortized cost	142,387,575	-	-	-	-	-	2,619,599	145,007,174
Export Bills and Other Receivables	22,769,482	734,008	177,776	4,510,162	2,155,733	336,389	8,301,585	38,985,135
Securities purchased under agreement to resell	22,823,619	-	-	-	-	-	-	22,823,619
Derivative receivables	1,109,328	-	-	-	-	-	-	1,109,328
Loans								
Micro	43,041,894	54,767,485	90,463,199	79,316,791	103,336,813	151,010,406	-	521,936,588
Retail	101,709,132	28,742,314	47,419,101	55,677,272	69,734,353	124,581,434	1,136,503	429,000,109
Corporate	143,178,717	9,486,565	2,178,372	3,513,559	9,121,241	6,094,159	13,019,303	186,591,916
Sharia loans	1,818,963	962,194	769,470	2,093,753	2,427,376	3,621,924	-	11,693,680
Finance receivables	3,466,055	12,725,229	6,136,729	8,609,192	13,061,036	8,908,961	-	52,907,202
Acceptance receivables	6,962,194	5,200	765	134,665	4,417	135,879	374,743	7,617,863
Investment in associated entities*)	1,664,836	-	-	-	-	-	-	1,664,836
Other assets**)	19,264,571	325,572	136,697	224,007	264,647	451,212	378,768	21,045,474
Total	802,726,425	108,092,873	147,793,016	154,103,109	200,485,163	295,344,819	51,128,793	1,759,674,198
Less allowance for impairment losses								(90,872,137)
Net								1,668,802,061
Administrative Accounts								
Irrevocable L/C	9,794,828	1,174,708	64,500	256,772	1,501,410	118,054	-	12,910,272
Guarantees issued	47,649,250	4,615,371	2,917,541	2,963,251	2,926,731	4,123,768	-	65,195,912
Total	57,444,078	5,790,079	2,982,041	3,220,023	4,428,141	4,241,822	-	78,106,184
Less allowance for impairment losses								(5,146,177)
Net								72,960,007

*) Investment in associated entities with no significant influence

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk Concentration Analysis (continued)

a. Geographical Sectors (continued)

Tables below details the credit risk exposure of consolidated BRI's financial assets at carrying value, categorized according to their geographical regions as of June 30, 2023 and December 31, 2022. Geographical area category based on the operational location of BRI's business which also describes the business potential of each area (continued):

	December 31, 2022						
	Jakarta	West Java	Central Java and DIY	East Java	Sumatera	Central and East Indonesia	Others
							Total
Assets							
Current Account							
With Bank Indonesia	150,880,482	3,044	729	9,163	479	51	150,935,150
Current Account in Other Banks	19,745,303	41,579	12,547	13,105	29,945	45,043	21,488,434
Placement in Other Bank							
And Other Financial Institution	59,483,459	229,000	16,800	-	202,000	38,600	70,401,901
Securities							
Fair Value Through Profit or Loss	20,965,114	-	-	-	-	-	21,115,873
Fair Value Through Other comprehensive Income	133,584,217	-	-	-	-	-	150,802,567
Amortized cost	154,852,243	-	-	-	-	-	158,406,378
Export Bills and Other Receivables	25,486,991	212,781	135,450	2,501,971	2,112,522	1,500,095	39,067,375
Securities purchased under agreement to resell	51,014,678	-	-	-	-	-	51,014,678
Derivative receivables	911,405	-	-	-	-	-	911,405
Loans							
Micro	41,326,001	53,878,956	86,808,067	76,283,493	99,502,660	145,167,899	502,967,076
Retail	95,071,388	27,608,453	44,433,267	51,895,813	64,973,907	117,527,679	402,520,683
Corporate	127,742,427	9,770,411	2,182,753	3,003,544	10,247,441	7,001,584	173,787,060
Sharia loans	1,621,953	879,618	704,180	1,894,283	2,189,561	3,224,734	10,514,329
Finance receivables	3,387,076	11,590,101	5,707,570	8,170,095	12,180,484	8,252,591	49,287,917
Acceptance receivables	6,635,986	12,689	26,780	377,830	48,047	66,268	7,167,600
Investment in associated entities*)	1,774,614	-	-	-	-	-	1,774,614
Other assets**)	22,065,538	327,579	287,280	346,133	450,080	1,061,174	25,286,947
Total	916,548,875	104,554,211	140,315,423	144,495,430	191,937,126	283,885,718	1,837,449,987
Less allowance for impairment losses							(94,975,031)
Net							1,742,474,956
Administrative Accounts							
Irrevocable L/C	9,187,432	1,685,436	26,922	911,091	1,662,614	185,173	13,658,668
Guarantees issued	54,041,372	6,131,558	3,195,108	2,770,756	3,299,117	5,417,087	74,854,998
Total	63,228,804	7,816,994	3,222,030	3,681,847	4,961,731	5,602,260	88,513,666
Less allowance for impairment losses							(5,006,065)
Net							83,507,601

*) Investment in associated entities with no significant influence

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk Concentration Analysis (continued)

b. Industrial Sector

Tables below detail the credit risk exposure at carrying value, categorized according to their industrial sector as of June 30, 2023 and December 31, 2022:

	June 30, 2023						
	Government (Including BI)	Banks and Other Financial Institutions	Agriculture	Industry	Trading, hotels and Restaurant	Business Service	Others
Assets							
Current accounts							
with Bank Indonesia	89,051,800	-	-	-	-	-	89,051,800
Current accounts							
with other banks	-	31,786,074	-	-	-	-	31,786,074
Placements with Bank Indonesia							
and other financial institutions	20,946,342	13,199,285	-	-	-	-	34,145,627
Securities							
Fair value through profit or loss	14,258,717	3,914,222	8,697	724,312	304,264	538,182	19,775,130
Fair value through other							
comprehensive income	109,126,112	27,954,180	-	5,905,159	1,013	1,542,203	144,532,643
Amortized cost	124,504,488	19,760,763	11,000	522,934	-	207,989	145,007,174
Export Bills and							
other receivables	3,418,568	-	-	4,554,021	121,411	50,896	38,985,135
Securities purchased under							
agreement to resell	17,458,141	5,365,478	-	-	-	-	22,823,619
Derivative receivables	-	1,109,328	-	-	-	-	1,109,328
Loan							
Micro	-	-	119,225,415	40,035,898	220,005,974	41,662,218	521,936,588
Retail	-	152,525	22,955,470	16,710,812	142,780,840	16,482,277	429,000,109
Corporate	655,819	10,082,771	27,472,801	48,221,362	14,590,066	9,675,139	186,591,916
Sharia loans	-	-	780,304	257,735	4,056,682	250,657	11,693,680
Finance receivables	-	616,665	7,856,132	3,491,934	30,966,765	4,493,243	52,907,202
Acceptance Receivables	918,376	-	-	131,843	-	-	7,617,863
Investment in associated entities*)	-	43,246	-	-	-	-	1,664,836
Other assets**)	3,350,829	450,803	9,119	1,423	34,347	7,719,424	21,045,474
Total	383,689,192	114,435,340	178,318,938	120,557,433	412,861,362	82,622,228	1,759,674,198
Less allowance for impairment losses							(90,872,137)
Net							1,668,802,061
Administrative Accounts							
Irrevocable L/C	-	-	2,562,064	5,092,669	361,566	1,137,512	12,910,272
Guarantees issued	-	1,889,081	599,700	9,782,001	112,383	10,370,864	65,195,912
Total	-	1,889,081	3,161,764	14,874,670	473,949	11,508,376	78,106,184
Less allowance for impairment losses							(5,146,177)
Net							72,960,007

*) Investment in associated entities with no significant influence

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk Concentration Analysis (continued)

b. Industrial Sector (continued)

Tables below detail the credit risk exposure at carrying value, categorized according to their industrial sector as of June 30, 2023 and December 31, 2022 (continued):

	December 31, 2022						
	Government (Including BI)	Banks and Other Financial Institutions	Agriculture	Industry	Trading, hotels and Restaurant	Business Service	Others
Assets							
Current accounts							
with Bank Indonesia	150,935,150	-	-	-	-	-	-
Current accounts							
with other banks	-	21,488,434	-	-	-	-	-
Placements with Bank Indonesia							
and other financial institutions	55,188,633	15,213,268	-	-	-	-	-
Securities							
Fair value through profit or loss	10,605,908	3,572,717	-	181,539	-	40,886	6,714,823
Fair value through other							
comprehensive income	120,244,522	22,231,398	-	4,244,793	-	1,405,012	2,676,842
Amortized cost	134,094,983	23,630,150	11,000	250,344	-	419,901	-
Export Bills and							
other receivables	2,477,321	-	8,928,592	2,680,436	100,631	106,981	24,773,414
Securities purchased under							
agreement to resell	46,176,061	4,838,617	-	-	-	-	-
Derivative receivables	-	911,405	-	-	-	-	-
Loan							
Micro	-	-	113,826,272	39,702,962	211,046,231	38,626,285	99,765,326
Retail	-	226,633	21,067,550	14,653,665	136,799,791	14,305,470	215,467,574
Corporate	305,303	-	25,515,870	47,533,803	11,785,946	12,048,710	76,597,428
Sharia loans	-	-	747,434	214,341	3,375,200	69,154	6,108,200
Finance receivables	-	425,045	5,118,615	3,103,897	28,625,489	5,372,731	6,642,140
Acceptance Receivables	6,635,986	12,689	26,780	377,830	48,047	66,268	-
Investment in associated entities*)	-	49,473	-	-	-	-	1,725,141
Other assets**)	15,911,136	496,711	-	1,487,612	-	399,700	6,991,788
Total	542,575,003	93,096,540	175,242,113	114,431,222	391,781,335	72,861,098	447,462,676
Less allowance for impairment losses							(94,975,031)
Net							1,742,474,956
Administrative Accounts							
Irrevocable L/C	-	-	-	7,666,832	77,049	1,479,426	4,435,361
Guarantees issued	-	2,443,425	622,700	27,229,128	662,063	608,496	43,289,186
Total	-	2,443,425	622,700	34,895,960	739,112	2,087,922	47,724,547
Less allowance for impairment losses							(5,006,065)
Net							83,507,601

*) Investment in associated entities with no significant influence

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles

3. Impairment of financial assets as of June 30, 2023 and December 31, 2022.

a. Current accounts with other banks

As of June 30, 2023 and of December 31, 2022, this financial asset is collectively impaired.

b. Placements with Bank Indonesia and other financial institutions

As of June 30, 2023 and of December 31, 2022, this financial asset is collectively impaired.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2023 and of December 31, 2022 (continued)

c. Securities

As June 30, 2023 and of December 31, 2022, all marketable securities were classified as "Current".

d. Finance receivables

As of June 30, 2023 and of December 31, 2022, this financial asset is impaired as follows:

	June 30, 2023	December 31, 2022
Impaired	438,705	501,260
Past due but not impaired	2,168,010	1,556,428
Neither past due nor impaired	50,300,487	47,230,229
	52,907,202	49,287,917
Less allowance for impairment losses	(3,436,158)	(3,477,948)
Total	49,471,044	45,809,969

e. Loans and sharia loans

As of June 30, 2023 and December 31, 2022, this financial asset is impaired individually or collectively with the following details:

	June 30, 2023				
	Neither Past due not impaired		Past due but not Impaired	Impaired*)	Total
	High Grade	Standard Grade			
<u>Rupiah</u>					
Trading, hotels and restaurant	300,021,657	31,318,115	27,887,600	15,405,492	374,632,864
Agriculture	135,433,169	5,102,729	6,432,342	12,566,122	159,534,362
Manufacturing	58,693,679	3,173,055	4,379,054	6,974,186	73,219,974
Business services	50,155,874	3,626,410	4,060,725	3,245,682	61,088,691
Construction	20,741,163	813,778	592,731	7,541,508	29,689,180
Transportation, warehousing and communication	15,594,314	1,262,378	810,962	2,803,532	20,471,186
Electricity, gas and water	11,765,226	117,551	68,984	707,099	12,658,860
Social service	5,453,406	526,671	372,276	503,770	6,856,123
Mining	2,251,553	224,446	117,772	511,361	3,105,132
Others	278,815,668	6,858,190	9,209,467	5,824,870	300,708,195
	878,925,709	53,023,323	53,931,913	56,083,622	1,041,964,567

*) Including all loans analyzed individually

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2023 and December 31, 2022 (continued)

e. Loans and sharia loans (continued)

As of June 30, 2023 and December 31, 2022, this financial asset is impaired individually or collectively with the following details (continued):

June 30, 2023					
	Neither Past due not impaired		Past due but not Impaired	Impaired*)	Total
	High Grade	Standard Grade			
<u>Foreign currency</u>					
Manufacturing	27,480,986	434	94,557	4,429,869	32,005,846
Electricity, gas and water	19,391,406	-	-	35,013	19,426,419
Agriculture	8,917,270	-	-	1,982,358	10,899,628
Business services	4,322,954	4,964	-	2,677,889	7,005,807
Trading, hotels and restaurant	5,718,904	2,581	-	1,054,361	6,775,846
Mining	21,338,355	-	-	1,919,061	23,257,416
Construction	5,063,513	-	3,192	130,316	5,197,021
Social service	880,717	-	-	-	880,717
Transportation, warehousing and communication	577,998	-	-	105,236	683,234
Others	1,114,009	-	3,957	7,826	1,125,792
	94,806,112	7,979	101,706	12,341,929	107,257,726
Total	973,731,821	53,031,302	54,033,619	68,425,551	1,149,222,293
Less allowance for Impairment losses					(84,801,750)
Net					1,064,420,543

December 31, 2022					
	Neither Past due not impaired		Past due but not Impaired	Impaired*)	Total
	High Grade	Standard Grade			
<u>Rupiah</u>					
Trading, hotels and restaurant	270,598,277	51,737,757	17,390,013	15,148,331	354,874,378
Agriculture	131,013,202	6,934,234	3,603,995	12,316,969	153,868,400
Manufacturing	57,399,888	5,515,252	2,699,971	7,076,290	72,691,401
Business services	45,021,262	6,155,829	2,420,618	3,036,574	56,634,283
Construction	18,298,376	1,355,957	444,312	7,586,856	27,685,501
Transportation, warehousing and communication	10,142,311	1,923,318	518,692	6,096,134	18,680,455
Electricity, gas and water	13,149,691	158,508	48,924	815,222	14,172,345
Social Service	4,312,624	836,998	211,589	548,658	5,909,869
Mining	2,766,125	282,380	74,720	695,413	3,818,638
Others	261,933,718	12,515,405	6,616,108	3,579,440	284,644,671
	814,635,474	87,415,638	34,028,942	56,899,887	992,979,941

*) Including all loans analyzed individually

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2023 and December 31, 2022 (continued)

e. Loans and sharia loans (continued)

As of June 30, 2023 and December 31, 2022, this financial asset is impaired individually or collectively with the following details (continued):

	December 31, 2022				
	Neither Past due not impaired		Past due but not Impaired	Impaired*)	Total
	High Grade	Standard Grade			
<u>Foreign currency</u>					
Manufacturing	26,726,014	570	98,184	5,104,382	31,929,150
Electricity, gas and water	20,829,686	-	-	1,371,043	22,200,729
Agriculture	6,919,636	-	-	2,030,138	8,949,774
Business services	5,536,793	5,848	-	2,907,310	8,449,951
Trading, hotels and restaurant	6,467,842	-	-	1,075,554	7,543,396
Mining	8,503,161	-	-	2,298,276	10,801,437
Construction	4,592,170	-	-	2,285	4,594,455
Social service	538,584	-	-	-	538,584
Transportation, warehousing and communication	535,165	-	-	265,740	800,905
Others	991,672	-	3,183	5,971	1,000,826
	81,640,723	6,418	101,367	15,060,699	96,809,207
Total	896,276,197	87,422,056	34,130,309	71,960,586	1,089,789,148
Less allowance for Impairment losses					(89,610,033)
Net					1,000,179,115

*) Including all loans analyzed individually

f. Export Bills and other receivables

As of June 30, 2023 and December 31, 2022, this financial asset was impaired both individually and collectively.

g. Acceptance receivable

As of June 30, 2023 and December 31, 2022, this financial asset was impaired both individually and collectively.

h. Securities purchased under agreement to resell

As of June 30, 2023 and December 31, 2022, this financial asset is neither individually nor collectively impaired.

i. Other assets

As of June 30, 2023 and December 31, 2022, this financial asset is individually impaired.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2023 and December 31, 2022 (continued)

j. Administrative accounts

As of June 30, 2023 and December 31, 2022, these administrative accounts were impaired as follows:

	June 30, 2023	December 31, 2022
<u>Rupiah</u>		
Guarantees issued	37,675,657	47,796,102
Irrevocable L/C	1,451,420	2,571,824
	<u>39,127,077</u>	<u>50,367,926</u>
<u>Foreign Currency</u>		
Guarantees issued	27,520,255	27,058,896
Irrevocable L/C	11,458,852	11,086,844
	<u>38,979,107</u>	<u>38,145,740</u>
	78,106,184	88,513,666
Less allowance for impairment losses	(5,146,177)	(5,006,065)
Total	<u>72,960,007</u>	<u>83,507,601</u>

4. Quality of financial assets

The following tables show the quality of financial assets by class for all financial assets with credit risk, amounts presented at gross.

	June 30, 2023				
	Neither Past due not impaired		Past due but not impaired	Impaired	Total
	High Grade	Standard Grade			
Assets					
Current accounts with Bank Indonesia	89,051,800	-	-	-	89,051,800
Current accounts with other bank	31,597,246	188,828	-	-	31,786,074
Placement with Bank Indonesia and other financial institutions	34,145,627	-	-	-	34,145,627
Securities					
Fair value through profit or loss	16,109,235	3,665,895	-	-	19,775,130
Fair value through other comprehensive income	124,832,745	19,699,898	-	-	144,532,643
Amortized cost	125,504,752	19,502,422	-	-	145,007,174
Export Bills and Other Receivables	38,978,896	-	6,239	-	38,985,135
Securities under purchase					
Agreement to resell	22,823,619	-	-	-	22,823,619
Derivative receivables	1,109,328	-	-	-	1,109,328
Loans					
Micro	458,283,153	19,983,109	32,039,473	11,630,853	521,936,588
Retail	356,321,645	33,045,055	20,700,622	18,932,787	429,000,109
Corporate	148,970,460	3,138	99,690	37,518,628	186,591,916
Sharia loans	10,080,974	75,589	1,193,834	343,283	11,693,680
Finance receivables	46,370,295	3,930,192	2,168,010	438,705	52,907,202
Acceptance receivables	7,617,863	-	-	-	7,617,863
Investment in associated entities*)	1,664,836	-	-	-	1,664,836
Others Assets**)	20,293,033	700,054	52,387	-	21,045,474
Total	<u>1,533,755,507</u>	<u>100,794,180</u>	<u>56,260,255</u>	<u>68,864,256</u>	<u>1,759,674,198</u>

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles.

***) Including all loans analyzed individually.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

The following tables show the quality of financial assets by class for all financial assets with credit risk, amounts presented at gross. (continued)

	December 31, 2022				
	Neither Past due not impaired		Past due but not Impaired	Impaired	Total
	High Grade	Standard Grade			
Assets					
Current accounts with Bank Indonesia	150,935,150	-	-	-	150,935,150
Current accounts with other bank	21,129,710	358,724	-	-	21,488,434
Placement with Bank Indonesia and other financial institutions	70,401,901	-	-	-	70,401,901
Securities					
Fair value through profit or loss	20,955,201	160,672	-	-	21,115,873
Fair value through other Comprehensive income	136,399,669	14,402,898	-	-	150,802,567
Amortized cost	156,934,530	1,471,848	-	-	158,406,378
Export Bills and Other Receivables	38,467,643	-	599,732	-	39,067,375
Securities under purchase					
Agreement to resell	51,014,678	-	-	-	51,014,678
Derivative receivables	911,405	-	-	-	911,405
Loans					
Micro	437,807,487	36,937,719	19,838,554	8,383,316	502,967,076
Retail	323,608,890	45,667,970	13,591,274	19,652,549	402,520,683
Corporate	130,043,450	-	98,184	43,645,426	173,787,060
Sharia loans	9,409,869	222,868	602,297	279,295	10,514,329
Finance receivables	45,068,685	2,161,544	1,556,428	501,260	49,287,917
Acceptance receivables	7,167,600	-	-	-	7,167,600
Investment in associated entities*)	1,774,614	-	-	-	1,774,614
Others Assets**)	18,497,543	6,181,814	607,590	-	25,286,947
Total	1,620,528,025	107,566,057	36,894,059	72,461,846	1,837,449,987

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles.

***) Including all loans analyzed individually.

Credit quality is defined as follows:

1. High Grade

- a) Current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other financial institutions are current accounts or placements in Government institutions and transactions with banks listed in the Stock Exchange.
- b) Loans and sharia loans are loans to third parties receivables that are neither past due nor impaired, and have never been restructured.
- c) Export bills and other receivables as well as acceptances receivable are third party receivables that are not past due, and have strong financial capacity in terms of repaying all obligations in a timely manner.
- d) Securities and Government bonds are securities issued by Government, investment grade securities and bonds with a rating of at least idA- (Pefindo), A- (Fitch), or A3 (Moody's).
- e) Investment in associated entities are investments in entities listed in Stock Exchange which have an overall good performance level.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

Credit quality is defined as follows (continued):

2. Standard Grade

- a) Current accounts with other banks, placements with Bank Indonesia and other financial institutions are current accounts or placements with banks not listed in Stock Exchange.
- b) Loan and sharia loans are loans to third parties that are neither past due nor impaired, but have been restructured.
- c) Export bills and other receivables as well as acceptances receivable, are third party receivables that are not past due and have adequate financial capacity in terms of repaying all obligations in a timely manner.
- d) Securities and Government Bonds are securities and bonds with a rating between idBBB+ and idBBB- (Pefindo), BBB+ until BBB- (Fitch), or Baa1 until Baa3 (Moody's).
- e) Investment in associated entities are investment in entities which are not listed in stock exchange which have an overall good performance level.

Credit Quality Analysis

Measurement of Expected Credit Losses

a. Significant Increase on Credit Risk

When determining whether the risk of default on financial instruments has increased significantly since initial recognition, the Bank considers reasonable and supportable, relevant information that is available without excessive costs or efforts. This includes quantitative and qualitative information and analysis, based on historical experience and credit expert judgment and including forward-looking estimates.

The purpose of this assessment is to identify whether a significant increase in credit risk of exposure has occurred by comparing:

- 1. Probability of default (PD) for the remaining age at the reporting date; with
- 2. Probability of default (PD) for the estimated remaining age at initial recognition of the exposure (if relevant, adjusted for changes in expectations of prepayment).

The Bank also uses the following criteria in determining whether a significant increase in credit risk over exposure has occurred:

- 1. Quantitative testing based on changes in the probability of default (PD)
- 2. Qualitative indicators.
- 3. Overdue for 30 days.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

Credit Quality Analysis (continued)

Measurement of Expected Credit Losses (continued)

b. Credit Risk Grades

The Bank allocates each exposure to credit risk grades based on a variety of data that is determined to predict the risk of default and apply credit experience. Credit risk grades are determined using qualitative and quantitative factors that can indicate the risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are determined and calibrated in such a way that the risk of default is increasing exponentially as credit risk decreases, for example, the difference between credit risk rating grades 1 and 2 is smaller than the difference between credit risk rating grades 2 and 3.

Each exposure is allocated to credit risk grades at initial recognition based on available information about the borrower. This exposure is monitored on an ongoing basis, and can result in the exposure being transferred to different credit risk grades. Monitoring usually uses the following data: financial statements, use of credit facilities, estimates of economic conditions.

c. Determination of Probability of Default Structure

Credit risk grades are the main input in determining the PD term structure of the exposure. The Bank collects performance and default information about credit risk exposures, which are analyzed by jurisdiction or region and by product and borrower type and credit risk assessment. For some portfolios, information purchased from external credit assessors is also used.

The Bank uses a statistical model to analyze the data collected and produce an estimate of the probability of default (PD) for the remaining life and how this is expected to change as a result of the passage of time.

This analysis includes the identification and calibration of the relationship between changes in default rates and changes in key macroeconomic factors as well as an in-depth analysis of the impact of certain other factors (e.g. restructuring) on the risk of default. For most exposures, the main macroeconomic indicators include: Gross Domestic Product (GDP) growth, consumption index, and investment index. For exposures in certain industries and/or regions, the analysis can include commodity prices and/or relevant property prices.

d. Determination of Significant Increase in Credit Risk

Criteria for determining whether credit risk has increased significantly varies for each portfolio and includes quantitative changes in PD and qualitative factors, including determination based on arrears day status.

Credit risk from certain exposures is considered to have increased significantly since initial recognition if, based on the Bank's quantitative modeling, the probability of default (PD) for the remaining life has increased significantly.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

Credit Quality Analysis (continued)

Measurement of Expected Credit Losses (continued)

d. Determination of Significant Increase in Credit Risk (continued)

The Bank can also use the judgment of credit analysts and, if possible, relevant historical experience, in determining that exposure may have experienced a significant increase in credit risk based on certain qualitative indicators that are considered to indicate this and their effects may not be fully reflected in quantitative analysis in a comprehensive manner on time.

The Bank determines that a significant increase in credit risk has not occurred if it is still less than 30 days in arrears. Arrears days are determined by calculating the number of days from the initial due date where full payment has not been received. The due date is determined without considering the grace period that might be available to the borrower.

The Bank monitors the effectiveness of the criteria used in identifying significant increases in credit risk by periodic review.

e. Modification of Financial Assets

The contractual terms of the loan can be modified for several reasons, including changes in market conditions, customer retention and other factors not related to the current credit decline. Loan with modified contractual terms can cause the initial loan to be derecognized and the loan as a result of the modification is recognized as a new loan at fair value.

When the contractual terms of the loan are modified and do not result in termination of recognition, determining the occurrence of a significant increase in credit risk is done by comparing:

- Remaining PD for life at reporting date based on modified provisions; with
- Remaining PD throughout the estimated age based on data at initial recognition and initial contractual provisions.

f. Definition of Default

The Group considers financial assets as default when:

- The debtor is unlikely to pay its credit obligations to the full, without recourse from the business group; or
- The debtor has more than 90 days past due for any material credit obligations to the business group.

In assessing whether a debtor is in default, the Group considers the following indicators:

- Qualitative - such as violations of the terms of the covenants;
- Quantitative - such as arrears status; and
- Based on data developed internally and obtained from external sources.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

Credit Quality Analysis (continued)

Inputs, Assumptions, and Techniques used in estimating impairment

a. Use of forward-looking information

The Bank uses forward-looking information in assessing whether there has been a significant increase in credit risk and in measuring expected credit losses. Based on suggestions from the Risk Management Committee, economic experts and consideration of various actual and external forecast information, the Bank formulates a base case on the movement of relevant economic variables in the future as well as estimates of other possible scenarios. This process involves developing two or more additional economic scenarios and considering the relative probability of the possible outputs. External information includes economic data and forecasts published by, such as government agencies and selected private sector analysts and academics.

The base case reflects the output with the highest probability and is used in strategic planning and budgeting. The other scenario reflects a more optimistic output and a more pessimistic outcome.

The economic scenario is formulated using the following main indicator ranges:

	2023	2024
GDP Growth	baseline 4.72% Ranges from 2.53 to 5.18%	baseline 5.37% Ranges from 3.16 to 5.59%
Consumption Rate	baseline 4.68% Ranges from 2.39 to 5.14%	baseline 5.11% Ranges from 2.70 to 5.32%
Investment rate	baseline 4.06% Ranges from 1.88 to 4.52%	baseline 6.79% Ranges from 4.56 to 7.00%

b. Measurement of Expected Credit Losses

The main inputs in measuring expected credit losses are the following variables:

- Probability of Default (PD)
- Loss of Given Default (LGD)
- Exposure at Default (EAD)

These parameters generally come from internally developed statistical models and other historical data. This parameter is adjusted to reflect forward-looking information.

PD estimation is an estimate at a specific date, which is calculated based on a statistical ranking model, and is assessed using a rating adjusted for various categories of debtors and exposures. This statistical model is based on internally compiled data consisting of quantitative, qualitative factors, and forward-looking information.

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39. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

Credit Quality Analysis (continued)

Inputs, Assumptions, and Techniques used in estimating impairment (continued)

b. Measurement of Expected Credit Losses (continued)

LGD is the amount of loss in the event of default. The LGD parameter is estimated historically based on the rate of recovery of claims against defaulters. The LGD model takes into account the structure, guarantees, seniority of claims, the debtor's industry, and the cost of recovery of each guarantee that is an integral part of a financial asset.

EAD represents the estimated exposure in the event of default. The EAD of a financial asset is the gross carrying amount. For loan commitments and financial guarantees, EAD includes the amount that has been drawn, as well as the potential future amount to be withdrawn, which is estimated based on historical observations.

When parameter modeling is carried out collectively, financial instruments are grouped based on common risk characteristics which include:

- Type of instrument;
- Credit risk rating;
- Collateral type;
- Initial recognition date;
- Remaining time due.

5. Based on SFAS No. 60, past due financial assets are determined when a debtor fails to make payments on schedule. The following table shows the aging analysis of loans, receivables and sharia financing, and finance receivables that are past due but not impaired.

June 30, 2023				
	≤ 30 days	> 30 - 60 days	> 60 - 90 days	Total
Loans				
Micro	14,330,851	8,354,888	9,353,731	32,039,470
Retail	10,871,909	4,902,919	4,925,794	20,700,622
Corporate	99,693	-	-	99,693
Sharia loans	755,372	339,864	98,598	1,193,834
Finance receivables	2,168,010	-	-	2,168,010
Total	28,225,835	13,597,671	14,378,123	56,201,629

December 31, 2022				
	≤ 30 days	> 30 - 60 days	> 60 - 90 days	Total
Loans				
Micro	8,249,936	5,197,796	6,390,822	19,838,554
Retail	6,615,854	3,522,177	3,453,243	13,591,274
Corporate	98,184	-	-	98,184
Sharia loans	342,181	167,438	92,678	602,297
Finance receivables	1,556,428	-	-	1,556,428
Total	16,862,583	8,887,411	9,936,743	35,686,737

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39. RISK MANAGEMENT (continued)

Liquidity Risk Management

Liquidity risk is a risk of BRI's inability to meet the maturity obligations of cash flow fund sources and/or of high quality liquid assets that can be mortgaged so as not to interfere with the activities and financial condition of BRI.

BRI manages its liquidity risk in order to meet every financial liability that has been agreed upon in a timely manner and to maintain adequate and optimal liquidity level.

In order to support liquidity management, BRI put in place Policy and Guidelines for the Implementation of Liquidity Risk Management (*Pedoman Pelaksanaan Penerapan Manajemen Risiko Likuiditas*/"PPPMRL") which encompasses liquidity management, projected cash flows, maturity gap, net stable funding ratio and liquidity coverage ratio, the adequacy policies and guidelines for determination of liquidity risk limit, liquidity risk stress test, contingency funding plan, and information system of liquidity risk. The purpose of this policy is to ensure that BRI has sufficient daily liquidity risk management in fulfilling its obligations in normal or crisis conditions in a timely manner from various available sources to ensure the availability of high quality liquid assets, and having a healthy and sustainable structure of deposits from customer.

BRI also stimulates stress testing on a quarterly basis which is submitted to the Board of Commissioners and Directors through Risk Management Committee (RMC). The purpose of stress testing is to measure the resistance or ability to meet liquidity and capital adequacy during crisis (stress). Moreover, stress test is also used as reference for developing or improving emergency funding plans (contingency plan) and liquidity risk limits.

Analysis of Asset and Liability According to Remaining Contractual Maturity

Potential liquidity risks which BRI will encounter in the future are measured through Liquidity Gap Analysis, which projects the mismatch of liquidity based on the maturity of assets and liabilities, after taking into account the business expansion needs. This information is also considered when planning and managing liquidity, including business expansion needs. With the implementation of effective liquidity risk management, it is expected that liquidity risks can be minimized while simultaneously enhancing the overall banking system's stability.

The tables below represent information on the mapping of financial assets and liabilities within a certain maturity buckets based on their remaining maturity as of June 30, 2023 and December 31, 2022:

June 30, 2023						
Description	Total	< 1 month	> 1 month - 3 months	> 3 months - 1 year	> 1 year	Others without maturity
Assets						
Cash	28,403,964	28,403,964	-	-	-	-
Current accounts with Bank Indonesia	89,051,800	89,051,800	-	-	-	-
Current accounts with Other Banks	31,786,074	31,786,074	-	-	-	-
Allowance for impairment losses	(48,213)	-	-	-	-	(48,213)
Placement with Bank Indonesia and Other Financial Institutions	34,145,627	31,902,010	788,329	1,455,288	-	-
Allowance for impairment losses	(2,504)	-	-	-	-	(2,504)
Securities	309,314,947	171,400,910	8,785,519	13,695,426	115,433,092	-
Allowance for impairment losses	(80,757)	-	-	-	-	(80,757)
Export Bills and Other Receivables	38,985,135	9,206,872	17,520,018	12,258,245	-	-
Allowance for impairment losses	(2,240,391)	-	-	-	-	(2,240,391)
Securities purchased under agreement to resell	22,823,619	17,827,072	3,056,920	1,751,750	187,877	-

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39. RISK MANAGEMENT (continued)

Liquidity Risk Management (continued)

Analysis of Asset and Liability According to Remaining Contractual Maturity (continued)

The tables below represent information on the mapping of financial assets and liabilities within a certain maturity buckets based on their remaining maturity as of June 30, 2023 and December 31, 2022 (continued):

June 30, 2023						
Description	Total	< 1 month	> 1 month - 3 months	> 3 months - 1 year	> 1 year	Others without maturity
Assets (continued)						
Derivative receivables	1,109,328	1,109,328	-	-	-	-
Loans						
Micro	521,936,588	6,481,565	12,557,298	59,049,684	443,848,041	-
Retail	429,000,109	19,724,679	16,087,672	154,850,385	238,337,373	-
Corporate	186,591,916	18,721,748	10,893,997	19,242,369	137,733,802	-
Allowance for impairment losses	(83,486,893)	-	-	-	-	(83,486,893)
Sharia loans	11,693,680	5,855	19,871	7,880,170	3,787,784	-
Allowance for impairment losses	(1,314,857)	-	-	-	-	(1,314,857)
Finance receivables	52,907,202	18,671,198	1,605,152	14,002,207	18,628,645	-
Allowance for impairment losses	(3,436,158)	-	-	-	-	(3,436,158)
Acceptance receivables	7,617,863	1,441,749	3,637,323	2,538,791	-	-
Allowance for impairment losses	(256,259)	-	-	-	-	(256,259)
Investment in associate*)	1,664,836	-	-	-	-	1,664,836
Allowance for impairment losses	(6,105)	-	-	-	-	(6,105)
Others assets**)	21,045,474	1,531,587	1,659,104	2,977,721	115,946	14,761,116
	1,697,206,025	447,266,411	76,611,203	289,702,036	958,072,560	(74,446,185)
Liabilities						
Liability due immediately	17,011,972	-	-	-	-	17,011,972
Deposits from customers						
Demand deposits	298,309,607	-	-	-	-	298,309,607
Saving deposits	517,114,641	-	-	-	-	517,114,641
Time deposits	429,690,727	165,189,047	131,714,580	130,696,449	2,090,651	-
Deposits from other Bank and other financial institutions	12,684,209	8,443,274	330,836	3,910,099	-	-
Securities sold under agreement to repurchase	24,616,575	16,785,583	3,401,715	415,706	4,013,571	-
Derivative payable	825,751	-	-	-	-	825,751
Acceptance payable	7,617,863	1,441,749	3,637,323	2,538,791	-	-
Marketable securities issued	55,953,731	10,297,339	4,615,458	14,261,352	26,779,582	-
Fund borrowing	82,086,691	30,491,303	12,776,903	12,462,655	26,355,830	-
Subordinated loans and marketable securities	2,205	-	-	-	2,205	-
Other liabilities***)	6,259,660	882,785	806,366	394,123	4,122,032	54,354
	1,452,173,632	233,531,080	157,283,181	164,679,175	63,363,871	833,316,325
Maturity Difference	245,032,393	213,735,331	(80,671,978)	125,022,861	894,708,689	(907,762,510)

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles.

***) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance, lease liabilities, *tabarru'* fund and temporary *syirkah* funds.

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39. RISK MANAGEMENT (continued)

Liquidity Risk Management (continued)

Analysis of Asset and Liability According to Remaining Contractual Maturity (continued)

The tables below represent information on the mapping of financial assets and liabilities within a certain maturity buckets based on their remaining maturity as of June 30, 2023 and December 31, 2022 (continued):

December 31, 2022						
Description	Total	< 1 month	> 1 month - 3 months	> 3 months - 1 year	> 1 year	Others without maturity
Asset						
Cash	27,407,478	27,407,478	-	-	-	-
Current accounts with Bank Indonesia	150,935,150	150,935,150	-	-	-	-
Current accounts with Other Banks	21,488,434	21,488,434	-	-	-	-
Allowance for impairment losses	(18,577)	-	-	-	-	(18,577)
Placement with Bank Indonesia and Other Financial Institutions	70,401,901	67,806,648	554,458	2,040,795	-	-
Allowance for impairment losses	(1,981)	-	-	-	-	(1,981)
Securities	330,324,818	180,858,473	6,743,221	18,893,624	123,829,500	-
Allowance for impairment losses	(82,835)	-	-	-	-	(82,835)
Export Bills and Other Receivables	39,067,375	11,843,924	14,829,717	12,393,734	-	-
Allowance for impairment losses	(1,638,929)	-	-	-	-	(1,638,929)
Securities purchased under agreement to resell	51,014,678	44,525,866	4,678,302	1,810,510	-	-
Derivative receivables	911,405	222,094	82,911	78,715	527,685	-
Loans						
Micro	502,967,076	6,013,367	11,184,966	60,345,250	425,423,493	-
Retail	402,520,682	15,337,476	21,482,703	137,258,265	228,442,238	-
Corporate	173,787,061	12,204,324	5,048,464	27,081,692	129,452,581	-
Allowance for impairment losses	(88,323,830)	-	-	-	-	(88,323,830)
Sharia loans	10,514,329	15,365	22,165	7,379,222	3,097,577	-
Allowance for impairment losses	(1,286,203)	-	-	-	-	(1,286,203)
Finance receivables	49,287,917	7,085,480	1,873,852	24,774,175	15,554,410	-
Allowance for impairment losses	(3,477,948)	-	-	-	-	(3,477,948)
Acceptance receivables	7,167,600	2,149,877	2,816,790	2,200,933	-	-
Allowance for impairment losses	(136,536)	-	-	-	-	(136,536)
Investment in associate*)	1,774,614	-	-	-	-	1,774,614
Allowance for impairment losses	(8,192)	-	-	-	-	(8,192)
Others assets**)	25,286,947	587,031	3,293,586	2,460,394	4,140,171	14,805,765
	1,769,882,434	548,480,987	72,611,135	296,717,309	930,467,655	(78,394,652)
Liabilities						
Liability due immediately	24,910,579	-	-	-	-	24,910,579
Deposits from customers						
Demand deposits	349,755,590	349,755,590	-	-	-	-
Saving deposits	522,647,920	522,647,920	-	-	-	-
Time deposits	435,480,503	157,614,528	136,820,206	138,687,411	2,358,358	-
Deposits from other Bank and other financial institutions	9,334,547	5,778,567	2,539,965	1,016,015	-	-
Securities sold under agreement to repurchase	9,997,592	508,193	3,687,552	1,710,879	4,090,968	-
Derivative payable	783,921	163,536	82,129	28,035	510,221	-

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles.

***) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance, lease liabilities, and tabarru' fund and temporary syirkah funds.

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39. RISK MANAGEMENT (continued)

Liquidity Risk Management (continued)

Analysis of Asset and Liability According to Remaining Contractual Maturity (continued)

The tables below represent information on the mapping of financial assets and liabilities within a certain maturity buckets based on their remaining maturity as of June 30, 2023 and December 31, 2022 (continued):

December 31, 2022						
Description	Total	< 1 month	> 1 month - 3 months	> 3 months - 1 year	> 1 year	Others without maturity
Liabilities (continued)						
Acceptance payable	7,167,600	2,149,877	2,816,790	2,200,933	-	-
Marketable securities issued	63,611,761	1,836,939	650,000	17,565,933	43,558,889	-
Fund borrowing	79,371,200	22,275,713	18,581,962	8,717,512	29,796,013	-
Subordinated loans and marketable securities	501,988	-	-	499,614	2,374	-
Other liabilities***)	13,285,936	1,133,947	2,187,168	4,448,482	4,674,026	842,313
	1,516,849,137	1,063,864,810	167,365,772	174,874,814	84,990,849	25,752,892
Temporary Difference	253,033,297	(515,383,823)	(94,754,637)	121,842,495	845,476,806	(104,147,544)

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles.

***) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance, lease liabilities, and tabarru' fund and temporary syirkah funds.

Market Risk Management

Market risk arises because of the movement of market factors which include interest rates and exchange rates that are against BRI's positions, both positions in the statements of financial position or in the administrative accounts. These positions are those which exist in trading book and banking book.

BRI has implemented treasury and market risk application system, an integrated system used by the front, middle, and back office functions. Middle offices can measure market risk using an internal model (Value-at-Risk) that is integrated with the daily transaction process. Other than monitoring the instruments risk exposures, middle offices also monitor market risk limit.

1. Value-at-Risk (VaR): Purpose and Limitation of the Method

BRI uses an internal model approach to measure VaR potential loss due to changes in market price of trading portfolio based on historical data. VaR potential loss that arise from market risk is measured using the assumptions that the change in risk factors follow normal distribution. BRI uses VaR to measure exchange rate risk for trading and banking book positions and interest rate risk for trading book positions.

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39. RISK MANAGEMENT (continued)

Market Risk Management (continued)

2. Value-at-Risk (VaR) Assumption

VaR potential loss is calculated based on the estimated value using 99% confidence level and market risk position that is unchanged within 1 (one) day holding period. This is an indicator that the potential loss which might exceed VaR value in normal market condition, on average, may occur once every one hundred days. The method used in measuring VaR is the VaR historical method.

The following tables represent information on VaR value starting from January 1, 2023 until June 30, 2023 and January 1, 2022 until December 31, 2022:

	June 30, 2023	
	Exchange Rate^{*)}	Interest Rate
Daily Average	24,650.60	187,681.59
Highest	60,943.37	333,276.04
Lowest	113.78	120,292.93

	December 31, 2022	
	Exchange Rate^{*)}	Interest Rate
Daily Average	19,040.59	71,324.38
Highest	184,176.64	150,840.24
Lowest	121.14	28,410.52

^{*)} Include trading and banking book.

3. Back Testing

The purpose of implementing back testing is to ensure that the result of internal model calculation for interest rate risk and exchange rate risk is appropriate. When performing back testing, BRI compares estimations between daily VaR with actual change of price.

Based on the back testing procedures for exchange rate risk and interest rate risk, the actual loss throughout the year is significantly consistent with VaR forecast model.

4. Market Risk Outside of Trading Book

a. Interest Rate Risk

Interest rate-based financial instruments have risks because there is a potential for interest rate changes that will have an impact on cash flow in the future.

BRI has developed a methodology to measure the impact of interest rate movements in the banking book through Interest Rate Risk in The Banking Book in accordance with SEOJK No. 12/SEOJK.03/2018 dated August 21, 2018. As of June 2023, individually BRI has a delta EVE (Economic Value of Equity) amounting to 6.34% (comparison to Tier 1 capital). The BRI EVE Delta is below the BRI RAS (8.05%) and below the regulator's limit (15.00%). On a consolidated basis, BRI has a delta EVE Valua (Economic Value of Equity) amounting to 6.35% (comparison to Tier 1 capital).

Board of Directors and Management are responsible for determining, managing and controlling interest rate by weighing the Bank's risk appetite and financial performance target. The review of interest rate determination is conducted at least once in a month in the Asset and Liability Committee (ALCO) forum.

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39. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk outside of Trading Book (continued)

a. Interest Rate Risk (continued)

The following table presents information regarding the average interest rates for financial assets and liabilities position for the six-month period ended June 30, 2023 and for the year ended December 31, 2022:

		Rupiah (%)	
		June 30, 2023	December 31, 2022
<u>Assets</u>			
Placement with Bank Indonesia			
and other financial institutions		5.49	5.21
Securities		6.89	6.82
Loans		11.86	11.37
Finance receivables		17.47	17.40
<u>Liabilities</u>			
Deposits from customers			
Demand deposits		2.47	2.07
Saving deposits		0.25	0.22
Time deposits		4.43	3.06
Deposits with other bank			
and other financial institutions		2.69	1.89
Fund borrowings		0.02	0.02
Subordinated loans and marketable securities		2.28	2.15
Marketable securities issued		6.13	5.69
		Foreign Currency (%)	
		June 30, 2023	December 31, 2022
<u>Assets</u>			
Placement with Bank Indonesia			
and other financial institutions		5.17	3.75
Securities		4.16	3.50
Loans		4.62	4.28
Finance receivables		6.29	6.29
<u>Liabilities</u>			
Deposits from customers			
Demand deposits		2.08	0.61
Saving deposits		0.21	0.12
Time deposits		2.89	0.93
Deposits from other bank			
and other financial institutions		2.11	1.80
Fund borrowings		1.15	3.07
Marketable securities issued		4.29	4.29

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39. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside of Trading Book (continued)

a. Interest Rate Risk (continued)

The following table summarizes the sensitivity of BRI's net interest income for the next one year to movements in the interest rate of its portfolio of interest-bearing assets and liabilities as of June 30, 2023 and December 31, 2022 (BRI only):

	Increase of 400 bps	Decrease of 400 bps
June 30, 2023	(14,897,356)	13,823,647
December 31, 2022	(13,192,513)	12,121,776

The following table presents the sensitivity of BRI's statement of profit or loss and other comprehensive income towards possible changes in the interest rate of banking book, with all other variables held constant:

June 30, 2023	
Changes in Percentage	Impact on Statement of Profit or Loss and other Comprehensive Income
+/- 1 %	+/- 1,411,611
December 31, 2022	
Changes in Percentage	Impact on Statement of Profit or Loss and other Comprehensive Income
+/- 1 %	+/- 1,144,881

The tables below summarise the exposure of financial assets and liabilities to interest rate risks (gross):

June 30, 2023						
Description	Floating interest rate			Fixed interest rate	Non-interest rate	Total
	< 3 months	> 3 months - 1 year	> 1 year			
Assets						
Cash	28,403,964	-	-	-	-	28,403,964
Current accounts with Bank Indonesia	89,051,800	-	-	-	-	89,051,800
Current accounts with other banks	31,786,074	-	-	-	-	31,786,074
Placement with Bank Indonesia and other financial institutions	32,690,339	1,455,288	-	-	-	34,145,627
Securities						
Fair value through profit or loss	-	-	-	19,775,130	-	19,775,130
Fair value through other comprehensive income	-	-	-	144,532,643	-	144,532,643
Amortized cost	-	-	-	145,007,174	-	145,007,174
Export bills and other receivables	9,206,872	29,778,263	-	-	-	38,985,135

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39. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside of Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarise the exposure of financial assets and liabilities to interest rate risks (gross) (continued):

June 30, 2023						
Description	Floating interest rate			Fixed interest rate	Non-interest rate	Total
	< 3 months	> 3 months - 1 year	> 1 year			
Assets (continued)						
Securities purchased under agreement to resell	21,577,110	1,246,509	-	-	-	22,823,619
Derivative receivables	-	-	-	-	1,109,328	1,109,328
Loans						
Micro	460,834	2,219,867	44,745,397	474,510,490	-	521,936,588
Retail	35,398,176	109,473,986	166,036,271	118,091,676	-	429,000,109
Corporate	29,615,745	19,242,368	137,733,803	-	-	186,591,916
Sharia loans	-	-	-	11,693,680	-	11,693,680
Finance receivables	3,247,035	39,751	11,893	49,608,523	-	52,907,202
Acceptance receivables	3,361	7,614,502	-	-	-	7,617,863
Investment in associated entities*)	-	-	-	-	1,664,836	1,664,836
Other assets**)	1,231	-	-	276,923	20,767,320	21,045,474
	281,442,541	171,070,534	348,527,364	963,496,239	23,541,484	1,788,078,162
Liabilities						
Liabilities due immediately	-	-	-	-	17,011,972	17,011,972
Deposits from customers						
Demand deposits	198,570,036	-	-	99,739,571	-	298,309,607
Saving deposits	179,651,264	-	-	337,463,377	-	517,114,641
Time deposits	30,273,849	91,567,481	984,079	306,865,318	-	429,690,727
Deposits from other banks and financial institutions	8,774,110	3,910,099	-	-	-	12,684,209
Securities sold under agreement to repurchased	17,567,051	3,035,952	4,013,572	-	-	24,616,575
Derivative payables	825,751	-	-	-	-	825,751
Acceptance payable	3,361	7,614,502	-	-	-	7,617,863
Marketable securities issued	-	-	-	55,953,731	-	55,953,731
Fund borrowings	43,268,208	12,462,655	26,355,828	-	-	82,086,691
Subordinated loans and marketable securities	-	-	-	2,205	-	2,205
Other liabilities***)	-	-	-	-	6,259,660	6,259,660
	478,933,630	118,590,689	31,353,479	800,024,202	23,271,632	1,452,173,632
Difference (gap) repricing interest rate in Financial Assets and Liabilities	(197,491,089)	52,479,845	317,173,885	163,472,037	269,852	335,904,530

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles.

***) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance, lease liabilities, *tabarru'* fund and temporary *syirkah* funds.

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39. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside of Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarise the exposure of financial assets and liabilities to interest rate risks (gross) (continued):

December 31, 2022						
Description	Floating interest rate			Fixed interest rate	Non-interest rate	Total
	< 3 months	> 3 months - 1 year	> 1 year			
Assets						
Cash	27,407,478	-	-	-	-	27,407,478
Current accounts with Bank Indonesia	150,935,150	-	-	-	-	150,935,150
Current accounts with other banks	21,488,434	-	-	-	-	21,488,434
Placement with Bank Indonesia and other financial institutions	68,361,106	2,040,795	-	-	-	70,401,901
Securities						
Fair value through profit or loss	-	-	-	21,115,873	-	21,115,873
Fair value through other comprehensive income	-	-	-	150,802,567	-	150,802,567
Amortized cost	-	-	-	158,406,378	-	158,406,378
Export bills and other receivables	26,673,641	12,393,734	-	-	-	39,067,375
Securities purchased under agreement to resell	49,204,168	1,810,510	-	-	-	51,014,678
Derivative receivables	-	-	-	-	911,405	911,405
Loans						
Micro	529,458	2,247,924	45,408,082	454,781,612	-	502,967,076
Retail	36,034,322	93,739,042	118,254,236	154,493,082	-	402,520,682
Corporate	17,544,255	26,756,901	129,485,905	-	-	173,787,061
Sharia loans	-	-	-	10,514,329	-	10,514,329
Finance receivables	17,764	48,051	58,501	49,163,601	-	49,287,917
Acceptance receivables	4,966,667	2,200,933	-	-	-	7,167,600
Investment in associated entities*)	-	-	-	-	1,774,614	1,774,614
Other assets**)	2,202,856	-	-	-	23,084,090	25,286,946
	405,365,299	141,237,890	293,206,724	999,277,442	25,770,109	1,864,857,464

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles.

***)) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance and classified as available for sale, *tabarru'* fund and temporary *syirkah* funds.

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39. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside of Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarise the exposure of financial assets and liabilities to interest rate risks (gross) (continued):

December 31, 2022						
Description	Floating interest rate			Fixed interest rate	Non-interest rate	Total
	< 3 months	> 3 months - 1 year	> 1 year			
Liabilities						
Liabilities due immediately	-	-	-	-	24,910,579	24,910,579
Deposits from customers						
Demand deposits	250,015,590	-	-	99,740,000	-	349,755,590
Saving deposits	202,651,752	-	-	319,996,168	-	522,647,920
Time deposits	41,032,273	121,411,897	1,945,786	271,090,547	-	435,480,503
Deposits from other banks and financial institutions	8,318,532	1,016,015	-	-	-	9,334,547
Securities sold under agreement to repurchased	4,195,745	1,710,879	4,090,968	-	-	9,997,592
Derivative payables	-	-	-	-	783,921	783,921
Acceptance payable	4,966,667	2,200,933	-	-	-	7,167,600
Marketable securities issued	-	-	-	63,611,761	-	63,611,761
Fund borrowings	40,857,675	8,717,512	29,796,013	-	-	79,371,200
Subordinated loans and marketable securities	-	-	-	501,988	-	501,988
Other liabilities***)	-	-	-	-	13,285,936	13,285,936
	552,038,234	135,057,236	35,832,767	754,940,464	38,980,436	1,516,849,137
Difference (gap) repricing interest rate in Financial Assets and Liabilities	(146,672,935)	6,180,654	257,373,957	244,336,978	(13,210,327)	348,008,327

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on sharia principles.

***)) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance and classified as available for sale, *tabarru'* fund and temporary *syirkah* funds.

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39. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside of Trading Book (continued)

b. Exchange Rate Risk

Exchange rate risk is a risk arising from foreign exchange rate fluctuations against Rupiah of foreign exchange positions held by BRI. Included in the foreign exchange positions are trading book positions held to generate profit both from foreign exchange transactions in the short term and banking book positions held to control the Net Open Position (NOP).

Based on Bank Indonesia's Regulation PBI No. 17/5/PBI/2015 dated May 29, 2015, regarding the Fourth Amendment of PBI No. 5/13/PBI/2003, regarding Net Open Position for Commercial Banks dated July 1, 2010, NOP is set to a maximum of 20% of capital.

NOP is the sum of the absolute amount from the net difference between assets and liabilities for each foreign currency on statement of financial position add with the net difference between receivables and payables of commitments and contingencies for each foreign currency recorded in administrative accounts, which presented in Rupiah.

The tables below represent NOP (BRI only) as of June 30, 2023 and December 31, 2022, respectively, by currency, as follows:

Currencies	June 30, 2023		
	Assets	Liabilities	NOP
<u>Statement of Financial Position and Administrative Accounts</u>			
United States Dollar	281,767,722	283,870,178	2,102,456
Canadian Dollar	79,964	1,641	78,323
Renminbi	965,152	2,073,215	1,108,063
Japanese Yen	1,505,114	1,574,270	69,156
Singaporean Dollar	3,366,748	2,343,713	1,023,035
European Euro	4,936,657	6,156,243	1,219,586
Australian Dollar	459,266	319,351	139,915
Great Britain Pound Sterling	757,693	752,636	5,057
Others	846,798	252,332	594,466
			6,340,057
Capital (Note 48a)			234,682,517
NOP Ratio			2.70%
Currencies	December 31, 2022		
	Assets	Liabilities	NOP
<u>Statement of Financial Position and Administrative Accounts</u>			
United States Dollar	286,822,033	285,848,495	973,538
Canadian Dollar	41,197	80,446	39,249
Renminbi	858,626	801,073	57,553
Japanese Yen	1,318,247	1,267,972	50,275
Singaporean Dollar	3,805,263	4,180,177	374,914
European Euro	2,934,476	2,815,341	119,135
Australian Dollar	410,625	341,148	69,477
Great Britain Pound Sterling	439,996	316,310	123,686
Others	790,615	507,540	283,075
			2,090,902
Capital (Note 48a)			245,292,175
NOP Ratio			0.85%

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39. RISK MANAGEMENT (continued)

Operational Risk Management

Implementation of Operational Risk Management is carried out according to Financial Services Authority Regulation (POJK) No. 18/POJK.03/2016 dated March 22, 2016 regarding Risk Management Implementation for Commercial Banks, which requires the risk management implementation to cover the pillars of active monitoring by the Board of Commissioners and Directors, adequacy of policies, limit procedure and determination, adequacy of identification, measurement, monitoring and management of risk process adequacy as well as information system of risk management and internal control system.

The implementation of operational risk management is intended to manage operational risk exposure due to internal and external factors that impact the business and operational activities, such as inadequate human resources, internal processes, information technology system failures, natural disasters and external party's crimes against the Bank that potentially cause financial and non-financial losses. Operational risk exposure management in BRI includes management of legal, reputational, compliance and strategic risk exposures that occur in every business process and operational activity.

Each of BRI's operational business units are responsible for the implementation of risk management process in the business and operational activities of each business unit through the internal control system. This is done starting from the phase of identification, measurement, monitoring to risk control. To coordinate and ensure that the implementation of risk management processes is carried out in accordance with the rules, BRI's Board of Directors established a risk management function in every business unit starting from the level of Head Office (Division/Desk), Regional Offices, Special Branch Office, Branch Offices, Sub-Branch Offices, BRI Priority Service Centers and Overseas Business Units.

The risk management unit (SKMRO) is responsible for preparing guidelines for implementing operational risk management, developing and implementing policies/procedures and methodologies, supervising, reviewing, and monitoring the operational risk management process. Furthermore, SKMRO also plays a role in the preparation and monitoring of BRI's risk profile, assessment of the adequacy of risk management of a new product and/or activity, and supports operational work units/risk owners in developing a culture of risk awareness, implementation of anti-fraud strategies, and compliance with related risk management principles. In the context of Discussions on management and improvement of control over operational risks are carried out in the Risk Management Committee (RMC) on a monthly basis together with the SKMR and related Divisions/Desks.

Internal audit as the third line of defense including the Head Internal Audit Office and BRI's Regional Internal Audit Office throughout Indonesia is responsible for monitoring and validating the internal control adequacy and effectiveness of internal control at BRI on a Bankwide basis.

BRI's operational risk management implementation is facilitated by operational risk management tools in the form of BRI Operational Risk Assessor (BRI OPRA), which includes the of Risk and Control Self Assessment (RCSA) module, Key Risk Indicator (KRI), Loss Even Database (LED), Risk Management and Maturity forum. Operational risk management tools policy has been updated in the decree of BRI Decision Letter No. S.17-DIR/MOP/03/2020 dated March 6, 2020.

In order to improve understanding on risk management, BRI focused on building risk awareness culture and risk management training/socialization continuously to all BRI employees and also improving internal control quality in each of BRI's operational activities.

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39. RISK MANAGEMENT (continued)

Operational Risk Management (continued)

1. Risk Control and Self Assessment (RCSA)

RCSA is a qualitative and predictive risk management tool which is used to identify and measure the impact and likelihood of risks. RCSA has been implemented in BRI's Head Office (Desk/Division), Regional Offices, Special Branch Office, Overseas Branch/Representative Office, Regional Internal Audit, Regional Campus, Branch Offices which also represents BRI Units, Sub Branch Offices and Priority Service Centres.

RCSA is intended to assist the operational business unit in identifying and measuring operational risk in every business and operational activities independently, including monitoring and determining corrective actions or the future action plans.

The risk issue in RCSA is updated by considering BRI's business development which include the new product and or activity implementation, new market segment and business competition, change in internal/external regulation and other changes that affect BRI's risk exposure. These assessment is carried out by considering Incident Management (IM)/Loss Event Database (LED) data, Key Risk Indicator (KRI) and Audit Result report (LHA). RCSA is performed semi-annually and the frequency will be increased if there is a significant change in risk exposure.

2. Incident Management (IM) and Loss Event Database (LED)

Incident Management (IM) is BRI's Loss Event Database (LED) which includes data documentation process of loss events for all types of loss, financial and non-financial loss, which includes actual loss and potential loss, including corrective actions and incident handling conducted.

Based on loss event data in IM module, loss event analysis can be performed based on causes, functional activities, event types and business lines of BRI. The information system can be used to determine the preventive actions in risk controls, based on the documentation process of incident handling or settlement for the non-financial loss, financial loss, loss recovery and litigation process.

In order to calculate operational capital charge and Operational Capital Adequacy Ratio (Operational CAR), according to regulator policy BRI used the Basic Indicator Approach (BIA) method, since it has been implemented in 2010. However, BRI has made preparations to implement the measurement of Minimum Operational Risk Capital (MORC) Standard Approach which is guided by the Basel III Framework. Regulation for Operational Risk Weighted Assets (RWA) with a standard approach are regulated through Directors' Circular Letter No. SE.66-DIR/MPE/12/2022 Book 2 regarding Operational RWA Calculations.

3. Key Risk Indicator (KRI)

KRI is a management risk tool in the form of quantitative indicators that can provide early information on the increase or decrease in risk and/or decrease in the effectiveness of controls against a predetermined threshold. KRI can be leading or lagging. Risk monitoring through KRI aims to determine follow-up plans related to risk control so as to prevent or minimize the impact of losses.

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39. RISK MANAGEMENT (continued)

Operational Risk Management (continued)

3. Key Risk Indicator (KRI) (continued)

BRI has identified key risk indicators for all risk types and determined the risks threshold or limit which portrays the acceptable condition and risk appetite of BRI. Identification of main risk indicator and KRI threshold determination is established using the best judgement, considering BRI risk exposures and risk appetite. Threshold determination involved internal auditor, risk owner and other related business units. BRI's KRI are reflected on its Bankwide Risk Profile and Regional Risk Profile Report which are monitored and reported monthly to the management.

4. Risk Management Forum (RM Forum)

Risk Management Forum (RM Forum) is a risk management tool to hold a meeting or forum among the head of BRI's operational business units with the lower level employees and staff to discuss inherent risks in the daily business or operational activities that might be the constraint in achieving the business target or standard business performance. Risk management forum, which are held in each business unit, are expected to support the growth of BRI's risk awareness culture. RM Forum implementation in regional level are held in a form of Governance, Risk and Compliance (GRC) Forum, which attended by permanent member, i.e. Regional CEO, Regional Risk Management Head and Head of Regional Internal Audit.

5. Maturity

Maturity is a self-assessment process on the establishment level of risk management implementation in each of BRI business unit. Maturity assessment is performed at every end of year by each business unit head using certain parameters. By performing maturity assessment, it is expected that each business unit will be able to evaluate the risk management implementation, in order to compose future improvement plan.

6. Business Continuity Management (BCM)

The possibility of disruption/disaster caused by nature, human or technology pose a threat to BRI's business continuity, as BRI has business units spread across Indonesia. Therefore, the Board of Directors are developing and implementing Business Continuity Management (BCM) Policies in order to ensure the employees, customers and stakeholders in the vicinity of BRI business unit environment's safety and security (Emergency Response Plan) and maintain the continuity of critical businesses and operational activities, protect BRI's assets and provide sufficient response during disruption or disaster conditions (Business Continuity Plan). BCM policies are stipulated through BRI Standard Operating Procedure No.SO.67-ORD/11/2021 dated November 29, 2021.

BRI BCM implementation covers all BRI work units, among others through the formation of a Crisis Management Team, the preparation of Call Tree and the establishment of alternate sites. BRI work units have also carried out a Threat and Disaster Risk Assessment which aims to identify the resources needed in preparation for facing threats/disasters in each work unit. As one of the implementation of BCM BRI has Emergency Response Plan (ER Plan) and Business Continuity Plan (BC Plan) policies for Critical Work Units. To ensure that the policy can be used during disruptions/disasters, the ER Plan and BC Plan trials are carried out annually and prioritized in disaster-prone work units.

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39. RISK MANAGEMENT (continued)

Operational Risk Management (continued)

6. Business Continuity Management (BCM) (continued)

The readiness of BRI to ensure that the implementation of business continuity procedures has been well tested in disaster events experienced by several BRI Work Units. Provisions regarding disaster emergency response in the workplace are formulated in Circular Letter No. 58-/DIR/ORD/11/2022 Book 4 on Occupational Health and Safety Management System (SMK3) and SOP No. SO.05-ORD/05/2023 regarding Business Continuity Management.

7. Assessment of Risk Management Adequacy on New Product and/or Activity Launching

In order to launch each BRI's new product and/or activity, it involves risk management process that covers risk assessment done by product owner on every possible risk types from the launch of new product and/or activity, including control determination to mitigate the risks that might appear.

SKMRO is responsible to assess the risk mitigation adequacy and recommend the assessment result for the approval of the Risk Management Director. New Product and/or Activity Launching is stipulated through BRI Circular Letter No. 58-/DIR/ORD/11/2022 Book 6 regarding Product Implementation Risk Management.

8. BRI *Anti-Fraud* Strategy Implementation

All of the Bank's business activities can be exposed to operational risks, one of which is fraud. To minimize the impact of losses due to fraud, BRI implements an *Anti Fraud* strategy which is a form of BRI's commitment to zero tolerance for fraud through an effective and sustainable fraud control system. The implementation of the *Anti Fraud* strategy at BRI is supported by increasing fraud detection capabilities through the development of the Fraud Detection System, as well as increasing the competence and awareness of BRI Employees to prevent, detect and handle fraud as part of preventing and minimizing bank and/or customer losses. As a form of commitment of all BRI Lians in preventing fraud, the Board of Directors and Commissioners, as well as the Management and all BRI Employees periodically sign the *Anti-Fraud* Commitment as stated in Circular Letter Number SE.58-DIR/ORS/11/2022 Book 5 concerning *Anti-Fraud* Strategy.

Recent Developments in Economic Recovery

The prospect for the global economy is still covered in uncertainty. Projections from several international institutions such as the World Bank (WB) and the Organization for Economic Co-operation and Development (OECD) in June 2023 tend to vary with quite large deviations. However, the projection for global economic growth and most countries in the world are revised slightly upwards, except for Japan. The economic recovery of developing countries is far better than developed countries.

However, there is still the possibility of downside risk of recovery in the world economy, due to the high benchmark interest rates of most central banks, in line with very high inflation (especially in developed countries).

In the short term, there are at least three main challenges that need to be alert, in line with the rate of global economic growth which is still dynamic and fluctuating. First, the global inflation trend is still historically quite high due to persistent core inflation levels, especially in developed countries such as the US and the European Union. This is driven by the strong domestic consumption growth these countries, supported by the solid labor market conditions, especially in the US.

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39. RISK MANAGEMENT (continued)

Recent Developments in Economic Recovery (continued)

Second, tight monetary policies by various central banks in the world are expected to last until the end of 2023. The continued tightness of monetary policy could slow down credit growth and global economic growth in general. In addition, high interest rates could also increase costs of debt service for governments and corporations among the global debt rates that are already quite high. In financial markets, monetary policy that remains tight can reduce global liquidity significantly and suddenly, triggering global financial system instability.

Third, China's economic recovery is lower than previously estimated due to slowing industrial activity and consumer demand. This is caused by the ongoing property crisis, weak consumer confidence and high unemployment rates in the productive age group. The combination of these various challenges is expected to have a negative impact on the pace of global economic recovery in 2023 and 2024.

Meanwhile, in terms of the domestic economy, the momentum for economic recovery continues. In Q2-2023, the national economy grew positively by 5.17% year-on-year (yoy), increased from the previous quarter of 5.04% yoy. National economic growth, which was still quite strong in that period, was supported by domestic demand which grew strongly and increased, especially in household consumption and investment.

However, there are signs of slowing domestic economic performance as reflected in the decline in several domestic consumption indicators such as core inflation and retail sales. In addition, the decline in global commodity prices and weakening demand from China have the potential to put pressure on Indonesia's mainstay export performance.

From the banking side, the slowdown in economic growth from the production and the tightening monetary policy implemented by Bank Indonesia (BI) resulted in a slowdown in banking industry activity. This is reflected in the rate of credit growth which has been on a downward trend since the beginning of 2023. The latest data shows that bank credit growth in June 2023 was recorded at 7.8% yoy, slower than the position at the end of 2022 of 11.4% yoy and in May 2023 amounted to 9.4% yoy. However, the slowing credit growth was still accompanied by credit quality that remains stable. In June 2023, the gross Non-Performing Loan (NPL) ratio was recorded steadily below 3%, was 2.4% or lower than May 2023 of 2.52%. Meanwhile, banking industry liquidity tends to be tighten. The growth of Third Party Funds (TPF) slowed down to 5.8% yoy in June 2023, lower than the position at the end of 2022 of 9.0% and May 2023 of 6.6% yoy. TPF growth is expected to be more limited due to BI's tight monetary policy (reference rate and minimum statutory reserves are still high) and the public's saving ability tends to weaken.

Meanwhile in facing the opportunities as well as challenges in the current era of economic recovery, BRI seeks sustainable business growth with the following initiatives:

1. Asset Initiatives

In increasing asset growth, BRI will focus on several things, namely:

- a. Focus on lending to the MSME segment.
- b. Optimizing New Sources of Growth originating from the formation of ultra-micro holdings and subsidiary companies.
- c. Maintaining asset quality by growing selectively in potential sectors and being resilient to crisis shocks.

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39. RISK MANAGEMENT (continued)

Recent Developments in Economic Recovery (continued)

Meanwhile in facing the opportunities as well as challenges in the current era of economic recovery, BRI seeks sustainable business growth with the following initiatives (continued):

2. Liability & Equity Initiatives

As a source of asset growth, sustainable growth in terms of liabilities and capital is needed. BRI will focus on liquidity from low-cost funds by increasing the CASA ratio and maintaining adequate capital levels (CAR) according to regulatory requirements and accelerating asset growth.

3. Digital Initiatives

As an effort to improve efficiency in company operations, increase employee productivity, and improve service to customers, BRI will continue to digitize and develop quality supporting tools and applications for customers and employees.

40. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The tables below represent the comparison of the carrying values and fair values of financial assets and liabilities. The fair values disclosed below are based on relevant information available as of June 30, 2023 and December 31, 2022 and are not updated to reflect changes in market conditions which have occurred subsequently.

	June 30, 2023		December 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets				
Cash	28,403,964	28,403,964	27,407,478	27,407,478
Current accounts with Bank Indonesia	89,051,800	89,051,800	150,935,150	150,935,150
Current accounts with other banks	31,737,861	31,737,861	21,469,857	21,469,857
Placement with Bank Indonesia and other financial institutions	34,143,123	34,143,123	70,399,920	70,399,920
Securities				
Fair value through profit or loss	19,775,130	19,775,130	21,115,873	21,115,873
Fair value through other comprehensive income	144,532,643	144,532,643	150,802,567	150,802,567
Amortized cost	144,926,417	144,829,289	158,323,543	154,579,632
Export bills and other receivables	36,744,744	36,744,744	37,428,446	37,428,446
Securities purchased under agreement to resell	22,823,619	22,823,619	51,014,678	51,014,678
Derivatives receivables	1,109,328	1,109,328	911,405	911,405
Loans and sharia loans	1,064,420,543	1,034,890,130	1,000,179,115	973,483,631
Finance receivables	49,471,044	49,266,210	45,809,969	43,880,120
Acceptance receivables	7,361,604	7,361,604	7,031,064	7,031,064
Investment in associated entities ^{*)}	1,664,836	1,664,836	1,774,614	1,774,614
Other assets ^{**)}	21,045,474	21,045,474	25,286,947	25,286,947
Total	1,697,212,130	1,667,379,755	1,769,890,626	1,737,521,382

^{*)} Investment associated entities with no significant influence.

^{**)} Other assets consist of interest receivable, other receivable and income that will be received under sharia principle.

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40. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The tables below represent the comparison of the carrying values and fair values of financial assets and liabilities. The fair values disclosed below are based on relevant information available as of June 30, 2023 and December 31, 2022 and are not updated to reflect changes in market conditions which have occurred subsequently. (continued)

	June 30, 2023		December 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Liabilities				
Liabilities due immediately	17,011,972	17,011,972	24,910,579	24,910,579
Deposits from customers				
Demand deposits	298,309,607	298,309,607	349,755,590	349,755,590
Saving deposits	517,114,641	517,114,641	522,647,920	522,647,920
Time deposits	429,690,727	429,690,727	435,480,503	435,480,503
Deposits from other banks and financial institutions				
Demand deposits	2,578,700	2,578,700	1,911,667	1,911,667
Saving deposits	5,587	5,587	9,787	9,787
Time deposits and deposits on call	3,005,468	3,005,468	3,402,129	3,402,129
Inter-bank call money	7,094,454	7,094,454	4,010,964	4,010,964
Securities sold under agreement to repurchase	24,616,575	24,616,575	9,997,592	9,997,592
Derivative payables	825,751	825,751	783,921	783,921
Acceptance payables	7,617,863	7,617,863	7,167,600	7,167,600
Marketable securities issued	55,953,731	56,656,015	63,611,761	63,816,479
Fund borrowings	82,086,691	82,086,691	79,371,200	79,371,200
Subordinated loans and marketable securities	2,205	2,205	501,988	505,258
Other liabilities ^{*)}	6,259,660	6,259,660	13,285,936	13,285,936
Total	1,452,173,632	1,452,875,916	1,516,849,137	1,517,057,125

^{*)} Other liabilities consist of interest payable, deposits guarantee, investment contract liabilities, co-insurance payable, reinsurance, lease liabilities, *tabarru'* fund and temporary *syirkah* fund

Methods and assumptions used to estimate fair value are as follows:

- a) The fair values of certain financial assets and liabilities, except for securities are classified as amortized cost, loans, sharia loans, finance receivables, marketable securities issued and subordinated loans and marketable securities approximate their carrying values due to their short-term maturities.

The estimated fair values of certain financial assets are determined based on discounted cash flows using money market interest rates for debts with similar credit risk and remaining maturities.

The estimates of the fair value of certain financial liabilities which are not quoted in an active market are determined based on discounted cash flows using interest rates of a new debt with similar remaining maturities.

- b) Securities

The fair values of securities classified as held to maturity are determined based on market prices or quoted price of intermediary (broker)/securities traders (dealers). If the information is not available, the fair values are estimated by using quoted market price of securities with similar credit characteristics, maturities and yields.

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40. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

Methods and assumptions used to estimate fair value are as follows (continued):

c) Loans and sharia loans

BRI's loan portfolio generally consists of loans with floating and fixed interest rates. Loans are stated at the carrying amount. The fair value of loans represents the discounted value of estimated future cash flows expected to be received by BRI. The estimated future cash flow is discounted using market interest rate to determine the fair value.

Sharia loans portfolio generally has a floating margin and short-term sharia loans has a fixed margin.

d) Finance receivables

The fair values are calculated based on the discounted cash flow models using market interest rates.

e) Derivative receivables and payables

The fair values of derivatives instrument are assessed using valuation techniques that use components which can be observed in the market, which include primarily interest rate swaps, currency swaps and currency exchange contracts. The most widely used valuation techniques include forward and swap valuation models using present value calculation. The models incorporate various components which include the credit quality of the counterparty, spot value and future contracts as well as interest rate curve.

f) Fund borrowings, marketable securities issued and subordinated loans and marketable securities

The fair values are calculated based on the discounted cash flow models using market rates for the remaining maturity period.

The following tables present financial instruments recognized at fair value based on the hierarchy used by BRI and its subsidiaries to determine and disclose the fair value of financial instruments (Note 2c):

June 30, 2023				
	Fair Value	Level 1	Level 2	Level 3
Financial Assets				
Fair value through profit or loss				
Government Bonds	14,199,015	14,199,015	-	-
Mutual Fund	2,204,533	2,204,533	-	-
Derivative Receivables	1,109,328	-	1,109,328	-
Bonds	420,326	420,326	-	-
U.S. Treasury Bonds	59,702	59,702	-	-
Subordinated Bond	49,611	49,611	-	-
Negotiable Certificate Of Deposits	19,290	19,290	-	-
Others	2,822,653	2,822,653	-	-
	<u>20,884,458</u>	<u>19,775,130</u>	<u>1,109,328</u>	<u>-</u>

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40. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The following tables present financial instruments recognized at fair value based on the hierarchy used by BRI and its subsidiaries to determine and disclose the fair value of financial instruments (Note 2c) (continued):

June 30, 2023				
	Fair Value	Level 1	Level 2	Level 3
Financial Assets (continued)				
Fair value through other comprehensive income				
Government Bonds	106,000,932	106,000,932	-	-
Bonds	16,206,909	16,206,909	-	-
Mutual Fund	13,850,239	13,850,239	-	-
Bank Indonesia Certificates	3,257,965	3,257,965	-	-
U.S. Treasury Bonds	2,296,033	2,296,033	-	-
Monetary Authority of Singapore (MAS) Bills	1,495,346	1,495,346	-	-
Singapore Government Securities	534,277	534,277	-	-
Medium-Term Note	271,350	271,350	-	-
U.S. Treasury Bills	148,442	148,442	-	-
Taiwanese Government Bonds	146,428	146,428	-	-
Subordinated Bonds	75,116	75,116	-	-
Negotiable Certificate of Deposit	57,968	57,968	-	-
Others	191,638	191,638	-	-
	144,532,643	144,532,643	-	-
Amortized cost				
Government Bonds	124,315,348	124,315,348	-	-
Risk Participation Receivables	19,461,775	19,461,775	-	-
Bonds	1,034,166	1,034,166	-	-
Medium-Term Note	11,000	11,000	-	-
Subordinated Bonds	7,000	7,000	-	-
	144,829,289	144,829,289	-	-
Loans and receivables				
Loans	1,034,890,130	-	991,510,169	43,379,961
Finance receivables	49,266,210	-	49,266,210	-
	1,084,156,340	-	1,040,776,379	43,379,961
Total financial assets	1,394,402,730	309,137,062	1,041,885,707	43,379,961
Financial liabilities				
Fair value through profit or loss				
Derivative payables	825,751	-	825,751	-
Other liabilities				
Marketable issued securities	56,656,015	56,656,015	-	-
Subordinated loans and marketable securities	2,205	2,205	-	-
	56,658,220	56,658,220	-	-
Total financial liabilities	57,483,971	56,658,220	825,751	-

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40. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The following tables present financial instruments recognized at fair value based on the hierarchy used by BRI and its subsidiaries to determine and disclose the fair value of financial instruments (Note 2c) (continued):

December 31, 2022				
	Fair Value	Level 1	Level 2	Level 3
Financial Assets				
Fair value through profit or loss				
Government Bonds	10,605,908	10,605,908	-	-
Mutual Fund	7,084,911	7,084,911	-	-
Derivative Receivables	911,405	-	911,405	-
Bonds	479,720	479,720	-	-
Subordinated Bond	49,669	49,669	-	-
Negotiable Certificate of Deposits	18,554	18,554	-	-
Others	2,877,111	2,877,111	-	-
	22,027,278	21,115,873	911,405	-
Fair value through other comprehensive income				
Government Bonds	117,770,585	117,770,585	-	-
Bonds	15,434,106	15,434,106	-	-
Mutual Fund	11,422,671	11,422,671	-	-
U.S. Treasury Bonds	1,754,568	1,754,568	-	-
Monetary Authority of Singapore (MAS) Bills	1,684,648	1,684,648	-	-
Bank Indonesia Certificates	873,765	873,765	-	-
Singapore Government Securities	566,294	566,294	-	-
Negotiable Certificate of Deposit	545,461	545,461	-	-
Medium-Term Note	285,543	285,543	-	-
Taiwan Government Bonds	153,075	153,075	-	-
Subordinated Bonds	119,071	119,071	-	-
Others	192,780	192,780	-	-
	150,802,567	150,802,567	-	-
Amortized cost				
Government Bonds	130,205,667	130,205,667	-	-
Risk Participation Receivables	23,057,681	23,057,681	-	-
Bonds	1,173,284	1,173,284	-	-
Medium-Term Note	136,000	136,000	-	-
Subordinated Bonds	7,000	7,000	-	-
	154,579,632	154,579,632	-	-
Loans and receivables				
Loans	973,483,631	-	923,081,388	50,402,243
Finance receivables	43,880,120	-	-	43,880,120
	1,017,363,751	-	923,081,388	94,282,363
Total financial assets	1,344,773,228	326,498,072	923,992,793	94,282,363
Financial liabilities				
Fair value through profit or loss				
Derivative payables	783,921	-	783,921	-
Other liabilities				
Marketable issued securities	63,816,479	63,816,479	-	-
Subordinated loans and marketable securities	505,258	505,258	-	-
	64,321,737	64,321,737	-	-
Total financial liabilities	65,105,658	64,321,737	783,921	-

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41. OPERATING SEGMENT

Information concerning the segments of BRI and Subsidiaries are as follows:

a. Company Name	Business Field
PT Bank Rakyat Indonesia (Persero) Tbk	Conventional Banking
PT Bank Raya Indonesia Tbk	Conventional Banking
BRI Remittance Co. Limited Hong Kong	Financial Service
PT Asuransi BRI Life	Life Insurance
PT BRI Multifinance Indonesia	Financing Company
PT BRI Danareksa Sekuritas	Securities Company
PT BRI Ventura Investama	Venture Capital Company
PT BRI Asuransi Indonesia	General Insurance
PT Pegadaian	Financing Company
PT Permodalan Nasional Madani	Financing Company
PT Danareksa Investment Management	Investment Company

b. Operating Segment

For management purposes, BRI is organized into 5 (five) operating segments based on products which are as follows:

- Micro Segment
- Retail Segment
- Corporate Segment
- Other Segments
- Subsidiaries

The following is information on segments of BRI and its subsidiaries as for the six-month period ended as of June 30, 2023 and 2022 and the year period ended December 31, 2022 based on operating segments:

Description	For the six-month period ended as of June 30, 2023					
	Micro	Retail	Corporate	Others	Subsidiaries	Total
Interest, premium, and gold income - net	30,473,401	13,993,751	1,697,022	6,758,113	13,664,106	66,586,393
Other operating income	7,645,234	7,905,041	2,415,106	1,899,112	1,264,493	21,128,986
Total income	38,118,635	21,898,792	4,112,128	8,657,225	14,928,599	87,715,379
Other operating expense	(15,010,516)	(10,758,041)	(992,795)	(783,952)	(9,111,844)	(36,657,148)
Provision for impairment losses	(9,348,834)	(6,015,542)	3,348,049	(575,712)	(1,229,355)	(13,821,394)
Total expense	(24,359,350)	(16,773,583)	2,355,254	(1,359,664)	(10,341,199)	(50,478,542)
Non-operating income (expense) - net	8,861	40,272	17,047	(119,506)	16,620	(36,706)
Income before tax expense	13,768,146	5,165,481	6,484,429	7,178,055	4,604,020	37,200,131
Tax expense	(2,615,948)	(981,441)	(1,254,652)	(1,717,441)	(1,069,288)	(7,638,770)
Income for the period	11,152,198	4,184,040	5,229,777	5,460,614	3,534,732	29,561,361
Segment assets						
Loans - gross	469,542,133	424,155,581	186,591,914	-	57,238,985	1,137,528,613
Total assets	444,307,754	399,343,441	210,996,626	556,443,091	177,606,771	1,788,697,683
Segment liabilities						
Total deposits from customers	360,311,736	465,828,350	414,230,528	-	4,744,361	1,245,114,975
Total liabilities	360,311,736	465,828,350	428,110,778	128,402,443	124,001,321	1,506,654,628

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41. OPERATING SEGMENT (continued)

b. Operating Segment (continued)

The following is information on segments of BRI and its subsidiaries as for the six-month period ended as of June 30, 2023 and 2022 and the year period ended December 31, 2022 based on operating segments (continued):

Description	For the six-month period ended as of June 30, 2022					
	Micro	Retail	Corporate	Others	Subsidiaries	Total
Interest, premium, and gold income - net	29,305,503	15,415,536	2,636,179	6,262,303	11,986,832	65,606,353
Other operating income	6,277,017	6,575,181	1,156,163	1,948,522	1,235,897	17,192,780
Total income	35,582,520	21,990,717	3,792,342	8,210,825	13,222,729	82,799,133
Other operating expense	(16,038,410)	(8,741,528)	(878,878)	(739,832)	(8,329,337)	(34,727,985)
Provision for impairment losses	(8,088,430)	(6,593,302)	(1,107,044)	199,329	(1,336,081)	(16,925,528)
Total expense	(24,126,840)	(15,334,830)	(1,985,922)	(540,503)	(9,665,418)	(51,653,513)
Non-operating income (expense) - net	6,596	32,360	(4,842)	16,660	27,885	78,659
Income before tax expense	11,462,276	6,688,247	1,801,578	7,686,982	3,585,196	31,224,279
Tax expense	(1,490,096)	(1,134,285)	(245,533)	(2,604,127)	(873,967)	(6,348,008)
Income for the period	9,972,180	5,553,962	1,556,045	5,082,855	2,711,229	24,876,271
Segment assets						
Loans - gross	425,258,385	386,129,739	184,792,877	-	54,859,306	1,051,040,307
Total assets	397,941,048	362,575,548	198,184,827	515,947,040	159,867,886	1,634,516,349
Segment liabilities						
Total deposits from customers	355,830,797	420,435,624	351,982,296	-	8,733,197	1,136,981,914
Total liabilities	355,830,797	420,435,624	367,087,401	108,540,141	114,679,489	1,366,573,452

Description	For the year ended as of December 31, 2022					
	Micro	Retail	Corporate	Others	Subsidiaries	Total
Interest and premium income - net	59,395,789	30,128,931	(1,777,679)	12,971,033	25,755,474	126,473,548
Other operating income	13,689,096	15,553,855	3,593,099	3,879,050	2,412,593	39,127,693
Total income	73,084,885	45,682,786	1,815,420	16,850,083	28,168,067	165,601,241
Other operating expense	(34,395,404)	(18,746,771)	(1,884,810)	(1,237,497)	(18,051,530)	(74,316,012)
Provision for impairment losses	(8,779,414)	(17,073,704)	1,292,897	996,230	(3,415,201)	(26,979,192)
Total expense	(43,174,818)	(35,820,475)	(591,913)	(241,267)	(21,466,731)	(101,295,204)
Non operating income (expense) - net	30,762	179,332	78,689	(11,879)	13,760	290,664
Income before tax expense	29,940,829	10,041,643	1,302,196	16,596,937	6,715,096	64,596,701
Tax expense	(3,892,308)	(2,164,708)	(479,226)	(5,055,150)	(1,597,102)	(13,188,494)
Income for the period	26,048,521	7,876,935	822,970	11,541,787	5,117,994	51,408,207
Segment assets						
Loans - gross	449,626,718	399,555,810	173,787,061	-	56,305,230	1,079,274,819
Total assets	426,126,994	372,574,207	191,822,648	688,319,441	168,082,726	1,846,926,016
Segment liabilities						
Total deposits from customers	367,656,835	469,090,526	464,028,257	-	7,108,395	1,307,884,013
Total liabilities	367,656,835	469,090,526	477,581,582	128,737,434	119,177,316	1,562,243,693

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41. OPERATING SEGMENT (continued)

c. Geographical Segment

The following are information on the geographical segment of BRI and its subsidiaries:

Description	Total Income	
	For the six-month period ended as of June 30,	
	2023	2022
Indonesia	87,455,126	82,384,330
United States of America	84,469	237,969
Singapore	78,650	126,066
Timor-Leste	74,035	43,819
Hong Kong	8,606	6,681
Taiwan	14,493	268
Total	87,715,379	82,799,133

Description	Income before tax expense	
	For the six-month period ended as of June 30,	
	2023	2022
Indonesia	37,044,967	30,995,833
United States of America	27,798	151,862
Singapore	74,190	68,590
Timor-Leste	52,805	19,982
Hong Kong	20	233
Taiwan	351	(12,221)
Total	37,200,131	31,224,279

Description	Total Assets	
	June 30, 2023	December 31, 2022
Indonesia	1,732,230,509	1,789,162,542
United States of America	27,090,579	27,856,321
Singapore	23,884,946	25,069,385
Timor-Leste	3,877,386	4,256,142
Hong Kong	22,671	17,982
Taiwan	1,591,592	563,644
Total	1,788,697,683	1,846,926,016

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41. OPERATING SEGMENT (continued)

c. Geographical Segment (continued)

The following are information on the geographical segment of BRI and its subsidiaries (continued):

Description	Total Liabilities	
	June 30, 2023	December 31, 2022
Indonesia	1,450,626,330	1,504,449,309
United States of America	27,352,412	28,000,956
Singapore	23,956,503	25,168,981
Timor-Leste	3,619,112	4,020,492
Hong Kong	7,780	4,257
Taiwan	1,092,491	599,698
Total	1,506,654,628	1,562,243,693

42. EMPLOYEES PROGRAM

Provisions for employee benefit plans consist of:

	June 30, 2023	December 31, 2022
Grand leaves	3,681,342	3,207,290
Work separation scheme	3,403,444	2,841,015
Defined Benefit Pension Plan	3,069,469	2,082,356
Gratuity services program	2,482,047	1,900,980
Post-employment BPJS health program	955,955	646,240
Defined Benefit Pension Plan (PT Pegadaian)	22,557	17,996
Other benefit program of additional benefit fund	-	202,515
Total (Note 27)	13,614,814	10,898,392

Actuarial assessment of the respective employee benefit plans as of June 30, 2023 and December 31, 2022 performed by independent actuaries as follows:

Entity	Independent Actuarial	Reporting Date	
		June 30, 2023	December 31, 2022
Parent Entity	KKA Enny Diah Awal	July 20, 2023	January 5, 2023
Subsidiary			
PT Bank Raya Indonesia Tbk	KKA Enny Diah Awal	July 20, 2023	December 30, 2022
PT Asuransi BRI Life	KKA Riana & Rekan	July 3, 2023	January 6, 2023
PT BRI Multifinance Indonesia	KKA Enny Diah Awal	August 10, 2023	January 3, 2023
PT BRI Danareksa Sekuritas	KKA Enny Diah Awal	June 30, 2023	January 27, 2023
PT BRI Ventura Investama	KKA Enny Diah Awal	June 23, 2023	January 3, 2023
PT BRI Asuransi Indonesia	KKA Steven & Mourits	July 4, 2023	January 5, 2023
PT Pegadaian	KKA Agus Susanto	July 3, 2023	January 5, 2023
PT Permodalan Nasional Madani	KKA Riana & Rekan	July 3, 2023	January 3, 2023

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42. EMPLOYEES PROGRAM (continued)

a. Defined Benefit Pension Plan

Effective on January 1, 2007, all newly appointed permanent employees are not included in this program and the right for pension benefits is given based on the established requirements stated in the regulations by considering the annual gratuity factor over the working period and income on the pension fund. BRI's pension plan is managed by Dana Pensiun BRI (DPBRI). According to the provisions stipulated in BRI Board of Directors' Decree, BRI employee's contribution for pension contribution amounted to 7% of the employee's basic pension salaries and for the remaining amount required to be funded by DPBRI represents the contribution by BRI, where BRI's contribution is amounted to 43.08% of basic pension salaries since March 1, 2023.

Effective January 1, 2007, all newly appointed permanent employees are not included in this program and the right to pension benefits is given based on the requirements stipulated in the regulations taking into account the award factor per year of service and pension fund income. The Pegadaian pension fund program is managed by the Pegadaian Pension Fund. Pegadaian Board of Directors' decision, Pegadaian employee's contribution to pension contributions amounted to 6.50% of the employee's basic pension salaries and the amount that needs to be funded by Pegadaian Pension Fund is Pegadaian's contribution, where Pegadaian's contribution since December 29, 2020 is 16% of basic pension salaries.

The actuarial calculation of BRI's pension expense as of June 30, 2023 and December 31, 2022 which was prepared in accordance with SFAS No. 24 using the Projected Unit Credit method and considering the following assumptions:

	June 30, 2023	December 31, 2022
Parent Entity		
Discount rate	6.70%	7.40%
Basic pension salary growth rate	7.50	7.50
Pension benefit growth rate	4.00	4.00
Mortality rate	TMI IV 2019	TMI IV 2019
Disability rate	10.00% from TMI 2019	10.00% from TMI 2019
Normal retirement age	56 Years	56 Years
Subsidiary		
Discount rate	7.00%	7.00%
Basic pension salary growth rate	5.00	5.00
Mortality rate	GAM 1971	GAM 1971
Disability rate	0.01% from Mortality	0.01% from Mortality
Normal retirement age	56 Years	56 Years

The assets of DPBRI mainly consist of saving deposits, time deposits, securities, mutual fund units, securities with collateral assets and long-term investments in the form of shares of stocks and property.

Movements in present value of defined benefit pension liabilities as of June 30, 2023 and December 31, 2022 are as follows :

	June 30, 2023	December 31, 2022
Present value of defined benefit pension - beginning balance	26,896,251	25,618,746
Interest expense	975,727	1,837,112
Current service cost	240,668	386,314
Past service cost	(118,086)	1,013,104
Benefit paid	(701,289)	(1,391,441)
Actuarial (gain)/loss	1,396,972	(567,584)
Present value of defined benefit pension liabilities ending balance	28,690,243	26,896,251

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42. EMPLOYEES PROGRAM (continued)

a. Defined Benefit Pension Plan (continued)

Movements in fair value of defined benefit pension liabilities as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Fair value of program assets - beginning	24,813,852	23,458,521
Real development result	1,223,856	2,122,700
Contributions paid - employer (Note 44)	356,292	563,595
Contributions paid - participants	29,277	60,992
Actuarial loss on asset	(101,214)	(515)
Benefit paid	(701,289)	(1,391,441)
Total program assets	25,620,774	24,813,852

Movements in defined benefit pension liabilities as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Beginning balance	2,082,356	2,160,113
Defined benefit pension expense - net (Note 35)	164,961	1,452,579
Contributions paid - current year (Note 44)	(356,292)	(563,595)
Remeasurement of liabilities (assets) for defined pension benefit - net	1,178,444	(966,741)
Ending balance (Note 27)	3,069,469	2,082,356

Remeasurement of liabilities (assets) for defined benefit pension as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Beginning balance	2,422,737	3,389,477
Actuarial (gain)/loss	1,498,186	(567,584)
Yields on program assets	(319,742)	(399,156)
Remeasurement of assets for defined pension benefit - net	3,601,181	2,422,737

Pension benefit expense calculation for the six-month period ended June 30, 2023 and 2022, in accordance with the actuarial calculation is as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Current service cost	240,668	215,762
Contributions paid - participants	(29,234)	(31,195)
Interest expense - net	71,613	60,635
Past service cost	(118,086)	(147)
Defined benefit pension expense (Note 35)	164,961	245,055

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42. EMPLOYEES PROGRAM (continued)

b. Retirement Benefits Plan

BRI's employees are also given retirement benefits (THT) in accordance with the provisions stipulated in the Decree of the Board of Directors of BRI. BRI's retirement benefits plan is managed by Yayasan Kesejahteraan Pegawai BRI.

Retirement benefits contributions consist of contributions from the employees and BRI in accordance with the provisions stipulated in the Decree of BRI's Board of Directors.

The actuarial calculation of BRI's retirement benefits as of June 30, 2023 and December 31, 2022 which was prepared in accordance with SFAS No. 24 using the Projected Unit Credit method and considering the following assumptions:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Discount rate	6.60%	7.40%
Salary growth rate	7.50	7.50
Mortality rate	TMI 2019	TMI 2019
Disability rate	10.00% from TMI 2019	10.00% from TMI 2019

The status of the retirement benefits as of June 30, 2023 and December 31, 2022, in accordance with the actuarial calculation are as follows:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Fair value of assets	5,985,212	5,539,252
Present value of retirement benefits liabilities	(3,954,186)	(3,446,233)
Surplus	2,031,026	2,093,019

Movements of the retirement benefits liabilities as of June 30, 2023 and December 31, 2022 are as follows:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Beginning balance	-	-
Retirement benefits expense	118,342	662,321
Remeasurement of retirement benefits liabilities - net	(51,892)	(533,854)
Contribution paid in current period (Note 44)	(66,450)	(128,467)
Ending balance of liabilities	-	-

Remeasurement of the retirement benefits liabilities as of June 30, 2023 and December 31, 2022 are as follows:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Beginning balance	(809,240)	(275,386)
Actuarial (gain)/loss	322,802	(437,452)
Yields on program liabilities (assets)	(235,260)	3,537
Changes on impact of assets other than interest - net	(139,434)	(99,939)
Remeasurement of retirement benefits liabilities - net	(861,132)	(809,240)

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42. EMPLOYEES PROGRAM (continued)

b. Retirement Benefits Plan (continued)

Retirement benefits expense calculation for the six-month period ended June 30, 2023 and 2022, in accordance with the actuarial calculation is as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Current service cost	151,856	141,168
Contributions paid - participants	(31,698)	(30,947)
Interest expense - net	(1,816)	(1,797)
Retirement benefits expense (Note 35)	118,342	108,424

As of June 30, 2023 and December 31, 2022, BRI does not recognize the existence of prepaid of retirement benefits plan and benefits of retirement benefits plan because management of BRI does not have the benefit over the assets and BRI has no plans to reduce its contribution in the future.

c. Defined Contribution Pension Plan

(i) BRI (parent entity)

The employees of BRI are also included in the defined contribution pension plan in accordance with BRI Board of Directors' decree which was effective since October 2000. BRI's contributions to this plan which are reported in the consolidated statement of profit or loss and other comprehensive income amounted to Rp224,132 and Rp213,773 for the six-month period ended June 30, 2023 and 2022, respectively (Note 35). Defined contribution pension plan is managed by DPBRI.

(ii) Bank Raya Indonesia (subsidiary)

Bank Raya Indonesia conducted defined contribution pension plans for all of its permanent employees which is managed by Dana Pensiun Lembaga Keuangan (Financial Institutions Pension Fund) PT Bank Rakyat Indonesia (Persero) Tbk. Bank Raya Indonesia's total contribution for the pension funds amounted to 84.97% of the contributions that have been determined based on the level of each employee which are reported in the consolidated statement of profit or loss and other comprehensive income amounting to Rp532 and Rp459 for the six-month period ended June 30, 2023 and 2022, respectively (Note 35).

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42. EMPLOYEES PROGRAM (continued)

d. Work Separation Scheme

The calculation of work separation scheme is carried out using the assumptions of actuarial assessment of the company's obligations related to the allowance reserve for the determination of severance pay. Award money for merit and indemnity are in accordance with the applicable regulations. As of June 30, 2023 and December 31, 2022, using the Projected Unit Credit method and considering the following assumptions:

	June 30, 2023	December 31, 2022
Parent Entity		
Discount rate	6.90%	7.40%
Salary growth rate	7.50	7.50
Mortality rate	TMI IV 2019	TMI IV 2019
Disability rate	10.00% from TMI 2019	10.00% from TMI 2019
Subsidiaries		
Discount rate	6.80 - 7.90%	7.20 - 8.30%
Salary growth rate	7.00 - 9.00	7.00 - 10.00
Mortality rate	TMI IV 2019 GAM 1971	TMI IV 2019 GAM 1971
Disability rate	0.01 - 10% from mortality	0.01 - 10% from mortality

Movements in the work separation scheme liabilities (assets) as of June 30, 2023 and December 31, 2022, are as follows:

	June 30, 2023	December 31, 2022
Beginning balance	2,841,015	1,972,177 ^{*)}
Work separation scheme expense (Note 35)	353,777	433,557
Actual benefits paid	(188,614)	(210,157)
Remeasurement on liabilities (assets) for work separation - net	397,576	648,373
Termination cost	-	(2,826)
Asset ceiling effect	-	355
Contributions - entity	(310)	(464)
Ending Balance (Note 27)	3,403,444	2,841,015

^{*)} The initial balance for the period of December 31, 2022 includes the initial balance of PT Danareksa Investment Management (DIM) amounted to Rp9,875.

Remeasurement of liabilities (assets) for defined work separation scheme as of June 30, 2023 and December 31, 2022, are as follows:

	June 30, 2023	December 31, 2022
Beginning balance	(126,778)	(775,151) ^{*)}
Actuarial loss	397,576	648,373
Remeasurement on liabilities (assets) for work separation - net	270,798	(126,778)

^{*)} The initial balance for the period of December 31, 2022 includes the initial balance of PT Danareksa Investment Management (DIM) amounted to Rp2,067.

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42. EMPLOYEES PROGRAM (continued)

d. Work Separation Scheme (continued)

Work Separation Scheme expense calculation for the six month period ended June 30, 2023 and 2022 respectively, in accordance with the actuarial calculation are as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Current service cost	248,762	117,230
Interest expense	103,268	67,681
Severance cost	1,868	6,540
Past service cost	(796)	11,960
Payment of termination fee	675	995
Work separation scheme expense (Note 35)	353,777	204,406

e. Defined Benefit Pension Plan (PT Pegadaian)

The actuarial calculation of (PT Pegadaian) defined pension plan as of June 30, 2023 and December 31, 2022 which was prepared in accordance with SFAS No. 24 using the Projected Unit Credit and considering the following assumptions:

	June 30, 2023	December 31, 2022
Discount rate	7.30%	7.30%
Salary growth rate	7.00	7.00
Mortality rate	GAM 1971	GAM 1971
Disability rate	0.01% from TMI mortality	0.01% from TMI mortality
Normal retirement age	56 Years	56 Years

Movements in liabilities (assets) program defined benefit pension plan as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Beginning balance	17,996	20,028
Defined benefit pension expense (Note 35)	1,373	2,622
Contributions paid – current period	(9,061)	(15,166)
Remeasurement of liabilities (assets) for defined pension benefit – net	12,249	10,512
Ending Balance (Note 27)	22,557	17,996

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42. EMPLOYEES PROGRAM (continued)

e. Defined Benefit Pension Plan (PT Pegadaian) (continued)

Pension benefit expense calculation for the six month period ended June 30, 2023 and 2022, respectively, in accordance with the actuarial calculation is as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Current service cost	728	623
Interest expense	645	737
Recognized actuarial loss	-	5,320
Defined benefit pension expense (Note 35)	1,373	6,680

f. Other Long-term Employee Benefits

BRI employees also have long-term employee benefits, such as gratuity for services, grand leaves, post employment BPJS health program and other benefit program of additional benefit fund.

(i) Allowance for gratuity services

The actuarial calculation on gratuity for services as of June 30, 2023 and December 31, 2022 which was prepared in accordance with SFAS No. 24 using the Projected Unit Credit method and considering the following assumptions:

	June 30, 2023	December 31, 2022
Parent Entity		
Discount Rate	6.70%	7.40%
Salary growth rate	7.50	7.50
Gold price growth rate	10.00	10.00
Mortality Rate	TMI IV 2019	TMI IV 2019
Disability Rate	10.00% from TMI	10.00% from TMI
Subsidiaries		
Discount Rate	5.90 - 7.50%	4.40 - 7.50%
Salary growth rate	7.50 - 10.00	7.00 - 10.00
Gold price growth rate	6.00 - 10.00	6.00 - 10.00
Mortality Rate	TMI IV 2019 and GAM 1971	TMI IV 2019 and GAM 1971
Disability Rate	0.01 - 10.00% from mortality	0.01 - 10.00% from mortality

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42. EMPLOYEES PROGRAM (continued)

f. Other Long-term Employee Benefits (continued)

(i) Allowance for gratuity services (continued)

Movements in the liability for gratuity for services as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Beginning Balance	1,900,980	1,754,761 ^{*)}
Gratuity of service expense (Note 35)	576,177	238,393
Actual benefit paid by BRI	(5,705)	(93,160)
Actuarial loss on liabilities	10,595	986
Gratuity for services liability (Note 27)	2,482,047	1,900,980

^{*)} The initial balance for the period of December 31, 2022 includes the initial balance of PT Danareksa Investment Management (DIM) amounted to Rp1,101.

The gratuity for services expense calculation for the six month period ended of June 30, 2023 and 2022, in accordance with the actuarial calculation are as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Current service cost	85,846	83,096
Interest expense	70,108	66,434
Past service cost	1,579	-
Recognized actuarial gain	418,644	(65,166)
Gratuity for service Expense (Note 35)	576,177	84,364

(ii) Grand leaves

The actuarial calculation on grand leaves as of June 30, 2023 and December 31, 2022 was prepared in accordance with SFAS No. 24 using the Projected Unit Credit method and considering the following assumptions:

	June 30, 2023	December 31, 2022
Parent Entity		
Discount Rate	6.40%	7.30%
Salary growth rate	7.50	7.50
Mortality Rate	TMI IV 2019	TMI IV 2019
Disability Rate	10.00% from TMI 2019	10.00% from TMI 2019

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42. EMPLOYEES PROGRAM (continued)

f. Other Long-term Employee Benefits (continued)

(ii) Grand leaves (continued)

The actuarial calculation on grand leaves as of June 30, 2023 and December 31, 2022 was prepared in accordance with SFAS No. 24 using the Projected Unit Credit method and considering the following assumptions (continued):

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Subsidiary		
Discount Rate	5.90 - 7.50%	4.70 - 7.50%
Salary growth rate	7.00 - 10.00	5.00 - 10.00
Mortality Rate	TMI IV 2019 GAM 1971	TMI IV 2019 GAM 1971
Disability Rate	5.00 - 10.00% from mortality	0.10 - 10.00% from mortality

Movements in the liability for grand leaves as of June 30, 2023 and December 31, 2022 are as follows:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Beginning balance of liability	3,207,290	2,950,109 ^{*)}
Grand leaves expense (Note 35)	632,490	592,529
Actual benefit paid by BRI	(158,438)	(335,348)
Grand leaves liability (Note 27)	3,681,342	3,207,290

^{*)} The initial balance for the period of December 2022 includes the initial balance of PT Danareksa Investment Management (DIM) amounted to Rp1,241.

The grand leaves expense calculation for the six month period ended June 30, 2023 and 2022 respectively, in accordance with the actuarial calculation is as follows:

	For the six-month period ended as of June 30,	
	<u>2023</u>	<u>2022</u>
Current service cost	198,858	207,323
Interest expense	114,226	104,811
Recognized actuarial (gain)/loss	319,114	(119,085)
Past service cost	292	3,787
Grand leaves expense (Note 35)	632,490	196,836

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42. EMPLOYEES PROGRAM (continued)

f. Other Long-term Employee Benefits (continued)

(iii) Post Employment BPJS Health Program

The actuarial calculation on Post Employment BPJS Health Program as of June 30, 2023 and December 31, 2022 which was prepared in accordance with SFAS No. 24 using the Projected Unit Credit method and considering the following assumptions (BRI only):

	June 30, 2023	December 31, 2022
Discount Rate	7.00%	7.40%
Salary growth rate	4.88	4.88
Mortality Rate	TMI IV 2019	TMI IV 2019
Disability Rate	10.00% from TMI 2019	10.00% from TMI 2019

Post Employment BPJS Health Program status in accordance with the actuarial valuation as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Present value of post employment BPJS health program liability	2,448,962	2,121,676
Fair value of assets	(1,493,007)	(1,475,436)
Surplus (Deficit)	955,955	646,240

Movements in the liability for Post Employment BPJS Health Program as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Beginning balance of liabilities	646,240	598,635
Post employment BPJS health program expense (Note 35)	82,943	129,362
Remeasurement of post employment BPJS health program assets	226,772	(81,757)
Post employment BPJS health program liability (Note 27)	955,955	646,240

Remeasurement of liabilities (assets) for Post Employment BPJS Health Program as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Beginning balance	(10,926)	70,831
Actuarial gain/(loss)	213,720	(125,510)
Yields of program assets	13,052	43,753
Remeasurement on defined benefit liabilities - net	215,846	(10,926)

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42. EMPLOYEES PROGRAM (continued)

f. Other Long-term Employee Benefits (continued)

(iii) Post Employment BPJS Health Program (continued)

The post employment BPJS Health Program expense calculation for the six month period ended June 30, 2023 and 2022 respectively, in accordance with the actuarial calculation is as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Current service cost	59,031	44,667
Interest expense - net	23,912	22,449
Post employment BPJS health program expense (Note 35)	82,943	67,116

(iv) Other benefit program of additional benefit fund

The actuarial calculation on BRI's other benefit program of additional benefit fund as of June 30, 2023 and December 31, 2022 was prepared in accordance with SFAS No. 24, using the Projected Unit Credit method and considering the following assumptions:

	June 30, 2023	December 31, 2022
Discount Rate	6.70%	7.50%
Pension benefit growth rate	4.00	4.00
Mortality Rate	TMI IV 2019	TMI IV 2019
Disability Rate	10% from TMI 2019	10% from TMI 2019
Normal retirement age	56 Years	56 Years

The assets of DPBRI mainly consist of saving deposits, time deposits, securities, mutual fund units, securities with collateral assets and long-term investments in the form of shares of stocks and property.

Movement in the of fair value of program assets as June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Present value of defined benefit	2,165,701	2,127,731
Interest expense	78,017	156,733
Current service cost	7,658	16,972
Past service cost	(454,278)	-
Benefit Paid	(114,293)	(130,910)
Actuarial (gain)/loss	74,067	(4,825)
Present value of defined benefit pension liabilities – ending balance	1,756,872	2,165,701

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42. EMPLOYEES PROGRAM (continued)

f. Other Long-term Employee Benefits (continued)

(iv) Other benefit program of additional benefit fund (continued)

Movement in the of fair value of program assets as June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Fair value of program assets - beginning	1,963,186	1,974,114
Benefit paid	(114,293)	(130,910)
Real development result	105,290	119,982
Total program assets	1,954,183	1,963,186

Movement in the other benefit program of additional benefit fund liability as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Beginning balance	202,515	153,617
Other benefit program of additional benefit fund expense – net (Note 35)	(439,127)	28,647
Remeasurement of liabilities (assets) - net	236,612	20,251
Ending Balance (Note 27)	-	202,515

Remeasurement of liabilities (assets) for other benefit program of additional benefit fund as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Beginning balance	88,994	68,743
Actuarial (gain)/loss	74,067	(4,825)
Yields of program assets	(34,766)	25,076
Changes in the impact of assets excluding net interest on liabilities (assets)	197,311	-
Remeasurement of liabilities (assets) for defined pension benefit - net	325,606	88,994

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42. EMPLOYEES PROGRAM (continued)

f. Other Long-term Employee Benefits (continued)

(iv) Other benefit program of additional benefit fund (continued)

Other benefit program of additional benefit fund expense for the six month period ended June 30, 2023 and 2022 respectively, based on the actuarial calculation is as follows:

	For the six-month period ended as of June 30,	
	2023	2022
Past service cost	(454,278)	-
Current service cost	7,658	8,793
Interest expense - net	7,493	5,838
Other benefit program of additional benefit fund expense (Note 35)	(439,127)	14,631

g. Sensitivity of long-term benefit liability towards changes in actuarial assumptions and analysis of maturity benefits are as follows (BRI only) (unaudited) :

(i) Work Separation Scheme

	June 30, 2023	
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(280,558)
Decrease	-1.00	333,433

	December 31, 2022	
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(290,048)
Decrease	-1.00	438,151

Present Value of Defined Benefit Liability

	June 30, 2023	December 31, 2022
<u>Maturity</u>		
< 1 year	49,657	45,925
1 - < 2 years	46,275	43,887
2 - < 3 years	44,299	40,757
3 - < 4 years	43,870	40,217
4 - < 5 years	43,400	36,843
> 5 years	1,942,621	1,502,562

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42. EMPLOYEES PROGRAM (continued)

- g. Sensitivity of long-term benefit liability towards changes in actuarial assumptions and analysis of maturity benefits are as follows (BRI only) (unaudited) (continued):

(ii) Defined Benefit Pension Plan

June 30, 2023		
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(631,196)
Decrease	-1.00	701,406
December 31, 2022		
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(3,217,521)
Decrease	-1.00	2,885,038
<u>Present Value of Defined Benefit Liability</u>		
	June 30, 2023	December 31, 2022
<u>Maturity</u>		
< 1 year	293,171	323,921
1 - < 2 years	267,351	295,589
2 - < 3 years	263,114	291,267
3 - < 4 years	258,162	285,858
4 - < 5 years	253,408	280,142
> 5 years	775,727	856,816

(iii) Retirement Benefits Plan

June 30, 2023		
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(355,300)
Decrease	-1.00	411,054
December 31, 2022		
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(301,300)
Decrease	-1.00	347,790

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42. EMPLOYEES PROGRAM (continued)

- g. Sensitivity of long-term benefit liability towards changes in actuarial assumptions and analysis of maturity benefits are as follows (BRI only) (unaudited) (continued):

(iii) Retirement Benefits Plan (continued)

Present Value of Defined Benefit Liability

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Maturity</u>		
< 1 year	162,221	156,804
1 - < 2 years	145,831	133,868
2 - < 3 years	140,350	130,058
3 - < 4 years	129,155	122,970
4 - < 5 years	117,878	115,815
> 5 years	3,258,751	2,786,719

(iv) Post Employment BPJS Health Program

	<u>June 30, 2023</u>	
	<u>Discount rate Assumption</u>	<u>Effect of present value on employee benefit liability</u>
Increase	+1.00%	(441,067)
Decrease	-1.00	470,594

	<u>December 31, 2022</u>	
	<u>Discount rate Assumption</u>	<u>Effect of present value on employee benefit liability</u>
Increase	+1.00%	(197,389)
Decrease	-1.00	320,033

Maturity Contribution

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Maturity</u>		
< 1 year	120,375	86,509
1 - < 2 years	123,739	91,048
2 - < 3 years	127,779	95,798
3 - < 4 years	132,419	100,893
4 - < 5 years	137,609	106,453
> 5 years	3,312,847	2,944,261

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42. EMPLOYEES PROGRAM (continued)

- g. Sensitivity of long-term benefit liability towards changes in actuarial assumptions and analysis of maturity benefits are as follows (BRI only) (unaudited) (continued):

- (v) Allowance for gratuity for services

June 30, 2023		
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(224,147)
Decrease	-1.00	260,131

December 31, 2022		
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(163,880)
Decrease	-1.00	189,468

Present Value of Defined Benefit Liability

	June 30, 2023	December 31, 2022
<u>Maturity</u>		
< 1 year	110,907	69,730
1 - < 2 years	69,903	67,471
2 - < 3 years	112,911	92,982
3 - < 4 years	103,952	94,345
4 - < 5 years	109,008	103,083
> 5 years	1,797,972	1,317,680

- (vi) Grand leaves

June 30, 2023		
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(233,323)
Decrease	-1.00	263,793

December 31, 2022		
	Discount rate Assumption	Effect of present value on employee benefit liability
Increase	+1.00%	(188,310)
Decrease	-1.00	211,966

Present Value of Defined Benefit Liability

	June 30, 2023	December 31, 2022
<u>Maturity</u>		
< 1 year	234,096	227,948
1 - < 2 years	298,853	241,756
2 - < 3 years	295,645	282,296
3 - < 4 years	272,565	272,297
4 - < 5 years	283,683	266,133
> 5 years	1,990,304	1,596,796

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43. INFORMATION ON COMMITMENTS AND CONTINGENCIES

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Commitments</u>		
Commitments receivable		
Purchase of foreign currencies spot and futures	22,609,086	15,046,421
Commitments liabilities		
Unused loan facilities granted to debtors (Note 26d)	108,877,989	86,290,063
Sale of foreign currencies spot and futures	89,255,780	69,751,674
Irrevocable Letters of Credit (Note 26d)	12,910,272	13,658,668
	211,044,041	169,700,405
Commitments - net	(188,434,955)	(154,653,984)
<u>Contingencies</u>		
Contingent liabilities		
Guarantees issued (Note 26d)		
in the form of:		
Bank Guarantee	56,273,864	62,487,277
Stand by Letters of Credits	8,922,048	12,367,721
	65,195,912	74,854,998
Contingencies - net	(65,195,912)	(74,854,998)

44. TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, BRI engages in transactions with related parties due to ownership and/or management relationship. All transactions with related parties have been carried out according to the mutually agreed policies and terms.

Balances and transactions with related parties are as follows:

Related parties	Type of relationship	Element of related party transactions
Key employees	Control relationship on company's activities	Loans, Deposits from customers, Employee benefits
Government of the Republic of Indonesia (RI)	Ownership of majority shares through the Ministry of Finance of the Republic of Indonesia	Securities, Fund borrowings
Perum BULOG	Ownership relationship through the Government of the Republic of Indonesia	Irrevocable L/C, Loans, Deposits from customers
PT Pupuk Indonesia (Persero)	Ownership relationship through the Government of the Republic of Indonesia	Securities, Deposits from customers
PT Sarana Multi Infrastruktur (Persero)	Ownership relationship through the Government of the Republic of Indonesia	Securities, Deposits from customers

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

Related parties	Type of relationship	Element of related party transactions
PT Bank Mandiri (Persero) Tbk	Ownership relationship through the Government of the Republic of Indonesia	Securities, Current accounts with other banks, Placements with Bank Indonesia and other financial Institutions, Fund borrowings, Deposits from other banks
PT Bank Negara Indonesia (Persero) Tbk	Ownership relationship through the Government of the Republic of Indonesia	Current accounts with other bank, Placements with Bank Indonesia and other financial Institutions, Fund borrowings, Deposits from other banks
PT Petrokimia Gresik	Ownership relationship through the Government of the Republic of Indonesia	Export Bills and Other Receivables, Acceptances receivable & payable, Deposits from customers
PT Perusahaan Listrik Negara (Persero)	Ownership relationship through the Government of the Republic of Indonesia	Securities, Loans, Irrevocable L/C, Deposits from customers, Guarantees issued
PT Bahana Artha Ventura	Ownership relationship through the Government of the Republic of Indonesia	Investment in associated entities
PT Bahana TCW Investment Management	Ownership relationship through the Government of the Republic of Indonesia	Securities, Deposits from customers
PT Bank Syariah Indonesia Tbk	Ownership relationship through the Government of the Republic of Indonesia	Investment in associated entities, Current accounts with other banks, Placements with Bank Indonesia and other financial institutions, Fund borrowings, Deposits from other banks
PT Perusahaan Gas Negara Tbk	Ownership relationship through the Government of the Republic of Indonesia	Guarantees issued, Deposits from customers
PT Bank Tabungan Negara (Persero) Tbk	Ownership relationship through the Government of the Republic of Indonesia	Current accounts with other banks, Placements with Bank Indonesia and other financial institutions, Deposits from other banks, Fund borrowings
PT Danareksa Investment Management	Ownership relationship through the Government of the Republic of Indonesia	Securities
PT Dirgantara Indonesia (Persero)	Ownership relationship through the Government of the Republic of Indonesia	Loans, Deposits from customers
PT Garuda Maintenance Facility Aero Asia Tbk	Ownership relationship through the Government of the Republic of Indonesia	Loans, Deposits from customers

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

Related parties	Type of relationship	Element of related party transactions
PT Kereta Api Indonesia (Persero)	Ownership relationship through the Government of the Republic of Indonesia	Irrevocable L/C, Loans, Deposits from customers
PT Krakatau Steel (Persero) Tbk	Ownership relationship through the Government of the Republic of Indonesia	Loans, Deposits from customers
PT Pembangunan Perumahan (Persero) Tbk	Ownership relationship through the Government of the Republic of Indonesia	Guarantees issued, Acceptances receivable & payable, Irrevocable L/C, Deposits from customers
PT Pertamina (Persero)	Ownership relationship through the Government of the Republic of Indonesia	Loans, Securities, Guarantees issued, Deposits from customers
PT Pertamina Patra Niaga	Ownership relationship through The Government of the Republic of Indonesia	Irrevocable L/C, Deposits from customers
PT Adhi Karya (Persero) Tbk	Ownership relationship through the Government of the Republic of Indonesia	Guarantees issued, Acceptances receivable & payable, Export bills and other receivables, Deposits from customers
PT Indonesia Asahan Aluminium (Persero)	Ownership relationship through the Government of the Republic of Indonesia	Securities, Irrevocable L/C, Acceptances receivable & payable, Deposits from customers
Lembaga Pembiayaan Ekspor Indonesia	Ownership relationship through the Government of the Republic of Indonesia	Current accounts with other banks, Guarantees issued, Fund borrowings, Deposits from customers
PT Pertamina EP Cepu	Ownership relationship through the Government of the Republic of Indonesia	Loans, Deposits from customers
Government Investment Center	Ownership relationship through the Government of the Republic of Indonesia	Fund borrowings, Deposits from customers
PT Pertamina Hulu Rokan	Ownership relationship through the Government of the Republic of Indonesia	Guarantees issued, Deposits from customers
PT PP Presisi Tbk	Ownership relationship through the Government of the Republic of Indonesia	Export bills and other receivables
PT Waskita Karya (Persero) Tbk	Ownership relationship through the Government of the Republic of Indonesia	Loans, Guarantees issued, Deposits from customers
PT Wijaya Karya (Persero) Tbk	Ownership relationship through The Government of the Republic of Indonesia	Guarantees issued, Acceptances receivable & payable, Export bills and other receivables, Deposits from customers

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

Related parties	Type of relationship	Element of related party transactions
PT Wijaya Karya Bangunan Gedung Tbk	Ownership relationship through the Government of the Republic of Indonesia	Acceptances receivable and payable, Deposits from customers
PT Utama Karya Infrastruktur	Ownership relationship through the Government of the Republic of Indonesia	Finance receivables, Deposits from customers
PT Fintek Karya Nusantara	Ownership relationship through the Government of the Republic of Indonesia	Investment in associated entities
PT Petrokimia Kayaku	Ownership relationship through the Government of the Republic of Indonesia	Acceptances receivable & payable, Deposits from customers
PT Kilang Pertamina International	Ownership relationship through the Government of the Republic of Indonesia	Irrevocable L/C, Guarantees issued Deposits from customers
PT Sarana Multigriya Finansial (Persero)	Ownership relationship through the Government of the Republic of Indonesia	Securities, Fund borrowings, Deposits from customers
Yayasan Kesejahteraan Pekerja BRI	Post-employment Benefits Program Relationships	Old Age Benefit Plan, Deposits from customers
Dana Pensiun BRI	Post-employment Benefits Program Relationships	Employee Benefits Pension Plan, Deposits for customers
Dana Pensiun Pegadaian	Post-employment Benefits Program Relationships	Employee Benefits Pension Plan
Dana Pensiun Lembaga Keuangan BRI	Post-employment Benefits Program Relationships	Defined Contribution Pension Plan
Dana Pensiun Lembaga Keuangan BNI	Post-employment Benefits Program Relationships	Defined Contribution Pension Plan
PT Bank Hibank Indonesia (Formerly PT Bank Mayora)	Ownership relationship through the Government of the Republic of Indonesia	Current accounts with other banks, Fund borrowings
PT Bhirawa Steel	Ownership relationship through the Government of the Republic of Indonesia	Acceptances receivable & payable, Export bills and other receivables, Deposits from customers
PT Kresna Kusuma Dyandra Marga	Ownership relationship through the Government of the Republic of Indonesia	Loans, Deposits from customers

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

Related parties	Type of relationship	Element of related party transactions
High Speed Railways Contractor Consortium	Ownership relationship through the Government of the Republic of Indonesia	Export bills and other receivables
KSO Hutama Karya - Gerbang Saranabaja	Ownership relationship through the Government of the Republic of Indonesia	Acceptances receivable & payable
PT Garuda Indonesia Tbk	Ownership relationship through the Government of the Republic of Indonesia	Loans, Deposits from customers
PT Lancar Jaya Mandiri Abadi	Ownership relationship through the Government of the Republic of Indonesia	Export bills and other receivables, Deposits from customers
PT Elnusa Tbk	Ownership relationship through the Government of the Republic of Indonesia	Export bills and other receivables, Deposits from customers
PT Wijaya Karya Industri Energi	Ownership relationship through the Government of the Republic of Indonesia	Acceptances receivable & payable, Deposits from customers
PT Pupuk Kalimantan Timur	Ownership relationship through the Government of the Republic of Indonesia	Irrevocable L/C, Deposits from customers
PT Kimia Farma Tbk	Ownership relationship through the Government of the Republic of Indonesia	Irrevocable L/C, Deposits from customers
PT Wika Semarang Demak Seksi 2	Ownership relationship through the Government of the Republic of Indonesia	Export bills and other receivables
PT Pupuk Kujang Cikampek	Ownership relationship through the Government of the Republic of Indonesia	Export bills and other receivables, Irrevocable L/C
PT Prima Armada Raya	Ownership relationship through the Government of the Republic of Indonesia	Finance receivable
PT Danareksa Finance	Ownership relationship through the Government of the Republic of Indonesia	Fund borrowings

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

	June 30, 2023	December 31, 2022
Assets		
Current accounts with other banks (Note 5)		
PT Bank Mandiri (Persero) Tbk	16,214,329	213,795
PT Bank Negara Indonesia (Persero) Tbk	222,649	219,357
PT Bank Syariah Indonesia Tbk	153,905	127,372
PT Bank Tabungan Negara (Persero) Tbk	106,029	137,390
PT Bank Hibank Indonesia (formerly PT Bank Mayora)	48	49
Lembaga Pembiayaan Ekspor Indonesia	10	15
	16,696,970	697,978
Placement with Bank Indonesia and other financial institutions (Note 6)		
PT Bank Mandiri (Persero) Tbk	1,277,863	1,402,075
PT Bank Tabungan Negara (Persero) Tbk	766,685	502,857
PT Bank Syariah Indonesia Tbk	130,578	325,250
PT Bank Negara Indonesia (Persero) Tbk	36,550	822,531
	2,211,676	3,052,713
Securities (Note 7)		
Government of the Republic of Indonesia (RI)	244,704,435	262,347,815
PT Danareksa Investment Management	2,703,653	5,402,870
PT Bahana TCW Investment Management	1,901,210	1,514,551
PT Perusahaan Listrik Negara (Persero)	1,872,360	2,018,830
PT Sarana Multi Infrastruktur (Persero)	1,630,093	1,542,117
PT Sarana Multigriya Finansial (Persero)	1,433,853	1,355,122
PT Indonesia Asahan Aluminium (Persero)	1,321,032	1,043,810
PT Bank Mandiri (Persero) Tbk	1,192,469	1,260,743
PT Pupuk Indonesia (Persero)	992,363	945,463
PT Pertamina (Persero)	486,683	1,350,900
Others	7,570,102	7,529,071
	265,808,253	286,311,292
Export Bills and Other Receivables (Note 8)		
PT Petrokimia Gresik	2,613,077	1,723,246
PT Wika Semarang Demak Seksi 2	1,000,000	1,000,000
PT Bhirawa Steel	867,186	415,641
PT Wijaya Karya (Persero) Tbk	733,026	893,494
PT Pupuk Kujang Cikampek	565,721	-
High Speed Railways Contractor Consortium	549,928	911,412
PT Adhi Karya (Persero) Tbk	271,572	933,726
PT Lancar Jaya Mandiri Abadi	265,118	218,658
PT PP Presisi Tbk	236,075	285,091
PT Elnusa Tbk	91,253	555
Others	399,616	2,529,329
	7,592,572	8,911,152

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

	June 30, 2023	December 31, 2022
Assets (continued)		
Loans (Note 11)		
PT Pertamina (Persero)	9,415,740	227,978
PT Perusahaan Listrik Negara (Persero)	8,089,882	9,346,356
Perum BULOG	6,071,217	2,806,206
PT Waskita Karya (Persero) Tbk	4,495,214	4,526,884
PT Kereta Api Indonesia (Persero)	3,075,400	3,069,554
PT Pertamina EP Cepu	2,337,444	2,573,381
PT Garuda Maintenance Facility Aero Asia Tbk	2,048,998	2,140,183
PT Dirgantara Indonesia (Persero)	2,003,767	2,119,335
PT Kresna Kusuma Dyandra Marga	1,792,554	1,761,099
PT Krakatau Steel (Persero) Tbk	1,787,266	2,217,674
PT Garuda Indonesia (Persero) Tbk	958,428	945,183
Key employees	185,039	199,268
Others	28,544,594	31,816,655
	70,805,543	63,749,756
Finance receivables (Note 13)		
PT Prima Armada Raya	6,427	-
PT Hutama Karya Infrastruktur	2,246	7,205
	8,673	7,205
Acceptances receivable & payable (Note 14)		
PT Pembangunan Perumahan (Persero) Tbk	901,548	1,112,455
PT Adhi Karya (Persero) Tbk	32,743	70,618
KSO Hutama Karya - Gerbang Saranabaja	22,408	25,702
PT Wijaya Karya Bangunan Gedung Tbk	7,277	133,693
PT Wijaya Karya (Persero) Tbk	5,368	14,378
PT Wijaya Karya Industri Energi	4,183	-
PT Petrokimia Kayaku	3,507	2,089
PT Indonesia Asahan Aluminium (Persero)	677	-
PT Petrokimia Gresik	-	176,581
PT Bhirawa Steel	-	56,277
Others	-	18,178
	977,711	1,609,971
Investment in associated entites (Note 15)		
PT Bank Syariah Indonesia Tbk	5,035,567	4,662,635
PT Fintek Karya Nusantara	537,503	537,548
PT Bahana Artha Ventura	78,676	77,846
	5,651,746	5,278,029
Total assets from related parties	369,753,144	369,618,096
Total consolidated assets	1,805,146,314	1,865,639,010
Percentage of total assets from related parties to total consolidated assets	20.48%	19.81%

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

	June 30, 2023	December 31, 2022
Liabilities		
Demand Deposits (Note 19)		
Government Entities and Institutions	134,140,882	183,945,607
Key employees	8,341	3,547
Others	189,163	216,597
	<u>134,338,386</u>	<u>184,165,751</u>
Saving Deposits (Note 20)		
Government Entities and Institutions	588,295	646,598
Key employees	246,869	183,727
Others	82,413	34,420
	<u>917,577</u>	<u>864,745</u>
Time deposits (Note 21)		
Government Entities and Institutions	123,851,152	138,644,688
Key employees	107,463	74,991
Others	665,852	477,302
	<u>124,624,467</u>	<u>139,196,981</u>
Deposits from other banks and financial institutions (Note 22)		
Government Entities and Institutions	87,914	821,691
Securities sold under agreement to repurchase (Note 23)		
Government Entities and Institutions	953,951	-
Fund borrowings (Note 25)		
Government Entities and Institutions	22,719,871	18,849,036
Compensation to key employees management (Note 42)		
Present value of defined benefit pension liability	844,155	488,989
Present value of work separation scheme liability	271,366	93,386
Present value of old age benefit liability	148,501	136,523
Present value of grand leaves liability	121,959	80,502
Present value of gratuity for service liability	102,466	60,890
Present value of other benefit program of defined benefit payment liability	9,521	11,577
Present value of BPJS liability	18,676	15,625
	<u>1,516,644</u>	<u>887,492</u>
Total liabilities to related parties	285,158,810	344,785,696
Total consolidation liabilities	1,506,654,628	1,562,243,693
Percentage of liabilities to related parties to total consolidated liabilities	<u>18.93%</u>	<u>22.07%</u>

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

	June 30, 2023	December 31, 2022
Commitment and contingencies in the administrative accounts		
Guarantees issued (Note 26b)		
PT Pembangunan Perumahan (Persero) Tbk	2,991,188	4,590,082
PT Adhi Karya (Persero) Tbk	2,722,431	2,872,589
PT Wijaya Karya (Persero) Tbk	2,709,969	8,077,346
PT Pertamina (Persero)	1,623,599	3,182,709
PT Perusahaan Gas Negara Tbk	1,564,770	1,613,163
PT Perusahaan Listrik Negara (Persero)	1,487,370	262,149
PT Waskita Karya (Persero) Tbk	1,323,615	3,284,232
Lembaga Pembiayaan Ekspor Indonesia	1,020,932	1,003,628
PT Pertamina Hulu Rokan	959,040	982,231
PT Kilang Pertamina Internasional	880,463	325,067
Others	5,997,118	8,744,034
	23,280,495	34,937,230
Irrevocable L/C (Note 26b)		
Perum BULOG	2,560,719	576,595
PT Kilang Pertamina International	937,928	1,741,143
PT Kereta Api Indonesia (Persero)	926,684	1,011,007
PT Indonesia Asahan Aluminium (Persero)	573,475	649,498
PT Pertamina Patra Niaga	310,636	2,702
PT Perusahaan Listrik Negara (Persero)	269,431	279,764
PT Pembangunan Perumahan (Persero) Tbk	227,697	450,243
PT Pupuk Kujang Cikampek	161,165	482,688
PT Pupuk Kalimantan Timur	82,549	42,387
PT Kimia Farma Tbk	59,104	4,476
Others	256,720	1,010,440
	6,366,108	6,250,943
	For the six-month period ended as of June 30,	
	2023	2022
Contribution of Defined Benefit Pension Plan (Note 42a)	356,292	379,639
Contribution of Old Age Benefit (Note 42b)	66,450	64,877
Contribution of Defined Contribution Pension Plan (Note 42c)	224,664	214,232
Total	647,406	658,748
Salaries and allowance for the Board of Commissioners and Directors (Note 35)		
Salaries and allowance for Director	109,472	88,396
Salaries and allowance for the Board of Commissioners	41,288	40,816
Total	150,760	129,212

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44. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows (continued):

	For the six-month period ended as of June 30,	
	2023	2022
Tantiem, bonuses and incentives Board of Commissioners, Directors and key employees (Note 35)		
Tantiem for Directors	7,567	5,272
Tantiem for Commissioners	3,338	2,576
Bonuses and Incentives for key employees	175,013	177,684
Total	185,918	185,532

Percentage of transactions with related parties to total consolidated assets and liabilities of BRI and subsidiaries are as follows:

	June 30, 2023	December 31, 2022
Assets		
Current accounts with other banks	0.925%	0.037%
Placement with Bank Indonesia and other financial institutions	0.123	0.164
Securities	14.725	15.347
Export Bills and Other Receivables	0.421	0.478
Loans	3.922	3.417
Finance receivables	0.000	0.000
Acceptances receivable	0.054	0.086
Investment in associated entites	0.313	0.283
Total	20.483%	19.812%
	June 30, 2023	December 31, 2022
Liabilities		
Demand Deposits	8.916%	11.789%
Saving Deposits	0.061	0.055
Time Deposits	8.272	8.910
Deposits from other bank and other financial institutions	0.006	0.053
Securities sold under agreement to repurchase	0.063	-
Fund borrowings	1.508	1.207
Compensation to key employees management	0.101	0.057
Total	18.927%	22.071%

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45. SIGNIFICANT AGREEMENTS, COMMITMENTS AND CONTINGENCIES

a. Significant Agreements

- 1) On June 5, 2023, BRI entered into an agreement with PT Bringin Inti Teknologi in connection with the Procurement of CRM in 2023 for Zone 1, Zone 2 and Zone 3 for a period of 60 (sixty) months with a contract value of Rp999,926.
- 2) On May 26, 2023, BRI entered into an agreement with PT Telekomunikasi Selular in connection with the Procurement of 32,214 Unit HP Brispot Kaunit and Mantri for a period of 24 (twenty-four) months with a contract value of Rp409,762.
- 3) On April 13, 2023, BRI entered into an agreement with PT Info Solusindo Data Utama in connection with the Procurement of Additional Backup Solution Workload Capacity 2022 - 2023 DC Ragunan and DC Tabanan for a period of 22 (twenty-two) weeks with a contract value of Rp146,398.
- 4) On June 23, 2023, BRI entered into an agreement with PT Deloitte Consulting in connection with the Procurement of Consultant Services to Assist the Implementation of the Modernization of the Credit Card & Acquiring System for a period of 25 (twenty-five) months with a contract value of Rp119,000.
- 5) On February 22, 2023, BRI entered into an agreement with PT Bringin Inti Teknologi in connection with the Procurement of Additional Workload Capacity ODC 2022 - 2024 for a period of 48 (forty-eight) months with a contract value of Rp111,000.
- 6) On December 20, 2022, BRI entered into an agreement with PT Telekomunikasi Selular in connection with the Renewal of Telkomsel's Simcard Service Lease for a period of 24 (twenty-four) months with a contract value of Rp258,590.
- 7) On June 13, 2022, BRI entered into an agreement with PT Bringin Inti Teknologi in connection with the Procurement of CRM RBB in 2022 (Zone 1 and Zone 2) for a period of 60 (sixty) months with a contract value of Rp504,023.
- 8) On June 13, 2022, BRI entered into an agreement with PT Satkomindo Mediyasa in connection with the Procurement of CRM RBB Year 2022 (Zone 3) for a period of 60 (sixty) months with a contract value of Rp272,614.
- 9) On February 21, 2022, BRI entered into an agreement with PT Deloitte Consulting in connection with the Procurement of a System Integrator Consultant for the Product Implementation Phase for a period of 21 (twenty-one) months with a contract value of Rp348,500.
- 10) On January 17, 2022, BRI entered into an agreement with PT Bringin Inti Teknologi in connection with the Procurement of IBM AS/400 Power 10 Machines for DC GTI Ragunan and ODC Sentul for a period of 45 (forty-five) months with a contract value of Rp350,400.

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45. SIGNIFICANT AGREEMENTS, COMMITMENTS AND CONTINGENCIES (continued)

b. Contingent Liabilities

In conducting its business, BRI faces various legal cases and lawsuit, in which BRI is the defendant, mainly regarding the compliance with contracts. Although there is no clear certainty, BRI believes that based on existing information and the ultimate resolution of these cases, these legal cases and lawsuits will not likely have a material effect on the operations, financial position or liquidity level of BRI.

As of June 30, 2023 and December 31, 2022, BRI has provided an allowance (presented in "Other Liabilities" account) for several pending lawsuits filed against BRI amounting Rp1,109,413 and Rp1,634,654, respectively (Note 28). Management believes that the allowance is adequately provided to cover possible losses arising from pending lawsuits or currently in progress.

46. GOVERNMENT GUARANTEE ON OBLIGATIONS OF COMMERCIAL BANKS

Based on the Presidential Decree No. 26 Year 1998 as implemented through the Minister of Finance Decree dated January 28, 1998 and the Joint Decrees No. 30/270/KEP/DIR and No. 1/BPPN/1998 dated March 6, 1998, of the Board of Directors of Bank Indonesia and Chairman of Indonesian Bank Restructuring Agency (IBRA), the Government provided a guarantee on certain obligations for all commercial banks incorporated in Indonesia. Based on the latest amendment under the Decree of the Minister of Finance No.179/KMK.017/2000 dated May 26, 2000, this guarantee is valid from January 26,1998 up to January 31, 2001 and can be renewed automatically every 6 (six) months continuously, unless if within 6 (six) months before the maturity of the Guarantee Program period or its extension period, the Minister of Finance announces the termination and/or amendment of the Guarantee Program to the public. For this guarantee, the Government charges premium which is calculated based on a certain percentage in accordance with the prevailing regulations.

In accordance with Minister of Finance Regulation No. 17/PMK.05/2005 dated March 3, 2005, starting from April 18, 2005, the types of commercial bank obligations guaranteed under the Government Guarantee Program include demand deposits, saving deposits, time deposits and fund borrowings from other banks in the form of inter-bank money market transactions.

Then, as stated in the Minister of Finance Regulation No. 68/PMK.05/2005 dated August 10, 2005 regarding the "Calculation and Payment of Premium on Government Guarantee Program on the Payment of Obligations of Commercial Banks". The Government guarantee program through the Government Guarantee Implementation Unit (UP3) ended on September 22, 2005 for the period from July 1 to September 21, 2005.

As the substitute for UP3, the Government established an independent institution, the Deposit Insurance Corporation (LPS), based on Law No. 24 Year 2004 dated September 22, 2004 regarding "Deposit Insurance Corporation", which was last amended by Law No. 4 of 2023 concerning the Development and Strengthening of the Financial Sector ("UU P2SK"), in order to provide guarantees on public funds including funds from other banks in the form of demand deposits, time deposits, deposit certificates, saving deposits and/or other similar forms.

Based on Government Regulation No. 66 Year 2008, dated October 13, 2008 regarding "The Amount of Deposit Value Guaranteed by the Deposit Insurance Corporation" amended through LPS Regulation No. 1 Year 2023 regarding the Deposit Insurance Program, which stated the guaranteed balance for each customer in each bank is at most Rp2,000,000,000 (full amount).

LPS guarantee interest rate as of June 30, 2023 and December 31, 2022 were 4.25% and 3.75%, respectively, for deposits in Rupiah. For deposits in foreign currency as of June 30, 2023 and December 31, 2022 were 2.25% and 1.75%, respectively.

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47. ISSUED AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (SFAS) AND INTERPRETATION OF FINANCIAL ACCOUNTING STANDARDS (IFAS)

The following summarizes the SFAS and IFAS which were issued by the Financial Accounting Standards Board (FASB) and Sharia Accounting Standards Board (SASB) and are relevant to BRI and Subsidiaries, but not yet effective for the consolidated financial statements as of June 30, 2023:

Effective on or after January 1, 2024:

- a. Amendments to SFAS No. 1, "Presentation of Financial Statements related to Non-Current Liabilities with Covenants". The entity applies the amendments on or after January 1, 2024 retrospectively in accordance with SFAS No. 25. Early application is permitted. If the entity applies the amendments for an earlier period, the entity also applies the amendments to SFAS No. 1 "Presentation of Financial Statements related to Classification of Liabilities as a Current or Non-Current" in that period.
- b. Amendments to SFAS No. 73, "Lease related to Lease Liability in a Sale and Leaseback", early application is allowed.

Effective on or after January 1, 2025:

SFAS No. 74, "Insurance Contract", adopted from IFRS 17, with earlier application permitted for entities that have also applied SFAS No. 71 and SFAS No. 72.

In this time, BRI and its subsidiaries are evaluating and have not determined the impact of the revised SFAS on the consolidated financial statements.

48. OTHER DISCLOSURES

a. Capital Adequacy Ratio (CAR)

BRI actively manages its capital in accordance with the applicable regulations. The primary objective is to ensure that BRI, at any time, can maintain adequate its capital adequacy to cover inherent risks to its banking activities without reducing the optimization of shareholder's value.

CAR as of June 30, 2023 and December 31, 2022 calculated based on Financial Services Authority Regulation (POJK) No. 11/POJK.03/2016 concerning Minimum Capital Requirements for Commercial Banks which has been amended 2 (two) times with POJK No. 34/POJK.03/2016 concerning Amendments to POJK No. 11/POJK.03/2016 concerning Minimum Capital Requirements for Commercial Banks and POJK No. 27/POJK.03.2022 concerning the second amendment to POJK No. 11/POJK.03/2016 concerning Minimum Capital Adequacy Requirements for Banks.

Based on POJK No. 34/POJK.03/2016, PBI No. 17/22/PBI/2015 regarding the Mandatory Formation of Countercyclical Buffer and POJK No. 46/POJK.03/2015 regarding the Determination of Systemically Important Banks and Capital Surcharges, in addition to the minimum capital requirement in accordance with the risk profile, BRI is required to form additional capital (buffer), in the form of Capital Conservation Buffer, Countercyclical Buffer, and Capital Surcharge, which must be formed gradually since January 1, 2016.

Formation of buffer capital in the form of Capital Conservation Buffer, Countercyclical Buffer and Capital Surcharge that must be formed by BRI based on a certain percentage of Risk-Weighted Assets (RWA) are 2.5%, 0% and 2.5%, respectively.

Based on the BRI's risk profile as of semester II year 2022 and semester I year 2022, which are low to moderate, the minimum CAR as of June 30, 2023 and December 31, 2022 is set at 9% up to less than 10%.

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48. OTHER DISCLOSURES (continued)

a. Capital Adequacy Ratio (CAR) (continued)

As of June 30, 2023 and December 31, 2022 BRI has fulfilled the ratio as required by Bank Indonesia (BI) and Financial Service Authority for capital adequacy ratio.

BRI's CAR (parent entity) as of June 30, 2023 and December 31, 2022 are calculated as follows:

	June 30, 2023	December 31, 2022
Core Capital (Tier 1)		
Common Equity (CET 1)	224,079,870	234,727,964
Supplementary Capital (Tier 2)	10,602,647	10,564,211
Total Capital	234,682,517	245,292,175
Risk Weighted Asset (RWA)		
RWA for Credit Risk ^{*)}	846,608,682	839,721,640
RWA for Market Risk ^{**)}	6,550,285	3,118,189
RWA for Operational Risk ^{***)}	99,021,545	209,879,369
Total ATMR	952,180,512	1,052,719,198
	June 30, 2023	December 31, 2022
CAR Ratio		
CET 1 Ratio	23.53%	22.30%
Tier 1 Ratio	23.53	22.30
Tier 2 Ratio	1.12	1.00
Total Ratio	24.65	23.30
Tier 1 Minimum Ratio	6.00%	6.00%
CET 1 Minimum Ratio	4.50	4.50
Minimum CAR Based on Risk Profile	9.00	9.00

^{*)} Credit risk is calculated based on SE OJK No. 24/SEOJK.03/2021 dated October 7, 2021.

^{**)} Market risk is calculated based on SE OJK No. 38/SEOJK.03/2016 dated September 8, 2016.

^{***)} Operational risk is calculated based on SE OJK No. 6/SEOJK.03/2020 dated April 29, 2020.

b. Non-Performing Loans (NPL) Ratio

As of June 30, 2023 and December 31, 2022, the NPL ratio of BRI consolidated (loans, sharia loans and finance receivables) is as follows:

	June 30, 2023	December 31, 2022
NPL ratio – gross	2.95%	2.67%
NPL ratio - net	0.74	0.69

NPL ratio - net is calculated based on NPL less the minimum allowance for impairment losses in accordance with related regulations divided by the total loans, finance receivables, and sharia loans.

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48. OTHER DISCLOSURES (continued)

c. Custodian Service Activities

BRI conducted custodian services (custodian bank) since 1996 based on its operating license through Bapepam's Chairman Decree No. 91/PM/1996 dated April 11, 1996 and was appointed as the Sub Registry in conducting Government bonds transactions and administration of Scriptless Bank Indonesia Certificates by Bank Indonesia.

These custodian services are part of the Investment Services Division Activities, which include the following services:

- Safekeeping services and portfolio valuation;
- Settlement handling services;
- Income collection services, including the related tax payments;
- Corporate actions and proxy services;
- Information and reporting services;
- Custody Unit Link and DPLK services;
- Custodian services for asset securitization; and
- Global custodian services for securities issued abroad.

The customers' assets deposited in BRI's Custodian amounted to Rp723,343,412 and Rp555,527,157 as of June 30, 2023 and December 31, 2022, respectively. Assets held in custodian services activities are not included in the consolidated financial position statements of BRI and its Subsidiaries.

d. Trustee Activities

BRI conducted trustee service activities since 1996. BRI's operating license as trustee was granted by the Minister of Finance based on its Decree No. 1554/KMK.013/1990 dated December 6, 1990 and registered in OJK in accordance with its Registered Certificate as Trustee No. 08/STTD-WA/PM/1996 dated June 11, 1996.

This trustee services are part of the Investment Services Division activities, which include the following services:

- Trustee;
- Guarantee agent; and
- Monitoring agent.

e. Trust Services

BRI's Trust Service is a deposit services for customers' assets in the form of financial assets for and on behalf of customers. BRI is the first bank in Indonesia to obtain a license from Bank Indonesia to perform Trust Services in Indonesia through Bank Indonesia letter No. 15/19/DPB1/PB1-3 dated February 12, 2013 and Bank Indonesia confirmation letter No. 15/30/DPB1/PB1-3 dated March 19, 2013.

The scope of BRI's Trust Services includes:

- Paying agent services;
- Lending agent services;
- Investment agent services; and
- Other agency services, such as Reception Agent and Guarantees Agent.

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48. OTHER DISCLOSURES (continued)

e. Trust Services (continued)

Currently, BRI has been provided Trust Services for financial transactions involving oil and gas projects, carried out by members of the Cooperation Contract Contractors (K3S) under the auspices of SKK Migas and non K3S projects.

In addition to providing Trust Services, BRI also provides services for Paying Agent and Reception Agent (non-Trust) for other sectors, such as infrastructure, energy, trading and chemical industries. Beside service to direct customers, BRI's Trust Services also participate in supporting BRI's financing business unit in the financing transaction of infrastructure, energy and syndicated financing transactions activities.

f. BRI Financial Institution Pension Fund

The Bank Rakyat Indonesia Financial Institution Pension Fund (DPLK BRI) was established by PT Bank Rakyat Indonesia (Persero) Tbk on March 26, 2004 based on the Decree of the Board of Directors of PT Bank Rakyat Indonesia (Persero) Tbk No. B. 140- DIR/KUI/TRY/03/2004 dated March 26 2004 and has received approval from the Minister of Finance of the Republic of Indonesia No. KEP-97/KM.6/2004 dated May 24, 2004.

DPLK BRI organizes programs including:

- Defined Contribution Pension Plan (PPIP);
- Post-Employment Compensation Fund Management Program (PPDKP); and
- Health Compensation Fund Management Program (PPDSK).

g. Syndicated Agent

BRI currently provides Syndicated Agent Services for syndicated loan from several sectors/industries including agribusiness sector, infrastructure such as toll roads, ports, airports, power plants, oil and gas, textiles, property and manufacturing involving government projects (BUMN) and private projects.

Syndication agent services is part of the syndication activities which include the following services:

- Arranger;
- Facilities Agent;
- Guarantees Agent; and
- Suspend Agent.

BRI Syndicated Agent Services have managed various syndicated projects with a total project value of Rp620,255,070 and Rp509,525,513, for June 30, 2023 and December 31, 2022, respectively.

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49. EARNINGS PER SHARE

The calculation of earnings per share (EPS) and diluted share for BRI (the parent entity) are as follows:

	June 30, 2023		
	Income for the period	Weighted average of common shares outstanding	Earnings per share (full Rupiah)
Basic earnings per share attributable to equity holders of the parent entity	29,421,509	150,906,327,934	195
Diluted earnings per share	29,421,509	150,906,327,934	195

	June 30, 2022		
	Income for the period	Weighted average of common shares outstanding	Earnings per share (full Rupiah)
Basic earnings per share attributable to equity holders of the parent entity	24,786,205	151,508,290,048	164
Addition: Issuance of bonus shares and stock options	-	22,357,882	-
Diluted earnings per share	24,786,205	151,530,647,930	164

50. CHANGES IN FINANCING ACTIVITIES

	Cash flows				June 30, 2023
	December 31, 2022	Receipts	Disbursements	Non-cash changes	
Fund borrowings	79,371,200	16,271,919	(13,606,379)	49,951	82,086,691
Subordinated loans and marketable securities	501,988	-	(500,000)	217	2,205
Marketable securities issued	63,611,761	4,563,418	(11,582,600)	(638,848)	55,953,731
Total	143,484,949	20,835,337	(25,688,979)	(588,680)	138,042,627

	Cash flows				June 30, 2022
	December 31, 2021	Receipts	Disbursements	Non-cash changes	
Fund borrowings	68,458,547	7,172,172	(9,618,014)	(480,000)	65,532,705
Subordinated loans and marketable securities	501,375	-	-	177	501,552
Marketable securities issued	55,306,697	7,007,655	(6,135,195)	653,032	56,832,189
Total	124,266,619	14,179,827	(15,753,209)	173,209	122,866,446

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51. SUBSEQUENT EVENTS

Change of name PT BRI Manajemen Investasi or BRI-MI (formerly PT Danareksa Investment Management)

Based on the Deed of Statement regarding Shareholders' Resolutions Outside the General Meeting of Shareholders of PT Danareksa Investment Management No. 4 dated July 4, 2023, made before Notary Fifiidiana, S.H., S.S., M.Kn., in Central Jakarta, amendments to the Company's Articles of Association have been made including the following:

- Change of name from previously PT Danareksa Investment Management to PT BRI Manajemen Investasi ("BRI-MI").
- Change of company's location, which was originally domiciled and headquartered in South Jakarta and located at Plaza BP Jamsostek Floor 11, Jl. HR. Rasuna Said Kav. 112 Blok B Jakarta 12910, changed to having its domicile and head office in Central Jakarta, which is located at BRI II Building, 22nd Floor, Jl. Jend. Sudirman Kav. 44-46 Central Jakarta 10210.
- Amendments to Article 3 of the Company's Articles of Association concerning the Purposes and Objectives and Business Activities in the context of adjustments based on the 2020 Indonesian Standard Industrial Classification (KLB).

This change has received approval from the Minister of Law and Human Rights of the Republic of Indonesia through Decree No. AHU-0037809.AH.01.02.Year 2023 dated July 5, 2023.

Issuance of BRI Subordinated Bond IV (Parent Entity) in 2023

On July 7, 2023, BRI issued Subordinated Bond IV Year 2023 with a principal value of Rp500,000 and an interest rate of 6.45% per year, for a period of 5 (five) years and will mature on the July 6, 2028. Interest on BRI Subordinated Bond IV Year 2023 is paid every 3 (three) months starting July 6, 2023. At the time of issuance, BRI Subordinated Bond IV Year 2023 received an AA rating from Pefindo.

Issuance of BRI Finance Bond II (Subsidiary) in 2023

On July 12, 2023, BRI Finance issued BRI Finance Bond II Year 2023 with a principal value of Rp500,000 in 2 (two) series as follows:

- Series A: Principal value amounting to Rp197,000 with a fixed interest rate of 5.85% per year, for a period of 370 (three hundred seventy) calendar days and due on July 21, 2024.
- Series B: Principal value amounting to Rp303,000 with a fixed interest rate of 6.40% per year, for a period of 3 (three) years and will mature on July 11, 2026.

Interest on the BRI Finance Bond II Year 2023 is paid every 3 (three) months starting October 11, 2023. At the time of issuance, the BRI Finance Bond II Year 2023 received an idAA rating from Pefindo.

Repayment of Marketable Securities Issued

Since July 1, 2023 until the date of issuance of the financial statements, there have been repayment of securities issued by BRI, including:

1. BRI Green Shelf Registration Bond I Phase I Year 2022 Series A amounting to Rp2,500,000 on July 30, 2023.
2. Senior Unsecured Notes Due 2023 (Global Bond BRI) amounting to USD500,000,000 (full amount) on July 20, 2023.
3. Pegadaian Shelf Registration Bond IV Phase II Year 2020 Series B amounting to Rp303,000 on July 8, 2023.
4. Pegadaian Shelf Registration Bond V Phase II Year 2022 Series A amounting to Rp1,601,000 on August 26, 2023.

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51. SUBSEQUENT EVENTS (continued)

Repayment of Marketable Securities Issued (continued)

Since July 1, 2023 until the date of issuance of the financial statements, there have been repayment securities issued by BRI, including (continued):

5. Pegadaian Shelf Registration Sukuk *Mudharabah* I Phase II Year 2020 Series B amounting to Rp103,000 on July 8, 2023.
6. Pegadaian Shelf Registration Sukuk *Mudharabah* II Phase II Year 2022 Series A amounting to Rp878,000 on August 26, 2023.
7. PNM Shelf Registration Bond V Phase I Year 2022 Series A amounting to Rp884,000 on August 21, 2023.

52. ACCOUNT RECLASSIFICATION AND ADJUSTMENT

Several accounts in the interim consolidated financial statements for the six month period ended June 30, 2022 have been reclassified so that they are in accordance with the presentation of the consolidated financial statements for the six-month period ended June 30, 2023. A summary of these accounts is as follows:

Statement of profit and loss and other comprehensive income	For the six-month period ended June 30, 2022		
	Before Reclassification	Reclassification	After Reclassification
<u>Other operating income</u>			
Others	4,815,545	(3,635,535)	1,180,010
<u>Other operating expenses</u>			
Others	(7,749,498)	3,497,476	(4,252,022)
Revenue from gold sold	-	3,635,535	3,635,535
Cost of revenue from gold sold	-	(3,497,476)	(3,497,476)

53. COMPLETION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The management of BRI is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Indonesian Financial Accounting Standards, which were completed and authorized for issuance by the Board of Directors of BRI on August 30, 2023.

54. PARENT ENTITY'S OWN FINANCIAL INFORMATION

The Parent Entity's separate financial information only presents information on the interim statement of financial position as of June 30, 2023 and the interim statement of profit or loss and other comprehensive income, the interim statement of changes in equity and the interim statement of cash flow for the six-month period ended on that date, and notes on investments in Subsidiaries are presented using the cost method.

The Parent Entity's separate financial statements are presented on pages 333 - 342.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF FINANCIAL POSITION – PARENT ENTITY
As of June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Cash	28,285,017	27,320,384
Current accounts with Bank Indonesia	88,356,200	149,961,985
Current accounts with Other Banks	30,719,648	20,449,914
Allowance for impairment losses	(47,880)	(17,791)
	<u>30,671,768</u>	<u>20,432,123</u>
Placements with Bank Indonesia and Other Financial Institutions	32,299,093	68,259,629
Allowance for impairment losses	(1,373)	(990)
	<u>32,297,720</u>	<u>68,258,639</u>
Securities	286,552,212	309,070,065
Allowance for impairment losses	(78,325)	(73,583)
	<u>286,473,887</u>	<u>308,996,482</u>
Export Bills and Other Receivables	38,985,135	39,067,375
Allowance for impairment losses	(2,240,391)	(1,638,929)
	<u>36,744,744</u>	<u>37,428,446</u>
Securities Purchased Under Agreement to Resell	22,283,995	51,014,678
Derivative Receivables	1,109,328	911,405
Loans	1,089,371,656	1,029,802,549
Allowance for impairment losses	(79,939,511)	(84,578,819)
	<u>1,009,432,145</u>	<u>945,223,730</u>
Acceptance Receivables	7,617,863	7,096,719
Allowance for impairment losses	(256,259)	(136,450)
	<u>7,361,604</u>	<u>6,960,269</u>
Investment in Associated Entities	48,809,935	47,936,173
Premises and Equipment		
Cost	56,407,350	54,097,275
Accumulated Depreciation	(15,551,847)	(14,582,523)
Book value - net	<u>40,855,503</u>	<u>39,514,752</u>
Deffered Tax Assets - net	13,288,320	15,415,319
Other Assets - net	38,793,036	31,620,288
TOTAL ASSETS	<u>1,684,763,202</u>	<u>1,750,994,673</u>

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF FINANCIAL POSITION – PARENT ENTITY (continued)
As of June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
LIABILITIES AND EQUITY		
LIABILITIES		
Liabilities Due Immediately	12,145,016	18,988,424
Deposits from Customers		
Demand Deposits	298,983,695	349,491,946
Saving Deposits	515,644,428	521,039,799
Time Deposits	425,742,491	430,243,873
Total Deposits from Customers	<u>1,240,370,614</u>	<u>1,300,775,618</u>
Deposits from Other Banks and Financial Institutions	12,881,279	9,480,779
Securities Sold Under Agreement To Repurchase	24,616,575	9,724,245
Derivative Payables	820,313	783,921
Acceptance Payables	7,617,863	7,096,719
Taxes Payable	1,475,930	1,814,219
Marketable Securities Issued	34,446,077	36,841,620
Fund Borrowings	30,506,131	38,803,987
Estimated Losses on Commitments and Contingencies	6,262,388	6,456,606
Liabilities for Employee Benefits	15,253,631	17,419,000
Other Liabilities	13,651,320	8,685,593
Subordinated Loans and Marketable Securities	2,205	501,988
TOTAL LIABILITIES	<u><u>1,400,049,342</u></u>	<u><u>1,457,372,719</u></u>

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF FINANCIAL POSITION – PARENT ENTITY (continued)
As of June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
LIABILITIES AND EQUITY (continued)		
EQUITY		
Capital stock - par value Rp50 (full Rupiah) per share Authorized capital - 300,000,000,000 shares (consisting of 1 Series A Dwiwarna Share and 299,999,999,999 Series B shares)		
Issued and fully paid capital - 151,559,001,604 shares (consisting of 1 Series A Dwiwarna share and 151,559,001,603 Series B shares)	7,577,950	7,577,950
Additional paid-in capital	76,240,176	76,029,910
Revaluation surplus arising from premises and equipment - net of tax	19,848,571	19,848,571
Differences arising from the translation of foreign currency financial statements	(241,026)	(128,611)
Unrealized loss on fair value through other comprehensive income securities - net of deferred tax	(2,643,801)	(4,463,331)
Allowance for impairment losses on fair value through other comprehensive income securities	150,192	137,288
Loss on remeasurement of defined benefit plan - net of deferred tax	(1,899,615)	(691,307)
Treasury stock	(3,019,133)	(2,202,178)
Stock option	16,297	16,297
Provision for bonus shares compensation	23,573	210,266
Retained earnings		
Appropriated	3,022,685	3,022,685
Unappropriated	185,637,991	194,264,414
Total retained earnings	188,660,676	197,287,099
TOTAL EQUITY	284,713,860	293,621,954
TOTAL LIABILITIES AND EQUITY	1,684,763,202	1,750,994,673

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME – PARENT ENTITY
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	For the six-month period ended as of June 30,	
	2023	2022
INCOME AND EXPENSES FROM OPERATIONS		
Interest income	70,444,809	63,621,175
Interest expense	(17,403,518)	(9,914,516)
Total interest income - net	53,041,291	53,706,659
Other operating income		
Other fees and commissions	10,011,562	8,798,151
Recovery of written-off assets	6,560,232	5,022,462
Gain on foreign exchange - net	253,073	601,887
Gain on sale of securities - net	865,548	852,491
Unrealized gain on changes in fair value on securities	136,016	42,519
Others	2,190,298	2,215,198
Total other operating income	20,016,729	17,532,708
Provision for allowance for impairment losses on financial assets - net	(12,786,081)	(16,132,718)
Reversal of allowance for estimated losses on commitments and contingencies - net	194,218	543,271
Provision for allowance for impairment losses on non-financial assets	(177)	-
Other operating expenses		
Salaries and employee benefits	(13,532,427)	(14,457,894)
General and administrative	(10,010,482)	(8,292,909)
Others	(4,034,743)	(3,650,118)
Total other operating expenses	(27,577,652)	(26,400,921)
OPERATING INCOME	32,888,328	29,248,999
NON-OPERATING (EXPENSES) INCOME - NET	(53,325)	50,775
INCOME BEFORE TAX EXPENSE	32,835,003	29,299,774
TAX EXPENSE	(6,569,483)	(5,474,041)
INCOME FOR THE PERIOD	26,265,520	23,825,733

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME – PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	For the six-month period ended as of June 30,	
	2023	2022
Other comprehensive income:		
Items not to be reclassified to profit or loss		
Remeasurement of liabilities for employee benefits	(1,491,739)	1,851,691
Income taxes related to items not to be reclassified to profit or loss	283,431	(351,821)
Items to be reclassified to profit or loss		
Differences arising from the translation of foreign currency financial statements	(112,415)	8,850
Unrealized gain (loss) on fair value through other comprehensive income securities - net	2,246,334	(6,987,266)
Allowance for impairment losses on fair value through other comprehensive income securities	12,904	(137,639)
Income taxes related to items to be reclassified to profit or loss	(426,804)	1,327,581
Other comprehensive income for the period - after tax	511,711	(4,288,604)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	26,777,231	19,537,129
EARNINGS PER SHARE		
Basic (full Rupiah)	174	157
Diluted (full Rupiah)	-	157

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF CHANGES IN EQUITY – PARENT ENTITY
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Issued and fully paid capital	Additional paid-in capital	Allowance for impairment losses on fair value through other comprehensive income securities	Differences arising from the translation of foreign currency financial statements	Unrealized gain (loss) on fair value through other comprehensive income securities - net	Gain on remeasurement of defined benefit plan - net of deferred tax	Treasury stock	Provision for bonus share compensation	Revaluation surplus arising from premises and equipment - net of tax	Retained Earnings		Total equity
										Appropriated	Unappropriated	
Balance as of December 31, 2021	7,577,950	76,324,093	533,238	(116,522)	1,869,163	(1,283,547)	(45,997)	226,563	16,864,083	3,022,685	181,445,920	286,417,629
Income for the period	-	-	-	-	-	-	-	-	-	-	23,825,733	23,825,733
Other comprehensive Income	-	-	(137,639)	8,850	(5,659,685)	1,499,870	-	-	-	-	-	(4,288,604)
Total other comprehensive income for the period	-	-	(137,639)	8,850	(5,659,685)	1,499,870	-	-	-	-	23,825,733	19,537,129
Distribution of dividend income	-	-	-	-	-	-	-	-	-	-	(26,406,603)	(26,406,603)
Bonus shares	-	-	-	-	-	-	(587,314)	-	-	-	-	(587,314)
Balance as of June 30, 2022	7,577,950	76,324,093	395,599	(107,672)	(3,790,522)	216,323	(633,311)	226,563	16,864,083	3,022,685	178,865,050	278,960,841

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF CHANGES IN EQUITY – PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Issued and fully paid capital	Additional paid-in capital	Allowance for impairment losses on fair value through other comprehensive income securities	Differences arising from the translation of foreign currency financial statements	Unrealized gain (loss) on fair value through other comprehensive income securities - net of deferred tax	Gain (loss) on remeasurement of defined benefit plan - net of deferred tax	Treasury stock	Provision for bonus share compensation	Revaluation surplus arising from premises and equipment - net of tax	Retained Earnings		Total equity
										Appropriated	Unappropriated	
Balance as of December 31, 2022	7,577,950	76,029,910	137,288	(128,611)	(4,463,331)	(691,307)	(2,202,178)	226,563	19,848,571	3,022,685	194,264,414	293,621,954
Income for the period	-	-	-	-	-	-	-	-	-	-	26,265,520	26,265,520
Other comprehensive income	-	-	12,904	(112,415)	1,819,530	(1,208,308)	-	-	-	-	-	511,711
Total other comprehensive income for the period	-	-	12,904	(112,415)	1,819,530	(1,208,308)	-	-	-	-	26,265,520	26,777,231
Distribution of net income - Dividend on net income for the year 2022	-	-	-	-	-	-	-	-	-	-	(34,891,943)	(34,891,943)
Acquisition transaction with entities under common control	-	-	-	-	-	-	-	-	-	-	-	-
Stock option	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares	-	210,266	-	-	-	-	-	(186,693)	-	-	-	23,573
Treasury stock	-	-	-	-	-	-	(816,955)	-	-	-	-	(816,955)
Balance as of June 30, 2023	7,577,950	76,240,176	150,192	(241,026)	(2,643,801)	(1,899,615)	(3,019,133)	39,870	19,848,571	3,022,685	185,637,991	284,713,860

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF CASH FLOWS – PARENT ENTITY
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	For the six-month period ended as of June 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	68,804,062	60,594,448
Interest paid	(17,549,900)	(9,955,686)
Recovery of written-off assets	6,560,232	5,022,462
Other operating income	13,244,346	11,017,995
Other operating expense	(30,943,779)	(23,134,596)
Non operating (expenses) income - net	(81,285)	9,014
Payment of corporate income tax	(6,576,917)	(4,462,945)
Cash flows before changes in operating assets and liabilities	33,456,759	39,090,692
Changes in operating assets and liabilities:		
(Increase) decrease in operating assets:		
Placement with Bank Indonesia and other Financial Institutions	573,871	(4,303,120)
Securities at fair value through profit or loss	1,920,673	2,949,841
Export bills and other receivables	82,240	(11,674,695)
Securities purchased under agreement to resell	28,730,683	46,725,649
Loans	(75,950,170)	(68,881,823)
Advance tax payment	(1,652,772)	-
Other assets	6,394,135	(6,541,344)
(Decrease) increase in operating liabilities:		
Liabilities due immediately	(8,392,510)	2,881,774
Deposits:		
Demand deposits	(50,508,251)	20,592,580
Saving deposits	(5,395,371)	2,896,881
Time deposits	(4,501,382)	(23,089,460)
Deposits from other banks and financial institutions	3,400,500	(7,277,191)
Securities sold under agreement to repurchase	14,892,330	(15,762,007)
Other liabilities	6,374,443	1,763,012
Net cash used in operating activities	(50,574,822)	(20,629,211)

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
INTERIM STATEMENT OF CASH FLOWS – PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	For the six-month period ended as of June 30,	
	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from dividend	76,537	1,538,835
Acquisition of premises and equipment	(2,224,690)	(2,650,790)
Proceeds from sale of premises and equipment	27,960	41,761
Investment in associated entities	(500,000)	(212,000)
Increase in fair value through other comprehensive income and amortized cost securities	23,920,916	43,789,510
Net cash provided by investing activities	21,300,723	42,507,316
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of fund borrowing	(8,349,488)	(1,807,229)
Treasury stock	(816,955)	(587,314)
Distribution of income for dividend	(43,494,766)	(26,406,603)
Payment of subordinated loans	(500,000)	-
Payments of matured marketable securities issued	(1,837,000)	(925,000)
Net cash used in financing activities	(54,998,209)	(29,726,146)
DECREASE IN CASH AND CASH EQUIVALENTS	(84,272,308)	(7,848,041)
EFFECT OF EXCHANGE RATE CHANGES ON FOREIGN CURRENCIES	402	46,584
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	263,964,137	147,060,394
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	179,692,231	139,258,937
Cash and cash equivalents at the end of the year consist of:		
Cash	28,285,017	20,362,304
Current accounts with Bank Indonesia	88,356,200	62,005,766
Current accounts with other banks	30,719,648	12,938,611
Placement with Bank Indonesia and other financial institutions - maturing within three months or less since the acquisition date	30,844,806	43,952,256
Bank Indonesia Certificates - maturing within three months or less since the acquisition date	1,486,560	-
Total Cash and Cash Equivalent	179,692,231	139,258,937

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
NOTES TO THE INTERIM FINANCIAL STATEMENTS - PARENT ENTITY
As of June 30, 2023 and for the Six-Month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. INVESTMENTS IN SUBSIDIARIES

Information related to subsidiaries owned by BRI is disclosed in Note 1f to the consolidated financial statements.

As of June 30, 2023 and December 31, 2022, the parent entity has investment in subsidiaries as follows:

	June 30, 2023		December 31, 2022	
	Acquisition cost	Percentage of ownership	Acquisition cost	Percentage of ownership
PT Bank Raya Indonesia Tbk	5,448,979	86.85%	5,448,979	86.85%
BRI Remittance Co, Limited	2,289	100.00	2,289	100.00
PT Asuransi BRI Life	1,626,643	54.77	1,626,643	59.02
PT BRI Multifinance Indonesia	1,055,003	99.88	1,055,003	99.88
PT BRI Danareksa Sekuritas	513,888	67.00	513,888	67.00
PT BRI Ventura Investama	2,148,090	99.97	1,648,090	99.97
PT BRI Asuransi Indonesia	1,041,000	90.00	1,041,000	90.00
PT Pegadaian	25,326,438	99.99	25,326,438	99.99
PT Permodalan Nasional Madani	6,073,819	99.99	6,073,819	99.99
PT Danareksa Investment Management	458,433	65.00	458,433	65.00