

## PT Bank Pembangunan Daerah Sumatera Selatan dan Bangka Belitung

### Credit Rating(s)

General Obligation (GO) idA+/Stable

### Rating Period

November 22, 2022 – November 1, 2023

### Published Rating History

APR 2021	idA/Stable
APR 2020	idA/Stable
JUN 2013	idA-/Stable
OCT 2011	idA/Stable
JUL 2007	idBBB+/Stable
JUN 2006	idBBB/Stable

PEFINDO has assigned its “idA+” rating with stable outlook to PT Bank Pembangunan Daerah Sumatera Selatan dan Bangka Belitung (Bank Sumsel Babel or the Bank). The rating mainly reflects Bank Sumsel Babel’s captive market in the region, very strong capitalization profile, and above average liquidity position. The rating is constrained by its moderate asset quality profile and the tightening competition in the productive loan segment.

The rating may be raised if the Bank significantly strengthens its business position and makes significant and sustainable improvements in its asset quality profile and profitability. The rating may be lowered if its business position weakens significantly, or if its asset quality or profitability profile deteriorates significantly.

Bank Sumsel Babel was established in 1962 as a regional development bank (Bank Pembangunan Daerah or BPD), offering complete banking services including corporate, commercial, consumer, micro/retail, and sharia. As of September 30, 2022, it was owned by the Provincial Government of South Sumatra with a 28.6% stake, the Provincial Government of Bangka Belitung (3.1%), cities and regencies in South Sumatra (50.2%) and Bangka Belitung (14.9%), as well as Bank Sumsel Babel’s Employees Cooperative (3.2%).

### Financial Highlights

As of/for the year ended	Sep-2022	Dec-2021	Dec-2020	Dec-2019
Consolidated Figure	(Unaudited)	(Audited)	(Audited)	(Audited)
Total assets [IDR bn]	34,224.8	31,626.4	28,058.2	27,983.1
Total equity [IDR bn]	4,021.1	3,935.9	3,616.4	3,501.6
Total gross loans [IDR bn]	20,467.2	18,915.6	17,543.1	16,571.8
Total customer deposits [IDR bn]	27,201.8	25,010.2	21,103.4	21,730.3
Net interest revenue [IDR bn]	1,768.7	2,258.5	2,088.2	1,973.0
Net income [IDR bn]	403.2	485.3	423.7	363.0
NIR/average earning assets [%]	7.7	8.2	8.2	8.1
Operating expense/income [%]	76.1	77.0	81.4	81.5
ROAA [%]	1.6	1.6	1.5	1.4
NPL (3-5)/gross loans [%]	2.8	2.9	3.9	4.4
Loan loss reserve/NPL (3-5) [%]	111.2	111.1	99.3	71.3
Risk weighted CAR [%]	21.3	22.1	21.4	18.9
Gross loans/total deposits [%]	75.2	75.6	83.1	76.3
USD exchange rate [USD/IDR]	15,247	14,253	14,050	13,882

*\*annualized*

The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO’s definitions.

### Rating Definition

An obligor rated idA has a strong capacity to meet its long-term financial commitments relative to those of other Indonesian obligors. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors.

The plus (+) sign indicates that the rating is relatively strong within its category.

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