

PT Bank Pembangunan Daerah Papua

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Jun-2021	Dec-2020	Dec-2019	Dec-2018	
		<i>Unaudited</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	
Corporate Rating	<i>idA-/Stable</i>	Total assets [IDR bn]	25,284.5	25,876.1	28,183.7	22,456.8
Rated Issues		Total equity [IDR bn]	3,149.8	3,117.0	3,438.1	3,170.9
-		Total gross loans [IDR bn]	16,834.4	17,034.1	16,060.7	14,147.2
		Total cust. deposits [IDR bn]	21,141.2	20,353.8	22,844.9	17,929.1
Rating Period		Net interest revenue [IDR bn]	695.3	1,559.6	1,582.1	1,541.0
<i>November 11, 2021 – November 1, 2022</i>		Net income [IDR bn]	222.2	345.5	250.0	218.6
		NIR/average earning assets [%]	*5.8	6.3	6.7	7.8
Rating History		Operating expense/income [%]	84.9	80.4	84.8	93.1
<i>OCT 2020</i>	<i>idA-/Stable</i>	ROAA [%]	*1.7	1.3	1.0	1.0
<i>OCT 2015</i>	<i>idA-/Stable</i>	NPL (3-5)/gross loans [%]	4.4	4.2	5.1	7.5
<i>JUN 2015</i>	<i>idA/Negative</i>	Loan loss reserve/NPL (3-5) [%]	114.1	117.3	70.0	70.2
<i>NOV 2014</i>	<i>idA/Stable</i>	Risk weighted CAR [%]	21.0	20.7	21.4	22.2
<i>JUL 2013</i>	<i>idA/Stable</i>	Gross loans/total deposits [%]	79.6	83.7	70.3	78.9
		USD exchange rate [USD/IDR]	14,500	14,105	13,883	14,380

**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.

Bank Papua rated "idA-" with stable outlook

PEFINDO has assigned its "idA-" rating to PT Bank Pembangunan Daerah Papua (Bank Papua). The outlook for the corporate rating is "stable".

An obligor rated idA has a strong capacity to meet its long-term financial commitments relative to those of other Indonesian obligors. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors. The minus (-) sign indicates that the rating is relatively weak within its category.

The rating reflects Bank Papua's captive market in Papua and West Papua provinces, very strong capitalization, and above average liquidity profile. The rating is constrained by its below-average asset quality, modest profitability and tight competition in the productive loan segment.

The rating may be raised if Bank Papua significantly strengthens its business position and improves its asset quality and profitability profiles sustainably. However, the rating may be lowered if there is a considerable deterioration in its business position, or if any of its financial profiles weaken substantially.

Bank Papua is a regional development bank operating in Papua and West Papua provinces, focusing on both the corporate and consumer segments. As of June 30, 2021, it was 21.1% owned by the Papua provincial government, 16.9% by the West Papua provincial government, 59.8% by the city and district governments in Papua and West Papua, and 2.3% by Koperasi Serba Usaha Bank Papua Berdikari. Its business activities are supported by 2,608 employees and a network of 39 branches, 61 sub-branches, and 169 cash offices and payment points.

DISCLAIMER

The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.