

## Maybank Indonesia Records PBT of Rp1.48 Trillion for Nine Months FY2022

Consolidated Financial Highlights as of 30 September 2022

*(All percentages noted are on year-on-year (Y-o-Y) basis unless otherwise stated)*

### Y-o-Y Overview

- Profit before Tax (PBT) relatively stable at Rp1.48 trillion;
- Profit after Tax and Minority Interest (PATAMI) recorded at Rp1.06 trillion;
- Total outstanding loans grew 12.8% to Rp111.45 trillion backed by:
  - Strong growth in Global Banking loans by 25.0% to Rp45.63 trillion from Rp36.50 trillion;
  - Growth in Community Financial Services (CFS) Retail loans by 13.8% to Rp37.74 trillion from Rp33.18 trillion:
    - Subsidiaries' automotive financing of 20.0% to Rp18.33 trillion from Rp15.27 trillion;
    - Mortgage loans increasing 8.2% to Rp16.03 trillion from Rp14.82 trillion;
  - Growth in Retail Small and Medium Enterprises (RSME) loans by 5.7% to Rp12.74 trillion from Rp12.07 trillion;
  - Growth in Small and Medium Enterprises (classified by the Bank as SME+) by 1.3% to Rp5.08 trillion from Rp5.01 trillion.
- Total deposits increased 5.0% to Rp107.00 trillion with strong growth in Current Accounts and Savings Accounts (CASA) by 21.6%:
  - CASA ratio improved to 51.8% in September 2022.
- Loan to Deposit Ratio (LDR Bank Only) increased to 90.2%;
- Capital Adequacy Ratio (CAR) at 24.7% and a total capital of Rp28.02 trillion;
- Growth in Shariah Banking Unit as:
  - Share of Shariah Banking Unit's total assets to the Bank's individual assets stood at 25.7%;
  - Assets grew 7.0% to Rp39.67 trillion;
  - Financing grew 12.8% to Rp27.98 trillion;
  - CASA grew significantly by 37.3% to Rp12.40 trillion.
- Growth in digital banking:
  - Financial transactions from retail customers using M2U increased 24.8% to over 13.1 million transactions;
  - Financial transactions from corporate customers using M2E increased 32.2% to over 3.1 million transactions.

Maybank Indonesia announced its Consolidated Financial Results for nine months ended 30 September 2022, with Profit before Tax (PBT) of Rp1.48 trillion and Profit after Tax and Minority Interest (PATAMI) of Rp1.06 trillion.

The Bank's PBT and PATAMI remained comparatively stable to last year's results. Despite a growth in loans, interest income was lower due to lower loan yields, which were impacted by the tight competition for loans. However Bank also booked lower provisions as loan quality and cost of funds improved, and well-contained overheads.

The Bank's Net Interest Margin (NIM) grew slightly by 2 bps to 4.8% in September 2022 due to lower cost of funds.

The Bank registered fee-based income, excluding Global Market fees of Rp1.23 trillion, which was attributed to loan and retail business-related fees and fees from subsidiaries. However, the Bank's Global Market fees declined 63.7% due to the global interest rate environment and volatile markets, resulting in a decrease of total fee income by 10.4% Y-o-Y.

Trade and business activities continued to project upward trends in nine months of 2022, followed by increasing loan demand, especially for large scale enterprises and corporate entities, as well as retail loans as public consumption improved. These external factors were reflected in significant increase in the Bank's total outstanding loans, which grew 12.8% to Rp111.45 trillion from Rp98.78 trillion last year.

The Bank's Global Banking segment grew exponentially by 25.0% to Rp45.63 trillion from Rp36.50 trillion in the same period last year supporting various projects and business expansions ranging from infrastructures, manufacturing and global trading.

Meanwhile, the Bank's Community Financial Services (CFS) loan segment comprising of Retail and Non-retail loan segments grew 5.7% to Rp65.81 trillion from Rp62.29 trillion in the same period last year.

Non-retail loan specifically for retail small and medium enterprises (RSME) grew 5.7% to Rp12.76 trillion from Rp12.07 trillion. In the larger loan segment, loans for Small and Medium Enterprises (classified by the Bank as SME+) grew 1.3% to Rp5.08 trillion from Rp5.01 trillion due to resumption of business and market activities.

The Bank continued its efforts to rebalance its non-retail loan portfolio segment by focusing on loan disbursements to smaller segments, to ensure effective use of loans to support clients' business continuity. Accordingly, the Business Banking loans portfolio experienced a decrease of 14.9% which resulted in a decline of 3.6% Y-o-Y of the overall balance of the CFS Non-retail loan segment.

The Bank's consolidated CFS Retail loan segment grew 13.8% to Rp37.74 trillion from Rp33.18 trillion in the same period last year, backed by improving consumer purchasing power. The Bank's credit card business and personal loans grew 12.5% to Rp2.83 trillion from Rp2.51 trillion, followed by growth in subsidiaries' automotive financing of 20.0% to Rp18.33 trillion from Rp15.27 trillion. Mortgage loans continued to show growth since early 2022, increasing 8.2% to Rp16.03 trillion from Rp14.82 trillion last year.

The Bank's total customer deposits grew 5.0% to Rp107.00 trillion from Rp101.88 trillion in the same period last year. The Bank's CASA grew 21.6% of which Current Account increased 33.9% to Rp32.44 trillion from Rp24.24 trillion while Savings Account increased 7.6% to Rp22.93 trillion from Rp21.31 trillion last year.

Time Deposits declined 8.4% to Rp51.63 trillion from Rp56.34 trillion last year. This is in line with the Bank's continued strategy to maintain low-cost funding by leveraging the Bank's digital services to acquire customer deposits. The Bank's CASA ratio improved and was higher at 51.8% in September 2022 from 44.7% in September 2021.

Following the improvements in the overall economic outlook, the Bank saw a decrease in provisions for impairment losses by 23.1% to Rp818 billion, contributed by the Bank's continued success in its restructuring efforts in particular for customers' loans impacted by the pandemic.

The Bank's consolidated Non-Performing Loan (NPL) ratio improved to 3.5% (gross) and 2.5% (net) in September 2022 from 4.6% (gross) and 2.9% (net) in September 2021 and from 3.7% (gross) and 2.6% (net) in December 2021. There is a decrease in NPL balances by 16.3% Y-o-Y. The Bank maintained a prudent banking approach and continued to apply a conservative risk posture.

Overhead cost remained under control at Rp4.33 trillion, even as business activities resumed to normal. The Bank continued to implement sustainable cost management across the entire Bank's operations and its business initiatives to ensure every expense incurred contributed to an increase in the Bank's revenue.

The Bank's liquidity remains strong with Loan to Deposit (LDR) ratio (Bank only) at a healthy level of 90.2%, while its Liquidity Coverage (LCR) ratio (Bank only) stood at 176.9% in September 2022, exceeding the regulator's minimum level of 100%.

The Bank's Capital Adequacy Ratio (CAR) remained strong at 24.7% in September 2022, with total capital of Rp28.02 trillion in September 2022.

### **Growth in Digital Platform**

The Bank's digital banking platform for retail customers, M2U, registered an increase in transactions of 24.8% to approximately 13.1 million in nine months of 2022, from more than 10.5 million transactions last year. The M2U transaction value grew 28.8% to Rp71.05 trillion from Rp55.16 trillion last year, followed by more than 1000% growth in new customer acquisitions through the digital platform.

Meanwhile, the Bank's digital banking platform for corporate customers, M2E, registered an increase in transactions of 32.2% to more than 3.1 million from 2.4 million transactions last year, with a total value of financial transactions on M2E at Rp528.15 trillion in nine months of 2022, grew 34.9% from Rp391.44 trillion in the same period last year. The total M2E active users also grew 6.9% to 2926 users from 2737 users, contributing to an increase of corporate funding by 52.4% to Rp27.03 trillion from Rp17.73 trillion last year.

In the third quarter of 2022, the Bank introduced various new features in M2U, including real-time BI FAST transfer and credit card add-on features, such as converting credit card transactions into instalments and to increase credit card limits, all from the convenience of its mobile banking App.

### **Shariah Banking Unit**

Maybank Indonesia Shariah Banking Unit's operating profit before provision increased 16.2% to Rp620 billion as financing grew 12.8% to Rp27.98 trillion from Rp24.81 trillion, and lower cost of funds as CASA grew significantly.

Total Shariah Banking Unit's assets grew 7.0% to Rp39.67 trillion from Rp37.06 trillion, contributing to the Bank's total individual assets by 25.7%.

Non-Performing Financing (NPF) ratio improved, at 3.0% (gross) and 2.4% (net) in September 2022 from 3.8% (gross) and 2.6% (net) in September 2021 as total Shariah financing grew. Financing-to-Deposit Ratio (FDR) stood at a healthy level of 89.7%.

Shariah Banking Unit's CASA grew significantly by 37.3% to Rp12.40 trillion in nine months of 2022 from Rp9.03 trillion last year. The increase in CASA was in line with the Bank's strategy in maintaining strong liquidity by optimising low-cost funding.

The Shariah Banking Unit continued to take conservative measures to safeguard its asset quality by setting aside higher provisioning for specific accounts, which led to a drop in PBT to Rp221 billion in nine months of 2022 from Rp403 billion last year.

Furthermore, the Shariah Banking Unit continued to implement its "Shariah First" strategy and the Leverage Model, which have played strategic roles in increasing Maybank Indonesia's Shariah Banking businesses. With support from OJK on the Leverage Model, the Bank's Shariah Business Unit is able to access all of the Bank's resources to develop and market Shariah-compliant products and services.

**President Director Maybank Indonesia, Taswin Zakaria**, said Maybank Indonesia continued to deliver strong performance reflected in the Bank's Profit before Tax and robust loan growth as the market in Indonesia continued to improve in nine months of 2022, despite being impacted by global market volatility.

"During the period, Maybank Indonesia focused on our growth strategies, which has contributed to the Bank's profitability. We will remain disciplined in maintaining our liquidity and capital, while at the same time continue with our efforts to drive business growth by strengthening our productivity across the Bank's key business segments, and our digital transformation to increase our operational and business agility, enabling us to navigate the challenges and opportunities ahead."

**President Commissioner Maybank Indonesia, Dato' Khairussaleh Ramli**, said Maybank Indonesia continued to demonstrate its resilience and ability to capture growth opportunities post-pandemic by booking strong loan growth in its key business segments for nine months of 2022.

"Indonesia is a huge market with tremendous opportunities, and we see traction in our growth momentum. Given Indonesia's potential, backed by the Bank's strong fundamentals, and sound risk management, I am confident that Maybank Indonesia will be able to navigate through potential market volatilities it may experience in the coming quarters."

## **Subsidiaries**

### **PT Maybank Indonesia Finance (Maybank Finance)**

Maybank Finance recorded positive growth in PBT, which grew 17.7% to Rp409 billion in nine months of 2022 from Rp347 billion last year, following the four-wheeled financing growth.

The total outstanding four-wheeled financing grew 4.1% to Rp6.04 trillion from Rp5.81 trillion last year, as NPL improved to 0.2% (gross) and 0.1% (net) in September 2022 from 0.4% (gross) and 0.2% (net) in September 2021.

### **PT Wahana Ottomitra Multiartha Tbk (WOM)**

WOM registered a PBT of Rp171 billion, which rose 77.3% in nine months of 2022 from Rp96 billion last year, as consumer purchase power improved, leading to increasing demands for financing of two-wheeled vehicle and re-financing of motorcycles and cars.

WOM's financing grew 8.3% to Rp4.78 trillion from Rp4.41 trillion last year. WOM's NPL ratio stood at 1.7% (gross) and 0.7% (net) in September 2022 from 1.9% (gross) and 0.9% (net) in September 2021.

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