

ABRIDGED PROSPECTUS

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THIS SUMMARY PROSPECTUS IS AN IMPORTANT DOCUMENT AND IT REQUIRES IMMEDIATE ATTENTION. IN THE EVENT OF ANY DOUBT CONCERNING ACTION TO BE TAKEN, CONSULTATION SHOULD BE CONDUCTED WITH THE COMPETENT AUTHORITIES

PT BANK QNB INDONESIA, TBK (THE “COMPANY”) IS FULLY RESPONSIBLE FOR THE AUTHENTICITY OF THIS SUMMARY PROSPECTUS.



PT Bank QNB Indonesia Tbk

Main Business Activities:

Banking

Domiciled in South Jakarta, Indonesia

Head Office:

Revenue Tower, 8th floor, District 8, SCBD Lot 13
Jl. Jend. Sudirman Kav. 52-53, Jakarta 12190
Phone : (021) 515 5155; Facsimile : (021) 515 5388
Email: corporate.secretary@qnb.co.id
Website : www.qnb.co.id

Branch Office:

The Company has 1 Head Office Non Operational, 7 Branch Offices,
1 Sub-Branch Offices and 12 ATMs di the territory of the Republic
Indonesia.

LIMITED PUBLIC OFFER TO THE SHAREHOLDERS IN THE CONTEXT OF CAPITAL INCREASE THROUGH RIGHT ISSUE VII (“RIGHT ISSUE VII”)

A maximum of 14,721,362,381 (fourteen billion seven hundred twenty one million three hundred sixty two thousand three hundred eighty one) new shares with the nominal value of Rp250 (two hundred fifty Rupiah) per share (“**Saham Baru**”). Each holder of 100,000 (one hundred thousand) existing shares (“**Saham Lama**”) of the Company listed in the Company’s Shareholders’ Registry (“**DPS**”) as of May 2, 2023 at 16.00 hours West Indonesian Time (WIB) shall be entitled to 72,034 (seventy two thousand thirty four) RIGHTS, whereby 1 (one) RIGHT shall be entitled to purchase 1 (one) New Share at the Exercise Price Rp250 (two hundred fifty Rupiah) per share which must be paid in full at the time of submitting the shares subscription form (“**FPPS**”).

The proceeds to be received by the Company in this RIGHT ISSUE VII shall be a maximum of Rp3,680,340,595,250 (three trillion six hundred eighty billion three hundred forty million five hundred ninety five thousand two hundred fifty Rupiah). Each fraction of RIGHTS shall be rounded down. In the event that shareholders own RIGHTS in the form of a fraction according to article 33 OJK Regulation number 32/POJK.04/2015 concerning Capital Increase Public Company through Right Issue has been amended by OJK Regulation number 14/POJK.04/2019 (“**POJK No. 32/2015**”), the rights over such fraction of Securities must be sold by the Company and the proceeds of such sales shall be included in the Company’s account.

New Shares issued through RIGHT ISSUE VII will be excluded from the portfolio and will be listed in the Indonesia Stock Exchange (“**BEI**”) by ensuring the prevailing law and regulation. New Shares from RIGHT ISSUE VII have the same and equal right with the other shares, including voting right in General Meeting of Shareholders, the right to dividend, right to bonus shares, and right to RIGHT ISSUE.

Qatar National Bank (Q.P.S.C.), as the majority shareholders of the Company stated will execute their rights according to the ownership portion in RIGHT ISSUE VII. In the event that the new shares offered in this RIGHT ISSUE VII are not entirely subscribed by the shareholders or RIGHTS holders, residual shares shall be allocated to other shareholders placing an order for additional shares, proportionally based on the rights previously exercised by them. If there are any RIGHTS not exercised following such allocation, no shares shall be issued from the portfolio for any of such residual shares.

RIGHTS CAN BE TRADED ON AS WELL AS OUTSIDE THE STOCK EXCHANGE FOR NOT LESS THAN 5 (FIVE) WORKING DAYS FROM MAY 4, 2023 UP TO AND INCLUDING MAY 10, 2023. NEW SHARES RESULTING FROM THE EXERCISE OF RIGHTS SHALL BE LISTED ON THE STOCK EXCHANGE ON MAY 4, 2023. THE LAST DATE FOR EXERCISING RIGHTS SHALL BE MAY 10, 2023 PROVIDED THAT RIGHTS WHICH ARE NOT EXERCISED UP TO AND INCLUDING SUCH DATE SHALL NO LONGER BE VALID.

IMPORTANT NOTICE REQUIRING THE SHAREHOLDERS’ ATTENTION

IN THE EVENT THAT EXISTING SHAREHOLDERS DO NOT EXERCISE THEIR RIGHTS TO PURCHASE SHARES RESULTING FROM THE EXERCISE OF RIGHTS OFFERED IN THIS LIMITED RIGHT ISSUE VII IN ACCORDANCE WITH THEIR RESPECTIVE RIGHTS, SUCH EXISTING SHAREHOLDERS WILL HAVE THEIR SHAREHOLDINGS DECREASED (DILUTED) BY A MAXIMUM OF 41.87%.

MAIN RISK OF THE COMPANY IS CREDIT RISK KREDIT IN RELATION TO THE DELIQUENCY OF THE LOAN PAYMENT, IN THE EVENT TOTAL LOAN IS SIGNIFICANT AND MATERIAL MIGHT IMPACT TO THE COMPANY’S PERFORMANCE. OTHER RISKS IN CHAPTER VI IN PROSPECTUS.

THE MAIN RISK EXPOSURE OF INVESTORS IS PRICE VOLATILITY AND THE LIQUIDITY OF THE COMPANY’S SHARES WHICH ARE AFFECTED BY INDONESIAN CAPITAL MARKET CONDITIONS.

THE COMPANY SHALL NOT ISSUE ANY COLLECTIVE SHARE CERTIFICATES IN THIS LIMITED RIGHT ISSUE VII, HOWEVER, THE NEW SHARES ISSUED AS A RESULT OF EXERCISED RIGHTS SHALL BE ELECTRONICALLY DISTRIBUTED AND ADMINISTERED IN THE COLLECTIVE DEPOSITORY OF PT KUSTODIAN SENTRAL EFEK INDONESIA (“KSEI**”).**

TEMPORARY SCHEDULE

Date of Extraordinary General Meeting of Shareholders (EGMS)	16 February 2023
Effective Date	13 April 2023
Last Trading Date of Shares with RIGHTS (Cum-Right)	
- Regulated Market and Negotiated Market	27 April 2023
- Cash Market	2 May 2023
Commencement of Trading of Shares without RIGHTS (Ex-Right)	
- Regulated Market and Negotiated Market	23 April 2023
- Cash Market	3 May 2023
Recording date for RIGHTS (<i>recording date</i>)	2 May 2023
Distribution date of RIGHTS	3 May 2023
Listing date in BEI	4 May 2023
RIGHTS Trading period	4 – 10 May 2023
RIGHTS Exercise period	4 – 10 May 2023
RIGHTS Shares Distribution period	8 – 10 May 2023
Last Payment Date for Additional Share Applications	12 May 2023
Allotment Date	15 May 2023
Subscription Refund Date	17 May 2023

LIMITED PUBLIC OFFERING VII

Pursuant to RIGHT ISSUE VII implementation, has been agreed in the Annual General Meeting of Shareholders (“RUPSLB”) dated February 16, 2023, with the decision among many agreed to the capital increase of the Company through RIGHT ISSUE VII by issuing RIGHTS at a maximum of 14,721,515,640 (fourteen billion seven hundred twenty one million five hundred fifteen thousand six hundred forty) shares with the nominal value of Rp250 (two hundred fifty Rupiah) per share, as stated in the Minutes of EGMS number 6 dated February 16, 2023, legalized by notary Fathiah Helmi, S.H., Notary in Jakarta. The summary of EGMS Minutes has been announced and published in the Company website (www.qnb.co.id), e-RUPS system provider (eASY.KSEI) and BEI website on February 20, 2023, according to POJK No. 15/2020.

The Board of Director on behalf of the Company conducted RIGHT ISSUE VII with maximum new shares 14,721,515,640 (fourteen billion seven hundred twenty one million five hundred fifteen thousand six hundred forty) with nominal value of Rp250 (two hundred fifty Rupiah) per share. Every 100,000 (one hundred thousand) Existing Shares listed in DPS on May 2, 2023 at 16.00 WIB have 72,034 (seventy two thousand thirty four) RIGHTS, where every 1 (one) RIGHT giving the right to purchase 1 (one) New Share with Execution Price of Rp250 (two hundred fifty Rupiah). Every RIGHTS in fraction will be rounded down. In the event that a shareholder owns rights in fraction, according to POJK No. 32/2015, the rights over such fraction of Securities must be sold by the Company and the proceeds of such sales shall be included in the Company's account.

New shares offered in RIGHT ISSUE VII will be excluded from the portfolio and will be listed in BEI according to the prevailing law and regulation. The total funds to be received by the Company in the RIGHT ISSUE VII will be a maximum of Rp3,680,340,595,250 (three trillion six hundred eighty billion three hundred forty million five hundred ninety five thousand two hundred fifty Rupiah).

Qatar National Bank (Q.P.S.C.), as the majority shareholders will execute their rights according to the ownership portion in the RIGHT ISSUE VII.

The Capital Structure of the Company on the date of the Prospectus is according to Deed number 33 dated July 21, 2022 and the Deed of Declaration of Meeting Resolution number 21 dated July 20, 2018 legalised in front of Fathiah Helmi, S.H., Notary in Jakarta, whereby the announcement has been received, accepted and listed in Ministry of Law and Human Rights based on letter number AHU-AH.01.03-0225704 dated July 15, 2018 and has been announced in BNRI number 76 dated September 20, 2019, Additional number 31404 dated July 20, 2018 (“**Akta No. 21 tanggal 20 Juli 2018**”), with the shareholders composition as per December 31, 2022 based on the report from BAE of the Bank: PT Adimitra Jasa Korpora, as follow:

Detail	Nominal Value Rp.250.00 per share		Percentage (%)
	Total Shares	Total Nominal Value (IDR)	
Authorised Capital			
Total Authorised Capital	40,000,000,000	10,000,000,000,000	
Paid Capital			
1. Qatar National Bank (Q.P.S.C.)	18,900,786,704	4,725,196,676,000	92.48
2. Public*)	1,535,899,280	383,974,820,000	7.52
Total	20,436,685,984	5,109,171,496,000	100,00
Shares in Portfolio	19,563,314,016	4,890,828,504,000	

*) each ownership below 5%.

On the date the Prospectus is released, the Board of Commissioners and Board of Directors of the Company do not own shares of the Company.

The Capital Structure and the shareholders composition before and after RIGHT ISSUE VII on the assumption the existing shareholders of the Bank execute their RIGHTS are as follows:

Detail	Before RIGHT ISSUE VII			After RIGHT ISSUE VII		
	Nominal Value of Rp250 per share			Nominal Value of Rp250 per share		
	Total Share	Nominal Value (IDR)	%	Total Share	Nominal Value (IDR)	%
Authorized Capital	40,000,000,000	10,000,000,000,000		40,000,000,000	10,000,000,000,000	
Subscribed and Paid Capital						
Qatar National Bank (Q.P.S.C.)	18,900,786,704	4,725,196,676,000	92.48	32,515,779,398	8,128,944,849,500	92.48
Public*)	1,535,899,280	383,974,820,000	7.52	2,642,268,967	660,567,241,750	7.52
Total Subscribed and Paid Capital	20,436,685,984	5,109,171,496,000	100.00	35,158,048,365	8,789,512,091,250	100,00
Shares in Portfolio	19,563,314,016	4,890,828,504,000		4,841,951,635	1,210,487,908,750	

*) each ownership below 5%

In the event that all RIGHTS being offered in RIGHT ISSUE VII are entirely subscribed by the majority shareholder of the Company which is Qatar National Bank (Q.P.S.C.), then the capital structure before and after RIGHT ISSUE VII will be as follows:

Detail	Before RIGHT ISSUE VII			After RIGHT ISSUE VII		
	Nominal Value of Rp250 per share			Nominal Value of Rp250 per share		
	Total Shares	Nominal Value (IDR)	%	Total Shares	Nominal Value (IDR)	%
Authorized Capital	40,000,000,000	10,000,000,000,000		40,000,000,000	10,000,000,000,000	
Subscribed and						
Paid Capital						
Qatar National Bank						
(Q.P.S.C.)	18,900,786,704	4,725,196,676,000	92.48	33,622,149,085	8,405,537,271,250	95.63
Public*)	1,535,899,280	383,974,820,000	7.52	1,535,899,280	383,974,820,000	4.37
Total						
Subscribed and						
Paid Capital	20,436,685,984	5,109,171,496,000	100.00	35,158,048,365	8,789,512,091,250	100.00
Shares in						
Portfolio	19,563,314,016	4,890,828,504,000		4,841,951,635	1,210,487,908,750	

*) each owner below 5%

In the event that the shares offered in this RIGHT ISSUE VII are not entirely subscribed by RIGHTS Holders, the remaining portion shall be allocated proportionally to RIGHTS Holders, who have already exercised their rights and who have subscribed for a portion exceeding their rights as indicated in the Certificate Evidencing RIGHTS, in accordance with the prevailing regulations, and in the event that following such allocation there are remaining RIGHTS which are not exercised, for all of such remaining RIGHTS no shares shall be issued from the portfolio.

Qatar National Bank (Q.P.S.C.), as majority shareholders will exercise its RIGHTS proportionally to its ownership in this RIGHT ISSUE VII.

In the event that a shareholder did not exercise their right to buy new shares offered in RIGHT ISSUE VII, according to their RIGHTS will be diluted to a maximum of 41,87% (forty one point eighty seven percent).

THE COMPANY DOES NOT HAVE ANY PLAN TO ISSUE SHARE OR OTHER EQUITY THAT CAN BE CONVERTED INTO SHARES IN THE 12 (TWELVE) MONTHS PERIOD AFTER EFFECTIVE DATE.

INFORMATION CONCERNING RIGHTS

Several terms that must be considered in this RIGHTS are:

a. Shareholders entitled for the RIGHTS

The Company's shareholders entitled to obtain RIGHTS shall be shareholders listed in the Company's Shareholders' Registry (DPS) as at May 2, 2023 at 16.00 WIB. Each holder of 100,000 (one hundred thousand) Existing Shares shall be entitled to 72,034 (seventy two thousand thirty four) RIGHTS, whereby 1 (one) RIGHT shall grant the right to purchase 1 (one) new share at the exercise price of IDR250.- (two hundred and fifty Rupiah) per share which must be fully paid at the time of applying for the purchase of new shares.

b. Legitimate Holders of RIGHTS

The legitimate holders of RIGHTS shall be as follows:

- i. The Company's Shareholders entitled to have RIGHTS that are not being offered; or
- ii. RIGHTS holder whose names are indicated in the Certificate Evidencing RIGHTS; or
- iii. RIGHTS holder in KSEI Collective Depository;

up until the end of the RIGHTS trading period.

c. Form of the RIGHTS

To the Company's shareholders whose shares are yet to be included in the Collective Depository system at KSEI, the Company shall issue a Certificate Evidencing RIGHTS indicating the name and address of the RIGHTS holder concerned, the total shares owned, the total RIGHTS which can be used to purchase shares as a result of exercising RIGHTS, total shares resulting from the exercise of RIGHTS to be purchased, total price which must be paid, total subscription for shares as a result of the exercise of additional RIGHTS, endorsement column and other remarks as required.

To the Company's shareholders whose shares are included in the Collective Depository system at KSEI, the Company shall not issue a Certificate Evidencing RIGHTS, rather than that, it shall credit RIGHTS to the Securities Account in the name of Custodian Bank or Exchange Member appointed by each shareholder at KSEI.

d. Trading of the RIGHTS

RIGHTS Holders can trade Certificates Evidencing RIGHTS owned by them during the trading period, namely from **May 4, 2023** up to and including **May 10, 2023**.

Scripless trading of RIGHTS must be conducted by duly observing the provisions of laws and regulations applicable in the territory of the Republic of Indonesia, including but not limited to the provisions of laws and regulations as well as provisions in the area of capital markets including regulations of the exchange on which such RIGHTS are traded, namely IDX and KSEI regulations. If in any doubt when making a decision, RIGHTS Holders should consult at their own expense an investment advisor, securities trading agent, investment manager, legal consultant, public accountant, or other professional advisors.

RIGHTS which are in Collective Depository at KSEI shall be traded on IDX (BEI), whereas RIGHTS in the form of Certificate Evidencing RIGHTS can only be traded outside the Stock Exchange. RIGHTS trading conducted outside the Stock Exchange shall be implemented by transfer among securities accounts in the name of Custodian Bank or Exchange Member at KSEI. All expenses and taxes potentially arising as a result of RIGHTS trading and transfer shall be the responsibility and cost of the RIGHTS Holder or prospective RIGHTS concerned.

e. RIGHTS Request to Split Certificate Evidencing RIGHTS

As for holders of Certificate Evidencing RIGHTS who wish to sell or assign a portion of RIGHTS owned by them, the holder of Certificate Evidencing RIGHTS concerned can contact the Company's Securities Administration Bureau (BAE) to obtain the RIGHTS denomination they

wish to obtain. RIGHTS holders can split Certificate Evidencing RIGHTS as from **May 8, 2023** up to and including **May 10, 2023**.

The cost of the split will be borne by the requestor.

f. The Value of RIGHTS

The value of RIGHTS offered by legitimate RIGHTS Holders shall vary, based on the current demand and supply on the market .

For instance, the calculation of RIGHTS value below is one among the methods for calculating RIGHTS value, however, it does not guarantee that the result of the RIGHTS value calculation is the actual RIGHTS value. The illustration below is for the purpose of providing a general idea for calculating RIGHTS value.

Assumption market price per share	=	Rp a
Share price RIGHTS ISSUE VII	=	Rp b
Total Shares before RIGHTS ISSUE VII	=	A
Total Shares offered in RIGHTS ISSUE VII	=	B
Total Shares issued after RIGHTS ISSUE VII	=	A + B
Theoretical price of new share	=	$\frac{(Rp\ a \times A) + (Rp\ b \times B)}{(A + B)}$
	=	Rp c
Theoretical price of RIGHTS	=	Rp a - Rp c

g. Fraction of RIGHTS

According to POJK No. 32/2015, in the event that a shareholder possesses RIGHTS in the form of a fraction, the Company shall be obligated to sell the right on such fraction of securities and the proceeds from such sale shall be deposited in the Company's account.

h. Use of Certificate Evidencing RIGHTS

Certificate Evidencing RIGHTS shall be evidence of the right granted by the Company to RIGHTS Holders to purchase New Shares. Certificate Evidencing RIGHTS shall only be issued to entitled shareholders who are yet to conduct conversion of shares and it shall be used to subscribe for New Shares. Certificate Evidencing RIGHTS shall not be valid in the form of photocopy. Certificate Evidencing RIGHTS cannot be exchanged for money or any other matter in the Company. Evidence of RIGHTS ownership to RIGHTS holders in Collective Depository at KSEI shall be provided by KSEI through the Exchange Member or Custodian Bank concerned.

PLAN FOR THE USE OF PROCEEDS RIGHTS ISSUE VII

The proceeds obtained by the Company from this RIGHT ISSUE VII after deducted by all costs related to RIGHT ISSUE VII shall be used to strengthen the Company's capital structure which shall be subsequently used entirely to increase the Company's productive assets.

More information concerning the use of proceeds RIGHTS ISSUE VII is available in the Prospectus.

LIABILITIES STATEMENT

The Company's liability value on December 31, 2022 is Rp12,063,668 million mainly from customer's savings, savings from other banks and third party amounting Rp10,507,213 million.

More information concerning the use of proceeds RIGHTS ISSUE VII is available in Prospectus..

SUMMARY OF KEY FINANCIAL DATA

The table below provides a summary of important financial data for the year ending December 31, 2022 and 2021 that have been audited and for which the reports are not in the Prospectus.

The Company's financial statements at the date and for the year ending on December 31, 2022 dan 2021, provided by the Company's Management according to the Financial Accounting Standard in Indonesia and presented in Rupiah Indonesia, has been audited by Public Accountant Amir Abadi Jusuf, Aryanto, Mawar & Partner, member of RSM global network, based on audit standard by IAPI and signed by Rudi Hartono Purba (partner of Public Accountant Amir Abadi Jusuf, Aryanto, Mawar & Partner, member of RSM global network, with Public Accountant registration number 0501) and Bimo Iman Santoso (partner of Public Accountant Amir Abadi Jusuf, Aryanto, Mawar & Partner, member of RSM global network with Public Accountant Registration number 1298) each stated opinion without modification as stated in the independent auditor related reports dated February 10, 2023 and January 31, 2022, not included in Prospectus.

Due to rounding off, some of the financial information below maybe different from the arithmetic calculation.

1. STATEMENT OF FINANCIAL POSITION

	(in million Rupiah)	
	31 December	
	2022	2021
ASSETS		
Cash	33.354	36.785
Current Account at Bank Indonesia	919.797	472.517
Current Account at other banks		
Related parties	338	491
Third parties	148.042	275.123
Less: allowance for impairment losses	(33)	(46)
Net	148.347	275.568
Placements with Bank Indonesia and other banks	1.032.898	1.979.562
Derivative receivables	108	1.307
Acceptance receivables	188.512	6.778
Less: allowance for impairment losses	(217)	(3)
Net	188.295	6.775
Securities purchased under agreement to resell	3.072.222	2.350.769
Loans		
Related parties	493.666	562.122
Third parties	9.168.584	9.374.499
Sub-total	9.662.250	9.936.621

(in million Rupiah)

	31 December	
	2022	2021
Less: allowance for impairment losses	(406.127)	(321.175)
Net	9.256.123	9.615.446
Securities		
Related Parties	-	413.174
Third Parties	514.182	540.954
Sub-total	514.182	954.128
Less: allowance for impairment losses	(195)	(274)
Net	513.987	953.854
Prepayment	22.687	30.462
Deferred tax asset, net	272.500	280.285
Fixed assets and right-of-use-assets net of accumulated depreciation of Rp293,951 and Rp255,809 as of December 31, 2022 and 2021	275.398	321.226
Intangible assets net of accumulated amortisation of Rp92,909 and Rp82,576 as of December 31, 2022 and 2021	57.148	52.779
Foreclosed assets	665.046	1.001.757
Other assets, net	259.177	322.435
TOTAL ASSETS	16.717.087	17.701.527
 LIABILITIES AND EQUITY		
LIABILITIES		
Liabilities payable on demand	24.028	16.247
Deposits from customers		
Related parties	97.411	541.840
Third parties	10.507.213	11.473.356
Deposits from other banks		
Related parties	22	18
Third parties	7.280	7.753
Acceptance payables	26.336	6.778
Derivative payables	90	1.256
Borrowing	1.000.000	1.000.000
Marketable securities issued	-	99.888
Employment Benefits	68.066	81.610
Accruals and Liabilities	333.222	446.233
TOTAL LIABILITIES	12.063.668	13.674.979
 EQUITY		
Share capital par value of Rp250 (whole Rupiah) per share authorized capital 40,000,000,000 and 32,000,000,000 shares as of December 31, 2022 and 2021, respectively		
Issued and dully paid capital 20,436,685,984 shares as of December 31, 2022 and 2021, respectively	5.109.171	5.109.171
Additional paid-in capital	(30.150)	(30.150)
Advanced capital	3.683.926	2.683.926
Fair value reserve net	28.183	8.605
Retained earnings (deficit):		
Appropriated	6.396	6.396
Unappropriated	(4.144.107)	(3.751.400)

(in million Rupiah)

	31 December	
	2022	2021
TOTAL EQUITY	4.653.419	4.026.548
TOTAL LIABILITIES AND EQUITY	16.717.087	17.701.527

2. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(in million Rupiah)

	31 December	
	2022	2021
OPERATING INCOME AND EXPENSES		
Interest Income	863.896	871.120
Interest Expense	(431.896)	(533.643)
NET INTEREST INCOME	432.000	337.477
OTHER OPERATING INCOME		
Fees and commission - net	68.127	56.006
Trading income - net	21.034	14.936
Others	180.294	146.977
Total other operating income	269.455	217.919
OTHER OPERATING EXPENSES		
Personnel expenses	(280.414)	(311.973)
General and administrative expenses	(202.517)	(187.521)
Provision for impairment losses on financial assets	(613.732)	(1.531.916)
Others	(5.524)	(7.981)
Total other operating expenses	(1.102.187)	(2.039.391)
LOSS BEFORE INCOME TAX	(400.732)	(1.483.995)
Income Tax Expense	-	(94.782)
LOSS FOR THE YEAR	(400.732)	(1.578.777)
OTHER COMPREHENSIVE INCOME		
Items that would be reclassified to profit or loss:		
Fair value changes of securities measured at fair value through other comprehensive income	25.100	(12.446)
Income tax related to items that will be reclassified to profit or loss	(5.522)	2.269
	19.578	(10.177)
Items that would not be reclassified to profit or loss:		
Remeasurements of obligation for post-employment benefits	10.288	4.537
Income tax related to items that will not be reclassified to profit or loss	(2.263)	(1.477)
	8.025	3.060
Other comprehensive income (loss) after tax	27.603	(7.117)
Total comprehensive loss for the year	(373.129)	(1.585.894)

(in million Rupiah)

	31 December	
	2022	2021
(LOSS) PER BASIC SHARE		
(in full IDR amount)	(24.28)	(95.64)

3. CASH FLOWS REPORT

(in millions of Rupiah)

	31 December	
	2022	2021
CASH FLOWS FROM OPERATIONAL ACTIVITIES		
Interest received	864.621	898.586
Interest paid	(413.966)	(577.149)
Provision and commission received	70.708	57.785
Provision and commission paid	(2.581)	(1.779)
Payment of personnel expenses	(275.114)	(290.671)
Payment of post employment benefit	(8.556)	(6.571)
Payment of severance	-	(2.600)
Other income received	221.202	147.404
Payment of other expenses – net	(218.914)	(236.559)
(Increase) decrease of operating assets:		
Securities purchased under agreements to resell	(721.453)	(1.368.081)
Acceptance receivables	(181.734)	122.280
Loans	(256.401)	378.472
Prepayments	(9.951)	36.533
Other assets	474.966	100.044
(Increase) decrease in operating liabilities:		
Liabilities on demand	7.781	822
Deposits from customers	(1.410.572)	49.899
Deposits from other banks	(469)	107
Acceptance payable	19.558	(122.280)
Accruals and other liabilities	(101.167)	119.357
Net cash flows used in operational activities	(1.942.042)	(694.401)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from matured securities	824.416	243.861
Placement in securities	(396.388)	(93.586)
Proceeds from the sale of fixed assets	805	507
Acquisition of fixed assets	(5.539)	(20.449)
Acquisition of intangible assets	(604)	(28.416)
Net Cash Flows used in investing activities	422.690	101.917
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of issued bonds	(100.000)	(448.000)
Payment on borrowings	-	(60.000)
Disclosed reserve	1.000.000	1.500.000
Payment of lease liabilities	(29.774)	(12.658)

Net cash flows received from financing activities	870.226	979.342
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(649.126)	386.858
IMPACT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	19.077	4.389
CASH AND CASH EQUIVALENTS, AT THE BEGINNING OF THE YEAR	2.764.478	2.373.231
CASH AND CASH EQUIVALENTS, AT THE END OF THE YEAR	2.134.429	2.764.478
Cash and cash equivalents consist of:		
Cash	33.354	36.785
Current accounts with Bank Indonesia	919.797	472.517
Current accounts with other Banks	148.380	275.614
Placements with Bank Indonesia and other banks mature within 3 (three) months from the date of acquisition	1.032.898	1.979.562
	2.134.429	2.764.478

4. FINANCIAL RATIOS

	31 December	
	2022	2021
GROWTH RATIO (%)		
1. Net Interest Income	28,01	28,75
2. Net Operational Profit	73,00	(431,17)
3. Net Profit	74,62	(273,97)
4. Total Assets	(5,56)	(3,26)
5. Total Liabilities	(11,78)	(3,60)
6. Total Equity	15,57	(2,09)
CAPITAL (%)		
1. CAR accounted for credit risk and operating risk	38,61	29,94
2. CAR accounted for credit risk, market risks and operating risk	38,59	29,92
3. Fixed assets to total capital	6,63	9,41
PRODUCTIVE ASSETS (%)		
1. Non-running productive assets to total productive assets	0,29	0,05
2. Allowance for impairment losses to Productive Assets	3,26	2,36
3. NPL gross	0,38	0,08
4. NPL net	0,08	0,04
5. Allowance for impairment losses to total loans	4,20	3,23
6. Fulfillment of allowance for impairment losses to mandatory reserves for writing off Productive Assets	319,58	250,07
RENTABILITY (%)		
1. ROA*)	(2,42)	(8,50)
2. ROE*)	(11,74)	(54,71)
3. NIM*)	3,19	2,34
4. Operational costs to operating income	134,60	234,50
LIQUIDITY (%)		
1. Macroprudential Intermediation Ratio (RIM) *)	91,11	82,70

	31 December	
	2022	2021
COMPLIANCE (%)		
1. Reserve requirement Rupiah *)	9,30	3,43
2. Reserve requirement foreign currency *)	4,05	4,08
3. Net Open Position	0,15	0,25
4. Legal lending limit breach percentage		
- Related parties	0,00	0,00
- Non-related parties	0,00	0,00
5. Percentage of legal lending limit excess		
- Related parties	0,00	0,00
- Non-related parties	0,00	0,00

*) *unaudited*

MANAGEMENT'S ANALYSIS AND DISCUSSION

The analysis and discussion of the Company's financial position and results of operations in this chapter should be read together with the "Summary of Important Financial Data" and the Company's financial statements and notes to financial statements that are not included in the Prospectus.

ANALYSIS OF FINANCIAL STATEMENTS

The analysis and discussion presented below is based on, and should be read in conjunction with, the Company's financial statements for the dates and years ended December 31, 2022 and 2021.

The Company's financial statements as of and for the years ended December 31, 2022 and 2021 have been audited by Public Accounting Firm Amir Abadi Jusuf, Aryanto, Mawar & Rekan, members of the global network of RSM with unmodified audit opinion.

Statement of Profit and Loss and Other Comprehensive Income

a. Interest Income

For the year ended December 31, 2022, the Company's interest income amounted to Rp.863,896 million, decreased by Rp.7,224 million or 0.8% compared to the year ended December 31, 2021, which was Rp.871,120 million. The decrease in the Company's interest income was due to a decrease in yields on placements in securities by 46.1%.

In general, the Company will continue to focus on increasing interest income from quality productive assets by making efforts to improve the quality of productive assets so that they can provide optimal returns for the medium and long term. One of the Company's strategies is to further enhance the application of the prudential principle in lending and to re-evaluate the sustainability of less/unproductive loan products.

b. Interest Expense

For the year ended December 31, 2022, the Company's interest expense amounted to Rp.431,896 million, decreased by Rp.101,747 million or 19.1% compared to the year ended December 31, 2021, which was Rp.533,643 million. The decrease in the Company's interest expense was due to a decrease in deposits from customers in time deposits and deposits on call.

Fees and Commission Income – net

For the year ended December 31, 2022, the Company's fee and commission income - net amounted to Rp.68,127 million, an increase of Rp.12,121 million or 21.6% compared to the year ended December 31, 2021 of Rp.56,006 million. The increase in fees and commission income - net of the Company was due to an increase in revenue from administration services.

c. Operational Loss

For the year ended December 31, 2022 the Company's operational loss amounted to Rp400,732 million, a decrease of Rp1,083,263 million or 73.0% compared to the year ended December 31, 2021 of Rp1,483,995 million. The decrease in the Company's operating loss was due to an increase in net interest income of 28.0% and in line with the decrease in the Company's other operating expenses.

d. Current Year Loss

For the year ended December 31, 2022, the Company's loss for the year amounted to Rp400,732 million, a decrease of Rp1,178,045 million or 74.6% compared to the year ended December 31, 2021 of Rp1,578,777 million. The decrease in the Company's loss for the year was due to an increase in the Company's income on net interest income and a decrease in other operating expenses.

e. Total Comprehensive Loss for the Year

For the year ended December 31, 2022 the Company's total comprehensive loss for the year amounted to Rp373,129 million, a decrease of Rp1,212,765 million or 76.5% compared to the year ended December 31, 2021 of Rp1,585,894 million. The decrease in the Company's total comprehensive loss for the year was driven the increase in net interest income and a decrease in other operating expenses.

f. Other Operating Expenses

For the year ended December 31, 2022, the Company's other operating expenses amounted to Rp1,102,187 million, a decrease of Rp937,204 million or 45.9% compared to the year ended December 31, 2021 of Rp2,039,391 million. The decrease in the Company's other operating expenses was driven by the decrease in the provision for impairment losses on the Company's financial assets in line with the Company's strategy to improve the quality of productive assets.

Assets, Liabilities and Equity

a. Assets

Cash

The Company's total cash on December 31, 2022 amounted to Rp33,354 million, a decrease of Rp3,431 million or 9.3% from Rp36,785 million on December 31, 2021. This decrease was mainly due to lower operational cash requirements at the end of 2022 compared to the end of 2021 along with a decrease in deposits from customer transactions.

Current Accounts with Bank Indonesia

Total current accounts with Bank Indonesia owned by the Company as of December 31, 2022 amounted to Rp919,797 million, an increase of Rp447,280 million or 94.7% from Rp472,517 million on December 31, 2021. This increase was primarily due to an increase in the mandatory minimum ratio.

Placements with Bank Indonesia and Other Banks

Total placements with Bank Indonesia and the Company's other banks as of December 31, 2022 amounted to Rp1,032,898 million, a decrease of Rp946,664 million or 47.8% from Rp1,979,562 million on December 31, 2021. This decrease was mainly due to the Company's strategy to placing excess liquidity in other financial assets that provide higher yields.

Securities Purchased under Agreements to Resell

Total securities purchased under agreements to resell the Company on December 31, 2022 amounted to Rp3,072,222 million, an increase of Rp721,453 million or 30.7% from Rp2,350,769 million on December 31, 2021. This increase was mainly due to excess more of the Company's liquid assets are placed in these financial assets which can provide higher returns.

The benefits obtained by the Company placing funds in securities purchased under agreements to resell are:

1. Placements of funds in securities purchased under agreements to resell provide better returns than other placements.
2. Placement of funds can be made at any time and funds are very liquid.

The Company's considerations for placing funds in securities purchased with agreements to resell rather than channeling these funds in the form of credit to customers are:

1. Placements of funds in securities purchased under agreements to resell are only made with Bank Indonesia with a relatively low level of risk.
2. The placement does not require a difficult process.
3. Placements can be made with a shorter term than lending.

Disbursed Loans - net

Total loans - net of the Company on December 31, 2022 amounted to Rp9,256,123 million, a decrease of Rp359,323 million or 3.7% from Rp9,615,446 million on December 31, 2021. This decrease was mainly due to the Company's strategy to channel loans carefully and selectively.

Securities - net

The Company's securities as of December 31, 2022 totaled Rp513,987 million, decrease of Rp439,867 million or 46.1% from Rp953,854 million on December 31, 2021. This decrease was mainly due to maturities of corporate securities.

Fixed Assets and Right of Use Assets

The total fixed assets and right of use assets of the Company as of December 31, 2022 amounted to Rp275,398 million, a decrease of Rp45,828 million or 14.3% from Rp321,226 million on December 31, 2021. This decrease was mainly due to depreciation and sales fixed assets carried out during 2022.

Liquid Assets

Liquid assets are intended to fulfill commitments to customers and other parties, both for cash needs (transactions through ATMs), repayment of third party funds, granting credit and meeting other liquidity needs. The composition of the Company's liquid assets consists of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks with maturities of 3 (three) months from the date of acquisition, and investment grade debt securities, have an active and liquid market.

The Company's total liquid assets as of December 31, 2022 amounted to Rp4,172 million, a decrease of Rp215 million or (4.9)% from Rp4,387 million on December 31, 2021. The increase in liquid assets was mainly due to an increase in statutory reserves that must be fulfilled.

Productive Assets

Productive assets consist of current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, derivative receivables, acceptance receivables, receivables for securities purchased under agreements to resell, loans and securities effect.

The Company's total productive assets as of December 31, 2022 is amounted to Rp15,131,777 million, a decrease of Rp524,021 million or 3.3% from Rp15,655,798 million on December 31, 2021. This decrease was mainly due to a decrease in placements with Bank Indonesia and other banks.

Foreclosed Assets

Foreclosed assets for credit settlement is recorded in the Foreclosed Asset (“**AYDA**”) account.

The amount of foreclosed assets on December 31, 2022 amounted to Rp665,046 million, a decrease of Rp336,711 million or 33.6% from Rp1,001,757 million on December 31, 2021. This decrease was due to the sale of foreclosed assets during 2022.

b. Liabilities

The Company's total liabilities as of December 31, 2022 amounted to Rp12,063,668 million, decreased by Rp1,611,311 million or 11.8% from Rp13,674,979 million on December 31, 2021. This decrease was mainly due to a decrease in deposits from customers.

Liabilities on Demand

The Company's liabilities on demand as of December 31, 2022 amounted to Rp24,028 million, increased by of Rp7,781 million or 47.9% from Rp16,247 million on December 31, 2021. This increase was mainly due to an increase in tax obligations that must be paid immediately.

Deposits from Customers

(in million Rupiah)

Remarks	31 December	
	2022	2021
Rupiah		
Current	410.596	607.180
Savings	405.414	512.990
Time deposit and deposit on call	7.353.717	7.317.371

(in million Rupiah)

Remarks	31 December	
	2022	2021
	8.169.727	8.437.469
Current Exchange		
Current	1.218.987	1.638.704
Time deposit and deposit on call	1.215.910	1.939.023
	2.434.897	3.577.727
Total	10.604.624	12.015.196

Current

As of December 31, 2022, the Company's total collection of demand deposits in Rupiah amounted to Rp410,596 million, decreased by Rp196,584 million or 32.4% from Rp607,180 million on December 31, 2021. The amount of demand deposits in foreign currencies was amounting to Rp1,218,987 million, a decrease of Rp419,717 million or 25.6% from Rp1,638,704 million on December 31, 2021. This decrease was mainly due to withdrawals from current accounts made by customers.

The weighted average effective interest rates for current accounts in Rupiah as of December 31, 2022 and 2021 are 2.3% and 2.7%, respectively, while the weighted average effective interest rates for current accounts in foreign currencies are respectively 0.1% and 0.8%

Savings

As of December 31, 2022, the amount of the Company's savings deposits was Rp405,414 million, decreased by Rp107,576 million or 21.0% from Rp512,990 million on December 31, 2021. This decrease was primarily due to withdrawals from customers' saving

The weighted average effective interest rates for savings deposits as of December 31, 2022 and 2021 are 0.4% and 0.2%, respectively.

Time Deposit and Deposit on Call

As of 31 December 2022, the total collection of funds for time deposits and deposits on call in the Company's Rupiah amounted to Rp7,353,717 million, increased by Rp36,346 million or 0.5% from Rp7,317,371 million on 31 December 2021. This increase was mainly due to by competitive interest rates. The total collection of funds for time deposits and deposits on call in foreign currencies amounted to Rp1,215,910 million, decreased by Rp723,113 million or 37.3% from Rp1,939,023 million on December 31, 2021. This decrease was mainly due to maturities.

Deposits from Other Banks

(in million Rupiah)

Remarks	31 Desember	
	2022	2021
Rupiah		
Related Party		
Current	22	18
Third Party		

(in million Rupiah)

Remarks	31 Desember	
	2022	2021
Current	3.215	3.894
Time Deposit	2.497	2.425
	5.712	6.319
Current Exchange		
Third Party		
Current	1.568	1.434
Total	7.302	7.771

Acceptance liabilities

The Company's total acceptance payables as of December 31, 2022 amounted to Rp26,336 million, increased by Rp19,558 million or 288.6% from Rp6,778 million on December 31, 2021. This increase was primarily due to an increase in ongoing acceptance transactions.

Post Employment Liabilities

The Company's total employee benefits liabilities as of December 31, 2022 amounted to Rp68,066 million, decreased by Rp13,544 or 16.6% from Rp81,610 million on December 31, 2021. This decrease was in line with the decrease in the number of Company employees.

Accrued Expenses and Other Liabilities

Total accrued expenses and other liabilities of the Company as of December 31, 2022 amounted to Rp333,222 million, a decrease of Rp113,011 million or 25.3% from Rp446,233 million on December 31, 2021. This decrease was mainly due to a decrease in the amount of liabilities to other third parties accrued.

c. Equity

The Company's total equity as of December 31, 2022 amounted to Rp4,653,419 million, an increase of Rp626,871 million or 15.6% from Rp4,026,548 million on December 31, 2021. This increase was mainly due to additional capital in the form of advanced capital.

Funds for capital injection on December 31, 2022 amounted to Rp3,683,926 million, an increase of Rp1,000,000 million or 37.3% from Rp2,683,926 million on December 31, 2021. This increase was due to additional capital in the form of capital deposit funds made by means of deposit of funds by Qatar National Bank (Q.P.S.C.).

The fair value reserves-net as of December 31, 2022 amounted to Rp28,183 million, an increase of Rp19,578 million or 227.5% from Rp8,605 million on December 31, 2021. This increase was mainly due to changes in the fair value of marketable securities owned by the Company.

The unappropriated loss balance as of December 31, 2022 amounted to IDR 4,144,107 million, an increase of IDR 392,707 million or 10.5% from IDR 3,751,400 million on December 31, 2021. This increase was mainly due to the net loss recorded by the Company during current year.

Liquidity

The Company's internal liquidity sources come from cash and liquidity reserves in the form of financial instruments issued by Bank Indonesia as well as placements with other banks. Meanwhile, the Company's external sources come from customer deposits, deposits from other banks, as well as capital deposit funds from shareholders.

To ensure the Company's ability to maintain its liquidity level, the Company implements a liquidity management policy which is reviewed periodically in accordance with the Company's conditions and the provisions of the OJK. Implementation of liquidity management is carried out through allocation of placements in primary reserves and liquid assets with certain criteria and limits. The management of the Company's liquid assets is carried out carefully in line with the conditions of the Loan to Deposit Ratio (LDR) so that the overall condition of the Company's liquidity can be maintained above the minimum level required by the OJK.

The company has sufficient liquidity reserves and if the company experiences liquidity difficulties, the company will use the limit facilities provided by the shareholders.

Cash Flows Report Analysis

Cash Flows used in Operating Activities

The total net cash flow used for the Company's operating activities for the year ended December 31, 2022 amounted to Rp1,942,042 million, an increase of Rp1,247,641 million or 180.0% from Rp694,401 million in the year ended December 31, 2021. This increase was mainly due to a decrease in deposit balances from the Company's customers.

Cash Flows from Investing Activities

The total net cash flow obtained from the Company's investing activities for the year ended December 31, 2022 amounted to IDR 422,690 million, an increase of IDR 320,773 million or 315.0% from IDR 101,917 million in the year ended December 31, 2021. This increase was mainly due to proceed from matured securities.

Cash Flows from Financing Activities

The total net cash flow obtained from the Company's financing activities for the year ended December 31, 2022 amounted to Rp870,226 million, a decrease of Rp109,116 million or 11.1% from Rp 979,342 million in the year ended December 31, 2021. This decrease was mainly due to a decrease in the amount of paid-up capital received by the Company.

Further information regarding Analysis and Discussion by Management can be seen in the Prospectus.

RISK FACTOR

The risks disclosed below are material risks for the Company, both directly and indirectly, and have been prepared based on the weight of the impact of each risk on the Company's financial performance, starting from the main risks:

- **Main risks that have a significant influence on the continuity of the Company's business**

Credit risk is the risk that occurs due to the failure of the counterparty in fulfilling its obligations to the Company. Credit risk can originate from various functional activities of the Company such as credit (provision of funds), treasury and investment, and trade financing, which are recorded in the banking book and trading book. If credit risk is not managed properly, it can increase NPLs, which in turn can result in a decrease in capital because a large allowance for impairment losses must be made. The largest industrial group that obtains loan disbursement from the Company is the manufacturing industry sector.

- **Business risks that are material, either directly or indirectly, which may affect the Company's business results and financial condition**

- Liquidity Risk
- Operational Risk
- Market Risk
- Strategic and Reputation Risk
- Legal and Compliance Risks
- Technology Change Risk

- **General Risk**

- Macro and Global Economic Risks
- Risk of Other Country Provisions and International Regulations

- **Risks related to investment in the Company's shares**

- Capital market conditions in Indonesia may influence the price or liquidity of the Company's shares.
- The sale of the market Company's shares in the future may have an adverse impact on the Company's shares market price.

Further information regarding risk factors can be seen in Chapter VI of the Prospectus.

SIGNIFICANT EVENT SUBSEQUENT TO THE DATE OF INDEPENDENT AUDITOR'S REPORT

The Management of the Company stated that there are no significant events with material impact on the Company's finances and business performance subsequent to the Independent Auditor's Report for year ended December 31, 2022 audited by Public Accountant Office Abadi Jusuf, Aryanto, Mawar & Rekan, member of RSM global network, based on auditing standards set by IAPI and signed by Rudi Hartono Purba (partner of Amir Abadi Jusuf, Aryanto, Mawar & Rekan Public, *anggota jaringan global RSM*, with Public Accountant Registration No. 0501) expressing an unmodified opinion as listed in the relevant independent auditor's report dated February 10, 2023 for the year end dated December 31, 2022 until the date the Registration Statement becomes Effective.

DESCRIPTION OF THE COMPANY

Brief History of the Company Riwayat singkat Perseroan

The Company was first established under the name of “NV CHUNGHWA SHANGYEH MAATSCHAPPIJ” (The Chinese Trading Company Limited), domiciled in Medan, based on the Notarial Deed No. 53 dated April 28, 1913 drawn up before Leonard Hendrik Willem Van Sandick, Notary in Medan at the time, and was approved based on besluit Gouverneur Generaal of the Dutch Indies under No. 58 dated July 16, 1913 and was subsequently announced in Extra Bijvougsel der Javasche Courant No. 78 dated September 30, 1913.

Based on Decree of the Minister of Finance No. 191547/U.M.II dated October 28, 1958, the Company started its operation as a Commercial Bank.

The Deed of Establishment which contains the Company's articles of association has been amended several times, with the most recent amendment to the Company's Articles of Association contained in Deed No. 33 of July 21, 2022.

The Company's mission is to provide outstanding technology-enabled banking products and services supported by an international network that delivers enhanced stakeholder value to be a financial institution of choice. The Company's vision is to become an icon in terms of technology-enabled convenience and process simplicity in Indonesia that grows together with Company's stakeholders, as well as, to become a top-tier bank in terms of financial performance in Indonesia.

According to article 3 of the Articles of Association of the Company, the objective and the scope of Company is to do business in banking sector according to the regulation and constitution.

Management and Supervision

Based on the Deed of Annual General Meeting of Shareholders Resolutions No. 32 dated July 21, 2022 made before Fathiah Helmi, S.H., Notary in Jakarta, whose notification of data changes has been received and recorded in the Legal Entity Administration System, Ministry of Law and Human Rights based on a Letter No.AHU-AH.01.09-0041649 dated August 8, 2022, the composition of the members of the Company's Board of Commissioners and Board of Directors on the date the Prospectus was issued is as follows:

Board of Commissioners

President Commissioner	:	Fatma Abdulla S S Al-Suwaidi
Commissioner	:	Khalid Ahmed Al-Sada
Independent Commissioner	:	Djoko Sarwono
Independent Commissioner	:	Muhammad Anas Malla

Board of Directors

President Director	:	Haryanto Suganda
Director	:	Geoffry Nugraha
Director	:	Windiartono Tabingin
Director	:	Nicolas Alix Groene (Nick Groene)
Director	:	Soemenggrie Jongkamto

The appointment and dismissal of the Board of Directors and Board of Commissioners of the Company must be approved by the shareholders at the GMS. The appointment and dismissal of the Board of Directors and Board of Commissioners of the Company must be approved by the shareholders at the GMS. Members of the Board of Directors and Board of Commissioners may be

appointed for a term of 3 (three) years from their appointment or until the closing of the annual GMS at the end of 1 (one) term of office, without prejudice to the right of the GMS to dismiss any Director or Commissioner before their term of office ends. Members of the Board of Directors and Board of Commissioners after their term of office ends can be reappointed in accordance with the resolution of the GMS.

The appointment of all members of the Company's Board of Commissioners and Board of Directors has complied with the provisions stipulated in POJK No. 33/2014, and all of the Company's Board of Commissioners and Directors have received approval for OJK Fit and Proper Test.

Further information regarding Description of the Company can be seen in the Prospectus.

EQUITY

Table of Equity Proforma

The Company has submitted a Registration Statement in regards to RIGHT ISSUE VII for the issuance of a maximum amount of 14,721,515,640 (fourteen billion seven hundred twenty one million five hundred fifteen thousand six hundred and forty) shares with a nominal value of IDR 250 (two hundred and fifty Rupiah) per share. Each holder of 100,000 (one hundred thousand) Old Shares whose name is registered in the Company's Shareholders' Registry (DPS) on May 2, 2023 at 16.00 WIB is entitled to 72,034 (seventy two thousand thirty four) RIGHTS, where every 1 (one) RIGHTS gives the holder the right to purchase 1 (one) New Share with an Exercise Price of IDR 250 (two hundred and fifty Rupiah).

The number of New Shares issued in this RIGHT ISSUE VII is the maximum number of shares which will all be issued from the portfolio and will be listed on the IDX with due observance of the applicable laws and regulations. The amount of funds that will be received by the Company in the context of this RIGHT ISSUE VII is a maximum of IDR 3,680,340,595,250 (three trillion six hundred eighty billion three hundred forty million five hundred ninety five thousand two hundred and fifty Rupiah).

If the change in the Company's equity due to RIGHT ISSUE VII occurs on December 31, 2022 then the proforma of the Company's capital structure on that date would be as follows:

(in million Rupiah)

	Equity position according to statement of financial position dated December 31, 2022	Proforma equity on December 31, 2022 if it occurs on that date PMHMETD VII	Proforma equity on December 31, 2022 after PMHMETD VII
EQUITY			
Share Capital Nominal Value of IDR 250 (in full amount) per share authorized capital of 40,000,000,000 shares and 32,000,000,000 shares as of December 31, 2022 and 2021			
Fully subscribed and paid up capital 20.436.685.984 shares as of December 31, 2022 and 2021	5.109.171	3.680.341	8.789.512
Additional paid up capital	(30.150)	-	(30.150)
Disclosed reserve	3.683.926	(3.403.748)	280.178
Fair value reserves - net	28.183	-	28.183
Retained earnings (losses)			

(in million Rupiah)

	Equity position according to statement of financial position dated	Proforma equity on December 31, 2022 if it occurs on that date	Proforma equity on December 31, 2022 after
	December 31, 2022	PMHMETD VII	PMHMETD VII
Appropriated	6.396	-	6.396
Unappropriated	(4.144.107)	-	(4.144.107)
TOTAL EQUITY	4.653.419	276.592	4.930.011

CAPITAL MARKET INSTITUTION AND SUPPORTING PROFESSION

Capital Market Institution and Supporting Profession involve in RIGHT ISSUE VII are as follow:

Legal Consultant : Warens & Partners
Public Accountant : Amir Abadi Jusuf, Aryanto, Mawar & Rekan, *anggota jaringan global RSM*
Notary : Fathiah Helmi, S.H.
Securities Administration Bureau : PT Adimitra Jasa Korpora

Capital Market Institutions and Supporting Professions in the regards to RIGHT ISSUE VII state that there is no affiliation with the Company as defined in Capital Investment Law (UUPM).

REQUIREMENTS IN PLACING AN ORDER TO PURCHASE THE COMPANY'S SHARES

The New Shares in this RIGHT ISSUE VII were issued based on the RIGHTS as referred in POJK No. 32/2015. The Company has appointed PT Adimitra Jasa Korpora as the executor of share administration management and as the executor agent for this RIGHT ISSUE VII, in accordance with the Share Administration Management Agreement.

Following are the requirements and procedures to order the purchase of shares in PMHMETD VII:

1. Entitled Shareholders To Place An Order

The Company's shareholders whose names are registered in the Company's Shareholders' Registry (DPS) on May 2, 2023 at 16.00 WIB are entitled to obtain RIGHTS ("Entitled Shareholders") to submit orders for the purchase of New Shares in the context of RIGHT ISSUE VII provided that each 100,000 (one hundred thousand) Old Shares holders are entitled to 72,034 (seventy two thousand thirty four) RIGHTS, where every 1 (one) RIGHTS gives the holder the right to purchase 1 (one) New Share at an exercise price of IDR 250 (two hundred and fifty Rupiah) per share which must be paid in full at the time of submitting the order for the purchase of New Shares.

Entitled Shareholders are legal RIGHTS holders, namely:

- Shareholders of the Company who are entitled to receive RIGHTS are whose RIGHTS are not sold; or
- The most recent RIGHTS buyer/holder whose name is listed in the endorsement column of the RIGHTS Evidence Certificate; or
- RIGHTS holders in KSEI Collective Custody;

until the last date of the RIGHTS trading period.

Shareholder placing an order can be individuals, Indonesian citizens and/or foreign and/or institutions and/or legal entities/business entities either Indonesian/foreign as provided for in the Capital Investment Law (UUPM)

2. Distribution of Rights Issue (RIGHTS)

For shareholders whose shares are in the Collective Depository system at KSEI, RIGHTS shall be distributed electronically to the Securities Account at KSEI through the Securities Account of the Exchange Member or Custodian Bank concerned at KSEI by no later than 1 (one) Exchange Day after registration in the Shareholders' Registry (DPS) of the party entitled to RIGHTS, namely May 3, 2023. The Prospectus and implementation guidelines shall be distributed by the Company through

KSEI which can be obtained by the Company's shareholders from their respective Exchange Members or Custodian Banks.

For shareholders whose shares are not in the Collective Depository at KSEI, the Company shall issue Certificate Evidencing RIGHTS in the name of the shareholder concerned.

Shareholder may collect RIGHTS certificate in the name of the shareholder concerned, Prospectus, Additional FPPS and other forms at Company's BAE every day during working hours starting May 4, 2023 by showing original and submitting photocopy of valid identification card (KTP/Passport/Temporary Stay Permit (KITAS)) as well as the original copy of the power of attorney for those who cannot collect it themselves with photocopy of the identity of the giver and recipient of the power of attorney, at:

Biro Administrasi Efek Perseroan
PT Adimitra Jasa Korpora
Jl. Kirana Avenue III Blok F3 No. 5
Kelapa Gading - Jakarta 14250
Telp. (021) 2975 5222 Fax. (021) 2928 9961

3. RIGHTS Registration/Implementation Procedure

The implementation of RIGHTS commence from May 4, 2023 until and including May 10, 2023.

A. Procedures for exercising RIGHTS in Collective Custody

RIGHTS holders in Collective Custody at KSEI who will exercise their RIGHTS are required to submit an application for exercise through Exchange Members/Custodian Banks where RIGHTS holders are registered as customers. Then the Exchange Member/Custodian Bank will make an application or exercise instruction through the Central Depository-Book Entry Settlement System ("C-BEST") in accordance with the procedures set by KSEI. In carrying out implementation instructions, Exchange Members/Custodian Banks must comply with the following conditions:

- The RIGHTS holder must provide funds for the exercise of the RIGHTS when submitting the application;
- Adequacy of RIGHTS and payment funds for the exercise of RIGHTS must be available in the securitis account of the holder of RIGHTS exercising.

1 (One) Exchange Day later, KSEI will submit a List of RIGHTS Holders in Collective Custody at KSEI who are exercising their rights and depositing the proceeds for payment of the RIGHTS into the Company's bank account.

The New Shares resulting from RIGHTS exercise will be distributed by the Company/Securities Administration Bureau (BAE) of the Company in electronic form into the account determined by KSEI to be further distributed by KSEI to the Securities Account of the RIGHTS Holder concerned who has exercised his/her right. New Shares resulting from the exercise will be distributed by the Company/ Securities Administration Bureau (BAE) of the Company by no later than 2 (two) working days after the application for exercise is received from KSEI and the funds for payment are received properly (in good funds) in the Company's bank account.

B. Procedures for exercising RIGHTS outside of Collective Custody

Holders of RIGHTS in the form of script/ Certificate Evidencing RIGHTS who will exercise their RIGHTS must submit an application for the exercise of RIGHTS to the Company's Securities Administration Bureau (BAE):

- Original RIGHTS Certificate that has been signed and completely filled out;

- Original proof of payment by transfer/overbooking/giro/check/cash to the Company's account from the bank where the payment was made;
- Photocopy of valid KTP/Passport/ Temporary Stay Permit (KITAS) (for individuals), or photocopy of the Articles of Association and attachments to the composition of the Board of Directors/management (for institutions/legal entities);
- Original valid power of attorney (if authorized) with a stamp duty of IDR 10,000 (ten thousand Rupiah) attached with a photocopy of KTP/Passport/Temporary Stay Permit (KITAS) from the giver and the attorney;
- If the RIGHTS holder wants the New Shares resulting from the RIGHTS exercise to be included in Collective Custody, then the request for exercise of RIGHTS to the Company's Securities Administration Bureau (BAE) must be submitted through an Exchange Member or Custodian Bank where the RIGHTS holder is registered as a customer by submitting additional documents in the form of: (i) Original power of attorney from RIGHTS holders to Exchange Members or Custodian Banks to submit applications for RIGHTS exercise and manage the securities over shares resulting from RIGHTS exercise in Collective Custody at KSEI on behalf of the authorizer; and (ii) Original Securities Deposit Form issued by the Exchange Member or Custodian Bank that has been completely filled out and signed;

The Company will issue RIGHTS exercised shares in the physical form of Collective Share Certificate (SKS) the RIGHTS holders do not want the New Shares exercised to be placed in Collective Custody at KSEI.

Any and all conversion costs for transferring the Company's shares in script form to electronic form and/or vice versa from electronic form to script form must be fully paid and borne by the relevant shareholders of the Company.

Registration for the exercise of RIGHTS is carried out at the Company's Securities Administration Bureau's (BAE) office. Registration can be done from **4 May, 2023 to 10 May, 2023** during Business days and hours (Monday to Friday, 09.00-15.00 WIB).

If the filling out of the RIGHTS Certificate is not in accordance with the instructions/conditions for the share order listed in the RIGHTS Certificate and Prospectus, this may result in rejection of the order. Preemptive Rights are only considered to have been exercised when the payment has been proven to be well received (in good funds) in the Company's bank account in accordance with the provisions stated in the purchase terms.

4. Ordering Additional Shares

Shareholders who do not sell their RIGHTS or buyers/holders of RIGHTS whose names are listed in the Certificate Evidencing RIGHTS or RIGHTS holders in Collective Custody at KSEI, may order additional shares in excess of their rights by filling in the additional share purchase order column provided on RIGHTS Certificates and/or Additional Form for Placing an Order for Purchasing Additional Shares (FPPS) in a total of at least 100 (one hundred) shares or multiples thereof.

RIGHTS holders in the form of scripts/ Certificate Evidencing RIGHTS who wish to have New Shares exercised in electronic form must submit an application to the Company's Securities Administration Bureau (BAE) through an Exchange Member/Custodian Bank. Meanwhile, holders of RIGHTS in script form who still want the shares to be exercised in script/physical Collective Share Certificate (SKS) form can submit their own application to the Company's Securities Administration Bureau (BAE).

- a. RIGHTS holders in the form of scripts/ Holders of RIGHTS in the form of script/ Certificate Evidencing RIGHTS who who wants New Shares from their allotment in electronic form must submit an application to the Company's Securities Administration Bureau (BAE) through an Exchange Member/Custodian Bank by submitting the following documents:
- Original Form for Placing an Order for Purchasing Additional Shares (FPPS) to be filled out in a complete and truthful manner;
 - Original power of attorney from the holder of RIGHTS to the Exchange Member or Custodian Bank concerned to apply for the placement of order for the purchase of New Shares resulting from the exercise of additional RIGHTS and to manage Securities on New Shares resulting from the exercise of RIGHTS as a result of allotment in Collective Depository at KSEI and other powers which may be potentially granted related to placing an order for the purchase of New Shares resulting from the exercise of additional RIGHTS in the name of the party granting power;
 - Photocopy of a valid identity card/Passport/Temporary Stay Permit (KITAS) (for individuals), or photocopy of the Articles of Association and attachment of the composition of Directors/Management (for institutions/legal entities);
 - Original evidence of payment by transfer/book entry/Current Account/cheque/cash to the Company's bank account from the bank at which payment is deposited;
 - Original form for depositing Securities issued by KSEI filled out in a complete manner for the purpose of distributing New Shares resulting from the exercise of RIGHTS by the Company's Securities Administration Bureau (BAE).
- b. Holders of RIGHTS in the form of document/Certificate Evidencing RIGHTS who wish to have New Shares resulting from the exercise of RIGHTS as a result of their allotment remain in the form of document/physical form of Collective Share Certificate (SKS) must file an application with the Company's Securities Administration Bureau (BAE) by submitting the following documents:
- Original Form for Placing an Order for Purchasing Additional Shares (FPPS) to be filled out in a complete and truthful manner;
 - Photocopy of valid identity card/Passport/Temporary Stay Permit (KITAS) (for individuals), or photocopy of the Articles of Association and attachment of the composition of Directors/Management (for institutions/legal entities);
 - The original of a valid power of attorney (if power is granted) on IDR10,000 (ten thousand Rupiah) stamp duty attached with a photocopy of identity card/Passport/Temporary Stay Permit (KITAS) of the party granting and receiving power of attorney respectively;
 - Original of evidence of payment by transfer/book entry/Current Account/cheque/cash to the Company's bank account from the bank at which payment is deposited.
- c. Holder of RIGHTS in Collective Depository at KSEI shall fill out and submit Additional FPPS distributed by attaching the following documents:
- Original of the instruction for exercise which has been successfully settled through C-BEST in accordance with the name of the RIGHTS holder concerned (specifically for holders of RIGHTS in Collective Depository at KSEI who have exercised their right through the C-BEST system).
 - Original of the form for depositing securities issued by KSEI filled out in a complete manner for the purpose of distribution of New Shares resulting from the exercise of RIGHTS as a result of implementation by the Securities Administration Bureau (BAE).
 - Original evidence of payment by transfer/book entry/Current Account/cheque/cash to the Company's account from the bank at which payment was deposited.

Payment for such additional order can be made and must already have been received in the Company's bank account by no later than **May 12, 2023** in available form (in good funds). Orders which are not

in compliance with the instructions in accordance with the provisions for placing an order can result in the rejection of such order.

5. Allotment For Ordering Additional Shares

Allotment for ordering additional shares shall be determined on **May 15, 2023** with the following provisions:

- a. If the amount of total shares ordered, including additional shares, does not exceed the total shares offered in this RIGHT ISSUE VII, all orders for additional shares shall be accepted;
- b. If the amount of total shares ordered, including additional shares, exceeds the total shares offered in this RIGHT ISSUE VII, the party placing an order for additional shares shall be subject to the proportionate allotment system in accordance with the order from RIGHTS exercised by each shareholder placing an order for additional shares.

The Company shall submit the Accountant Audit Result Report to the OJK concerning the obligation for share allotment in this RIGHT ISSUE VII in compliance with OJK Regulation Number 32/2015 and referring to Bapepam Regulation No. VIII.G.12, Attachment of Bapepam Chairperson Decision No. Kep-17/PM/2004 dated April 13, 2004 concerning Guidelines for Audit by Accountant of Placing an Order for Securities Allotment or Distribution of Bonus Shares by no later than 30 (thirty) days as from the date on which the allotment expires.

6. Payment Requirements for Holders of Certificate Evidencing RIGHTS (Other than KSEI Collective Depository) and Placement of Order for New Shares resulting from the exercise of RIGHTS

Payment for placing an order for the purchase of New Shares in the RIGHT ISSUE VII the application for which is submitted directly to the Company's Securities Administration Bureau (BAE) must be paid in full (in good funds) in Rupiah currency at the time of applying for placing an order in the form of cash/cheque/clearing payment order (bilyet Current Account)/book entry/transfer by indicating the Number of Certificate Evidencing RIGHTS or the Number of Original Form for Placing an Order for Purchasing Additional Shares (FPPS) and payment must be transferred to the Company's bank account ("Bank Company") as follows:

PT Bank QNB Indonesia Tbk
Branch: Hayam Wuruk
Account No.: 1200-000337-001
In the Name of: PT Bank QNB Indonesia Tbk

All cheques and bank drafts shall be disbursed immediately upon receipt. In the event that at the time of disbursement the cheque or bank draft is rejected by the bank concerned, the order for the purchase of New Shares resulting from the exercise of RIGHTS shall be deemed to be void. If payment is made by cheque/book entry/clearing payment order (bilyet Current Account), the date of payment shall be counted based on the date of receipt of the cheque/book entry/clearing payment order (bilyet Current Account) for which funds have been received properly (in good funds) in the Company's abovementioned Bank account.

For placement of order for the purchase of New Shares resulting from the exercise of additional RIGHTS, payment shall be made on the day of order whereby such payment must have already been received properly (*in good funds*) in the Company's above mentioned Bank account by no later than **May 12, 2023**.

All expenses which may be incurred in the context of purchasing New Shares in this RIGHT ISSUE VII shall be for the account of the party placing an order. The placement of order for New Shares which does not comply with the payment requirements shall be cancelled.

7. Evidence of Receipt of Order for the Purchase of Shares

The Company through the Company's Securities Administration Bureau (BAE) which receives the application for the placement of order for the purchase of New Shares resulting from the exercise of RIGHTS shall submit to the party placing order a stamped and signed evidence of receipt of order for shares as evidence of order for the purchase of New Shares resulting from the exercise of RIGHTS to be subsequently used as of the evidences at the time of collecting New Shares resulting from the exercise of RIGHTS. Holders of RIGHTS in Collective Depository at KSEI shall receive confirmation of the application for exercising RIGHTS from C-BEST at KSEI through the Account Holder concerned at KSEI.

8. Cancellation of Placement of Order for Shares

The Company shall be entitled to cancel the order for New Shares resulting from the exercise of RIGHTS, either partially or entirely, with due observance of the applicable requirements. Notification on the cancellation of the order for New Shares resulting from the exercise of RIGHTS shall be conveyed through a letter informing about allotment and the refund of money for placing the order to the Exchange Member/Custodian Bank/holder of share in the form of document.

The following, among other things, may cause the cancellation of order for New Shares resulting from the exercise of RIGHTS:

- a. The Certificate Evidencing RIGHTS or Original Form for Placing an Order for Purchasing Additional Shares (FPPS) is not filled out in compliance with the instructions/requirements for placing an order for New Shares resulting from the exercise of RIGHTS indicated in the Certificate Evidencing RIGHTS and the Prospectus;
- b. Non-fulfillment of payment requirements;
- c. Non-fulfillment of the requirements for the completion of application documents.

9. Refund of Money for Placing an Order

In the event of non-fulfillment of a portion of or the entire order for New Shares resulting from the exercise of additional RIGHTS or in the event that an order for shares is cancelled, the Company shall refund a portion of or the entire amount of such money for placing an order in Rupiah currency by transfer to the bank account in the name of the party placing such order. The Company shall make the refund on **May 17, 2023** (by no later than 1 (one) working days after the allotment date).

The allotment notification letter can be collected at the Company's Securities Administration Bureau (BAE) on every Business Day (Monday to Friday, 09.00 - 15.00 WIB) starting **May 17, 2023**.

In the event that there is a delay in making refund which exceeds 1 (one) working days after the allotment date, the total amount of money to be refunded shall be added with interest calculated as of the 2nd (second) working day after the allotment date or after the announcement date of the cancellation of RIGHT ISSUE VII until the date of refund. The amount of interest for the late refund of the order is the same as the 7 Day Reverse Repo Rate from Bank Indonesia. The Company shall not be subject to interest for delay in refunding the money for placing an order for shares if such delay is caused by the fault of the party placing the order at the time of indicating the name of bank and number of bank account.

10. Submission of Collective Share Certificates from RIGHTS Exercise and Crediting to Securities Accounts

New Shares resulting from the exercise of RIGHTS for parties placing the order exercising RIGHTS in accordance with their right through KSEI, shall be credited to the Securities Account within 2 (two) working days after receiving the application for the exercise of RIGHTS from KSEI and after the payment funds are properly received in the Company's bank account.

New Shares resulting from the exercise of RIGHTS for holders of RIGHTS in script form who exercise RIGHTS in accordance with their rights shall obtain Collective Share Certificate (SKS) or shares in script form no later than 2 (two) working days after the request is received by the Company's Securities Administration Bureau (BAE) and payment have been effective (in good funds) in Company's bank account.

New Shares resulting from the exercise of RIGHTS as a result of allotment for placement of order for New Shares resulting from the exercise of additional RIGHTS shall be ready for collection in the form of Collective Share Certificate or shall be distributed in electronic form in the Collective Depository at KSEI by no later than 2 (two) working days after allotment.

Collective Share Certificates (SKS) for New Shares resulting from the exercise of RIGHTS can be collected every working day (Monday - Friday, 09:00 – 15:00 Western Indonesian Time) starting **May 17 2023**, while new SKS allotted results can be collected no later than 2 (two) working days after the allotment process .

The collection is carried out at the Company's Securities Administration Bureau (BAE) showing/submitting the following documents:

- Original valid identity card/Passport/Temporary Stay Permit (KITAS) (for individuals); or
- Copy of the Articles of Association (for institutions/legal entities) and the valid composition of Board of Directors/Board of Commissioners or management;
The original of a valid power of attorney (for institutions/legal entities or individuals granted power) on IDR6,000 (six thousand Rupiah) stamp duty complete with a copy of identity card/Passport/Temporary Stay Permit (KITAS) of the party granting and receiving power of attorney respectively;
- Original evidence of receipt for the placement of order for shares.

11. Allocation of Residual Shares Not Taken By RIGHTS Holders

If the New Shares offered in this LIMITED RIGHT ISSUE VI are not entirely taken by RIGHTS Holders, the residual shares shall be allocated to another RIGHTS Holder who has placed an additional order as stated in the Additional FPPS, proportionally based on the right that have been held.

12. Others

Every and all conversion costs in relation to the transfer of the Company's shares in script form to electronic form and/or vice versa from electronic form to script form must be fully paid and borne by the relevant shareholders of the Company.

ADDITIONAL INFORMATION

Should there is any detailed information needed from this Prospectus and this RIGHT ISSUE ViI, kindly contact:

PT Bank QNB Indonesia Tbk

Revenue Tower, Lantai 8, District 8, SCBD Lot 13

Jl. Jend. Sudirman Kav. 52-53, Jakarta 12190

Telephone: (021) 515 5155; Fax: (021) 515 5388

Email: corporate.secretary@qnb.co.id

Website: www.qnb.co.id

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