



K O P E R A S I
KASIH
I N D O N E S I A

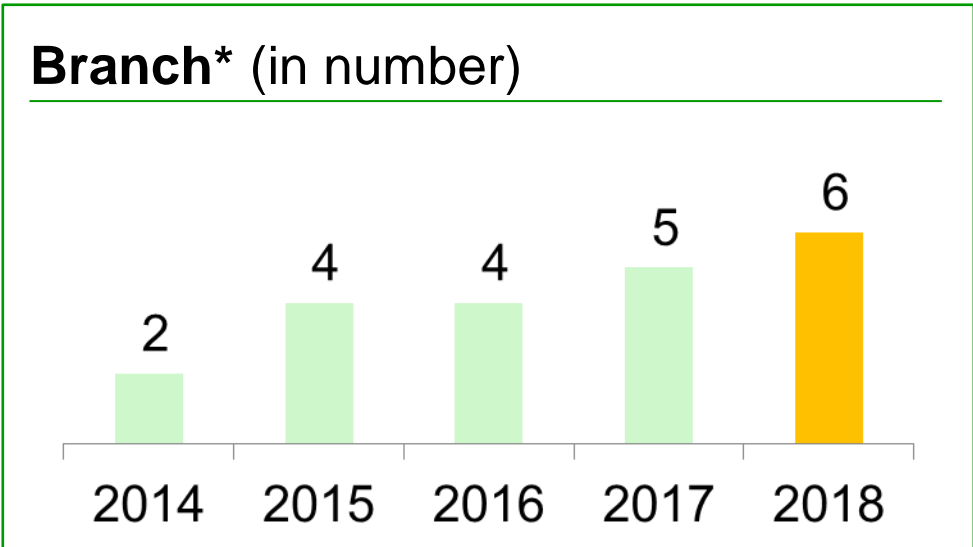
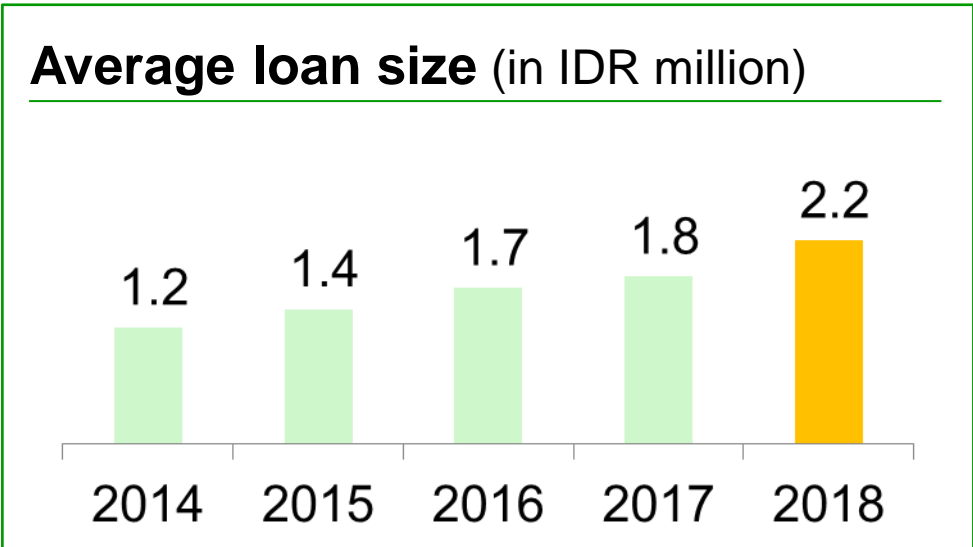
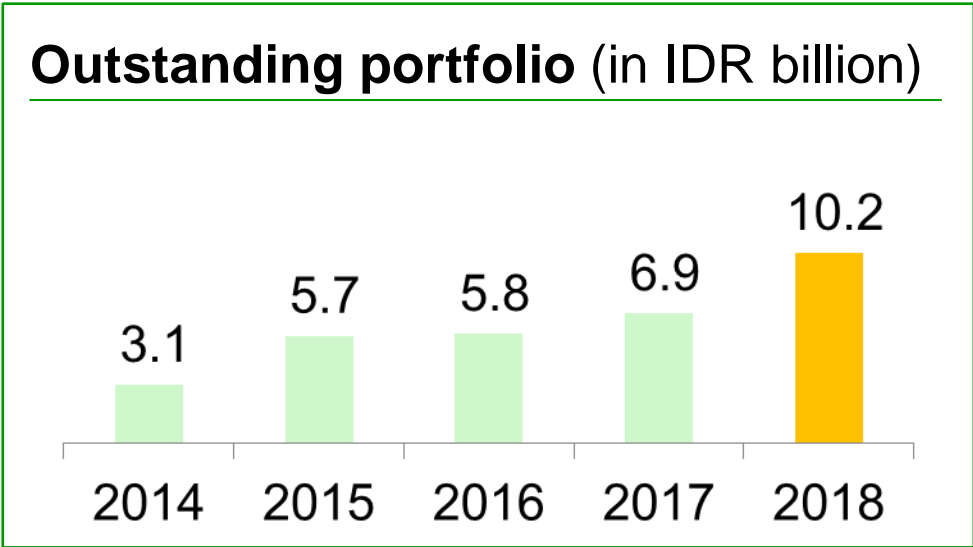
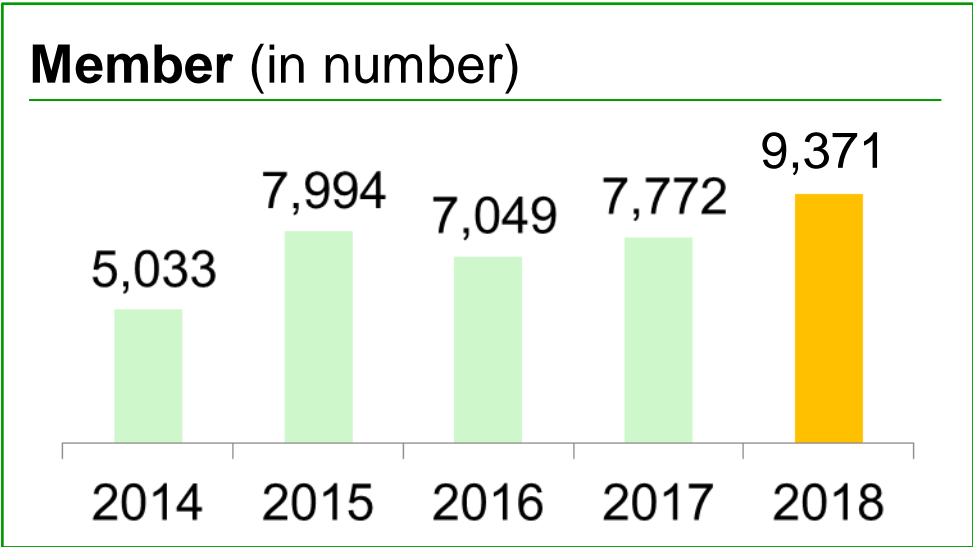
KKI Quarterly Report

Q4 2018 (Oct – Dec)

empowering
millions of poor Indonesian
to exit poverty permanently



1 Key story #1: All operational figures reached all-time high in the end of 2018



*Include satellite branches – work as separate team, but not fully independent

2 Key story #2: Restructuring started, reached 80% progress in Finance-Accounting & brought very positive outcomes

Effectiveness

- **Finance & Accounting roles are separated:** Finance ensures all transactions are done properly & Accounting ensures they are recorded & made into reports correctly
- **Voucher as control system is in place:** All transactions are now properly checked, its receipts stored and filed & numbered properly

Efficiency & Productivity

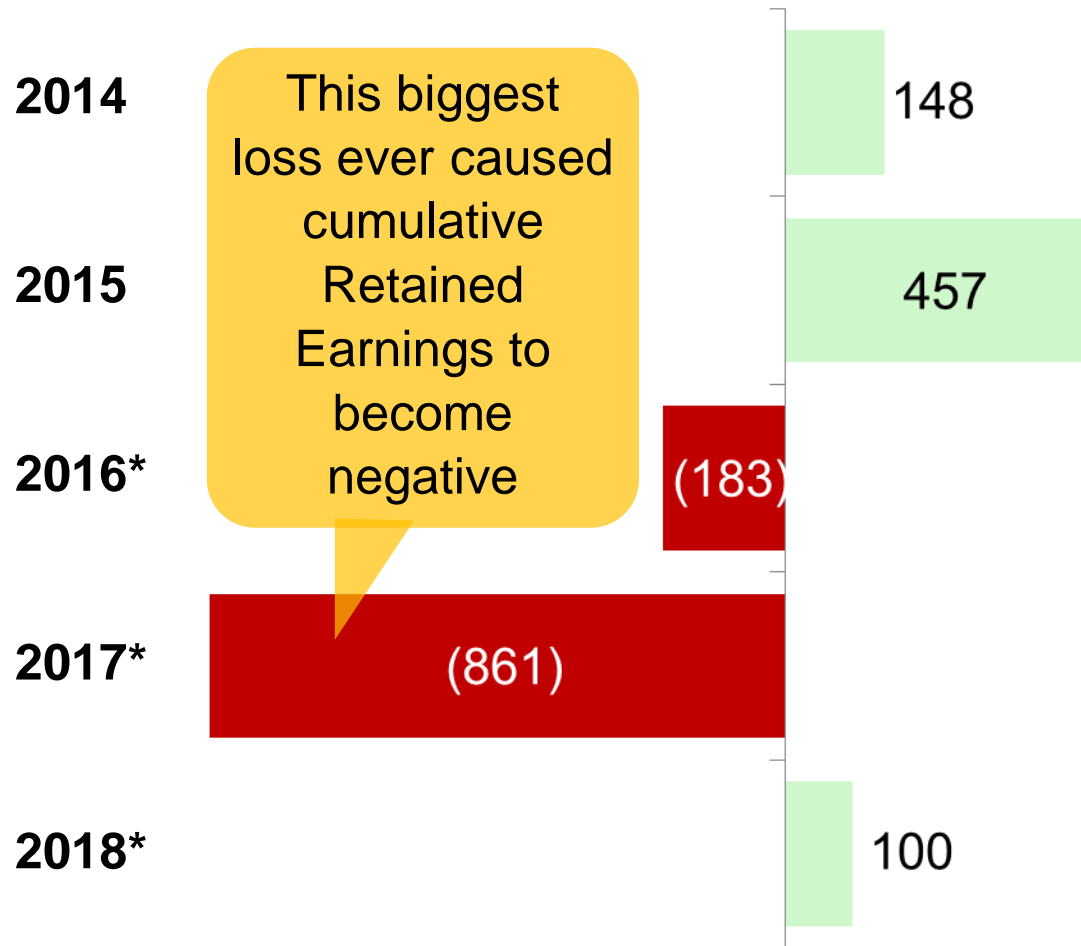
- **Less people are doing more & better work:** Overall staff reduction reached an equivalent of 2.5 persons – with better work being produced 😊
- **Better productivity:** 3 previously Accounting Staffs had increased productivity of ~29%
- **1st ever monthly Financial Statements are completed in November 2018**

Result in other divisions

- **3 location of HO are combined to one:** This resulted in better team work and less costs
- **Working hours for mid-level positions are standardized:** Resulted in better productivity while still at healthy level
- **Empowering internal team instead of recruiting externally:** Many previously staffs had stepped up well

3 Key story #3: Outreach growth, “Forced turnaround” & restructuring program had saved 2018 financial condition

Profit (loss) in 2014-2018 (in IDR million)



Key improvement drivers in 2018

- **Outreach growth** was the main driver behind KKI’s better financial condition as both average loan size & member grew by 21%
- **“Forced turnaround”** – some supervisors & higher positions left – resulted in significant reduction in salary cost
- **Restructuring** program resulted in cost savings,, e.g., lower salary & rental

*Profit (loss) figures in these years are not based on audited financial statements yet

APPENDIX: Quarterly Progress Statistics

Quarterly progress statistics

Last quarter
This quarter

Variables (for weekly loan only)

Sep 2018

Oct 2018

Nov 2018

Dec 2018

In number; bio = IDR billion; mio = IDR million; “~” shows rounded number

Member

• Active members (end of month)	8,921	9,103	9,220	9,371
• % of discontinued borrowers (cumulative)	58%	58%	58%	58%

Loan

• Outstanding portfolio (end of month)	~9.2 bio	~9.6 bio	~9.8 bio	~10.2 bio
• Average loan per active borrowers (end of month)	~2.07 mio	~2.1 mio	~2.14 mio	~2.17 mio
• Member with ≥1 unpaid installment [%] (end of month)	96 [1.1%]	96 [1.1%]	131 [1.4%]	92 [1%]
• PAR >30d & NPL (unpaid >90d) (end of month)	0.0%	0.0%	0.0%	0.0%

Others: Personnel, branch, assets & liabilities, donations

• Number of full-time personnel (end of month)	52	51	54	52
• Number of branch [separate office] (end of month)	7 [3]	7 [3]	6 [3]	6 [3]
• Assets Liabilities, unaudited, in bio (end of month)	~12.8 ~10.9	~13 ~10.9	~12.8 ~10.4	~13 ~10.5
• Received donations [number of donor] (for the month)	~60 mio [5]	4 mio [4]	2 mio [3]	~11.9 mio [4]