



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

Quarterly Report

Q1 2019 (Jan – Mar)

empowering
millions of poor Indonesian
to exit poverty permanently



Quarterly Statistics – Q1 2019

Last quarter
This quarter

Variables (for weekly loan only)

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

Member

| | Dec 2018 | Jan 2019 | Feb 2019 | Mar 2019 |
|--|----------|----------|----------|----------|
| • Active members (end of month) | 9,371 | 9,456 | 9,541 | 9,541 |
| • % of discontinued borrowers (cumulative) | 58% | 58% | 58% | 59% |

Loan

| | | | | |
|--|-----------|------------|------------|------------|
| • Outstanding portfolio (end of month) | ~10.1 bio | ~10.3 bio | ~10.5 bio | ~10.6 bio |
| • Average loan per active borrowers (end of month) | ~2.17 mio | ~2.18 mio | ~2.21 mio | ~2.23 mio |
| • Member with ≥1 unpaid installment [%] (end of month) | 92 [1%] | 164 [1.7%] | 164 [1.7%] | 153 [1.6%] |
| • 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 | 53 | 54 | 54 |
| • Number of branch [separate office] (end of month) | 6 [3] | 6 [3] | 5 [4] | 5 [4] |
| • Assets Liabilities, unaudited, in bio (end of month) | ~13 ~10.5 | ~13.4 ~11.2 | ~14.1 ~11.8 | ~13.3 ~10.8 |
| • Received donations [number of donor] (for the month) | ~11.9 mio [4] | 10.8 mio [5] | 5.5 mio [2] | ~7.1 mio [4] |

1 Improvement in financial condition continued in 2019 and Retained Earnings turned positive in February.

| (in IDR million) | <u>Full year 2018</u> | <u>Jan 2019</u> | <u>Feb 2019</u> |
|-------------------|-----------------------|-----------------|-----------------|
| Profit (loss) | 280 | 148 | 115 |
| Retained Earnings | (186) | (38) | 77 |



- Key drivers: (a) **increasing income** (as member and average loan size grew) and (b) **lower expenses** (KKI became more efficient in terms of work and team size)
- This improvement was started in around October 2018
- All numbers above are unaudited

2 Operation Division launched 3 major initiatives in Q1 2019, which would enable better growth in the future.

“Holidays moved to Friday” policy

KKI moved some national holidays to Friday, where there’s no repayment, in order to improve cash flow

New Vice Branch Manager roles

With new, expanded roles, KKI aims to groom field officer to become Branch Manager faster & smoother

Fully independent branch

A what would become a fully independent branch was started in March, ~8 km (farthest) from Head Office



3 Improvements in non-ops divisions continued: Each tasks would be standardized and have SOP & backups

All Non-Operational Divisions would have...

Human Resources

Finance-Accounting

Development

... clear standard of following things by end of 2019

- List of task / responsibilities
- PIC for each task
- Purpose of each task
- Frequency of each task
- Deadline of each task
- Duration to perform each task
- Checker for each task
- Backup 1 and 2 for the task
- SOP

“Bonus” page: KKI team goes out to Bandung in February! 😊

Note: We were pointing towards “a truly bright future”! 😊

