

INVESTOR PRESENTATION

PT BFI FINANCE INDONESIA TBK

29 July 2024



Key Financial Highlights

Consumer Lending Continues to Face Market Headwinds in 1H24

Growth

- QoQ Bookings down by 10.0% to Rp4,306 billion and YTD booking down 11.8% YoY. Slower growth due to risk appetite amidst challenging market conditions
- Total Managed Receivables stable at Rp22,449 bn both QoQ and YoY

Asset Quality

- NPF ratio at 1.47% in Jun-24, 23 bps higher QoQ and lower by 48 bps YoY
- NPF coverage at 2.6x, increase from 2.3x YoY
- CoC stay at 4.0% YoY, due to higher net credit loss from previous year bookings

Profitability

- 1H24 Net Revenue was Rp2,502 bil – 4.6% decrease YoY due to slower booking
- OPEX increased by 6.4% YoY and decrease 1.4% QoQ
- 1H24 PAT decreased by 10.3% QoQ and 19.2% YoY to reach Rp686 bil

Other

- Dividend payout of 50.3% – cash dividend from FY23 net profit amounted to Rp55/share
- Issuance of Shelf Registration Bonds Phase VI Year 2024 amounting to Rp6 trillion; 1st issuance target at Rp600 bn in Sep-24; rating AA- (idn) from FitchRatings

Balance Sheet Highlights

Continued Risk Weighing on Booking Growth

| In Rpbil * (unless otherwise stated) | 1H24 | 1H23 | YoY Δ | | Comments | 2Q24 | 1Q24 | QoQ Δ | |
|---|--------|--------|-------|-------|--|--------|--------|-------|-------|
| New Bookings** | 9,089 | 10,300 | ↓ | 11.8% | Continued risk and soft market conditions resulting in a more cautious business approach | 4,306 | 4,783 | ↓ | 10.0% |
| Managed Receivables^ | 22,449 | 22,381 | ↑ | 0.3% | | 22,449 | 22,513 | ↓ | 0.3% |
| Total Net Receivables | 20,969 | 21,017 | ↓ | 0.2% | | 20,969 | 21,186 | ↓ | 1.0% |
| Total Assets | 24,292 | 25,177 | ↓ | 3.5% | | 24,292 | 24,168 | ↑ | 0.5% |
| Total Debt# | 13,656 | 15,058 | ↓ | 9.3% | | 13,656 | 13,397 | ↑ | 1.9% |
| Total Proforma Debt^ | 14,279 | 15,410 | ↓ | 7.3% | | 14,279 | 13,933 | ↑ | 2.5% |
| Total Equity | 9,678 | 9,104 | ↑ | 6.3% | | 9,678 | 9,822 | ↓ | 1.5% |

(*) All absolute figures have been rounded to the closest Rpbillion and therefore may have some discrepancies with percentage calculations

(#) Consists of borrowings and debt securities issued

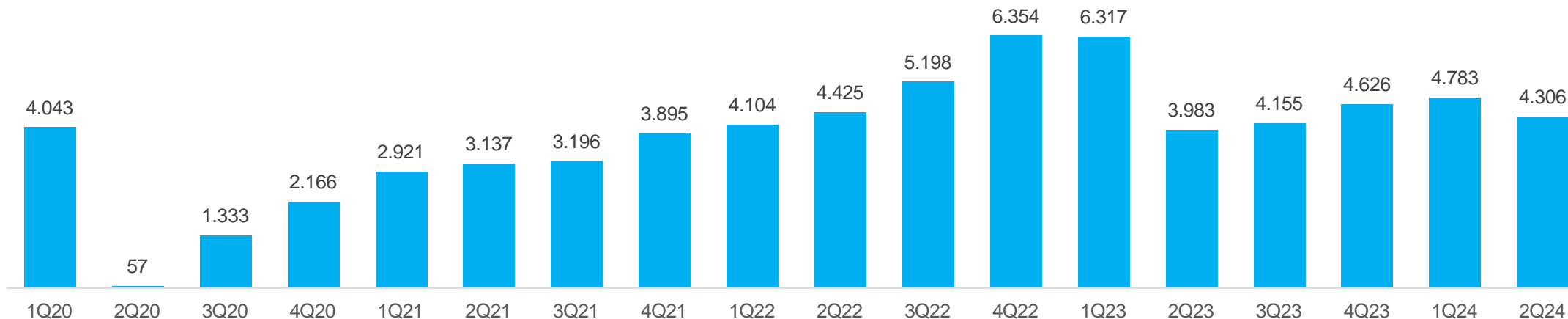
(**) New booking excluding Channeling Pinjam Modal

(^) Includes channeling and joint financing transactions

Balance Sheet Highlights

Internal Tightening Policy Resulting in Slower Pace of Quarterly Bookings

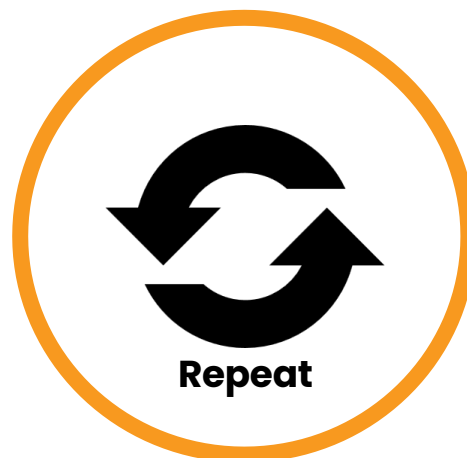
Quarterly Bookings (excl Pinjam Modal) Trend (2020-2Q24)



Sources of Application (NDF only) 1H24



52%



42%

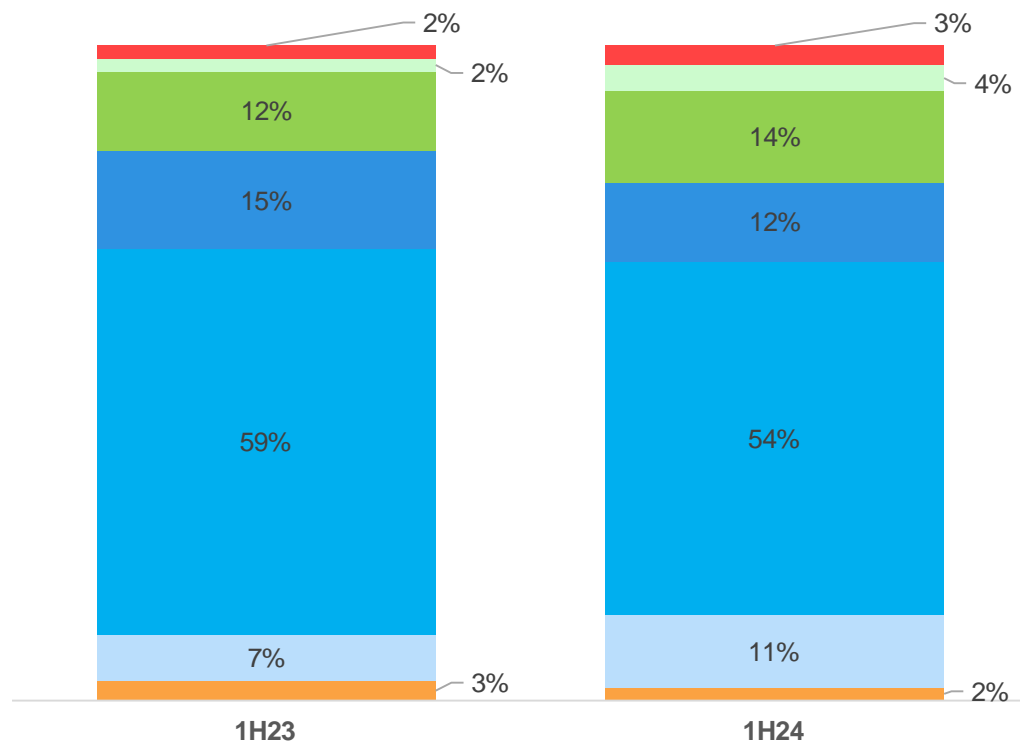


6%

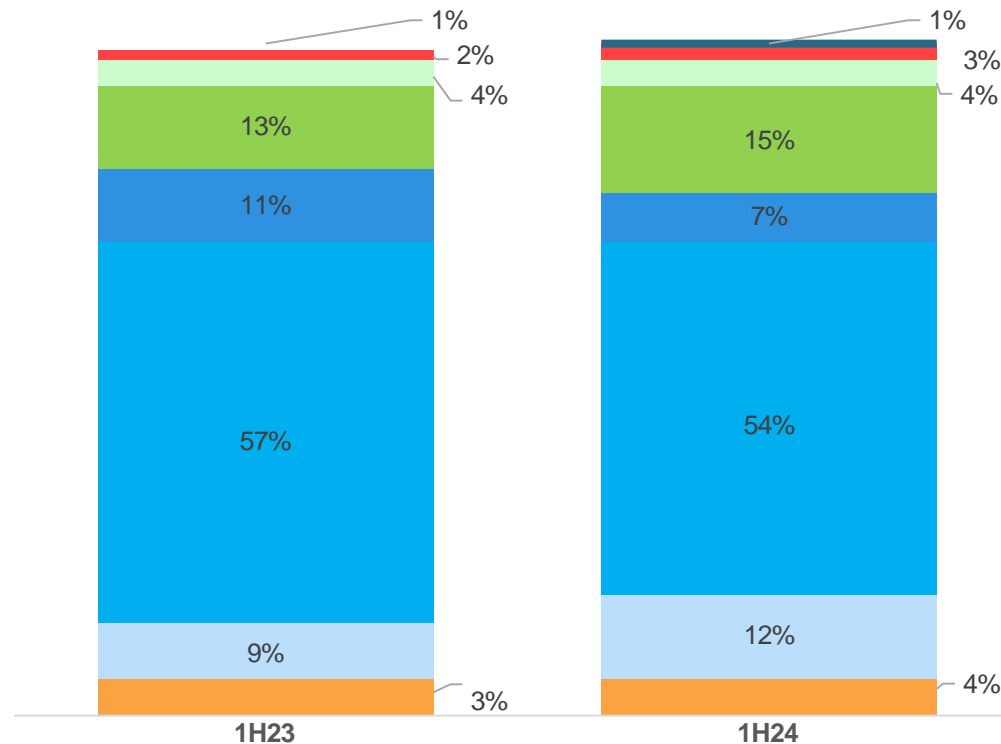
Product Breakdown

Shift in Portfolio Composition to Higher Value Collateral due to Risk Mitigation

Breakdown of Bookings (excl Pinjam Modal)
1H23 vs 1H24



Breakdown of Receivables (incl Pinjam Modal)
1H23 vs 1H24



■ Dealer New 4W ■ Dealer Used 4W ■ Non Dealer 4W ■ Non Dealer 2W
■ Total Leasing ■ Property ■ Sharia

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■ Total Leasing ■ Property ■ Sharia ■ Pinjam Modal

Profit & Loss Highlights

Slower booking impacted to overall performance

| In Rpbil * (unless otherwise stated) | 1H24 | 1H23 | YoY Δ | | Comments | 2Q24 | 1Q24 | QoQ Δ | |
|---|-------|-------|-------|-------|----------------------------------|-------|-------|-------|-------|
| Interest Income | 2,145 | 2,229 | ↓ | 3.8% | Due to lower receivables balance | 1,079 | 1,066 | ↑ | 1.1% |
| Financing Cost | 471 | 465 | ↑ | 1.3% | | 241 | 230 | ↑ | 4.5% |
| Net Interest Income | 1,674 | 1,764 | ↓ | 5.1% | | 838 | 836 | ↑ | 0,2% |
| Fees & Other Income | 828 | 857 | ↓ | 3.4% | | 408 | 420 | ↓ | 3.0% |
| Net Revenue | 2,502 | 2,621 | ↓ | 4.6% | | 1,246 | 1,256 | ↓ | 0.9% |
| Operating Expenses | 1,209 | 1,136 | ↑ | 6.4% | | 600 | 609 | ↓ | 1.4% |
| Operating Income | 1,293 | 1,485 | ↓ | 13.0% | | 646 | 647 | ↓ | 0.4% |
| PBT | 845 | 1,050 | ↓ | 19.6% | Impacted by Cost-of-Credit | 401 | 444 | ↓ | 9.9% |
| PAT | 686 | 848 | ↓ | 19.2% | | 325 | 361 | ↓ | 10.3% |

Key Ratios

NPF Gradually Showing Improvement since 1H23

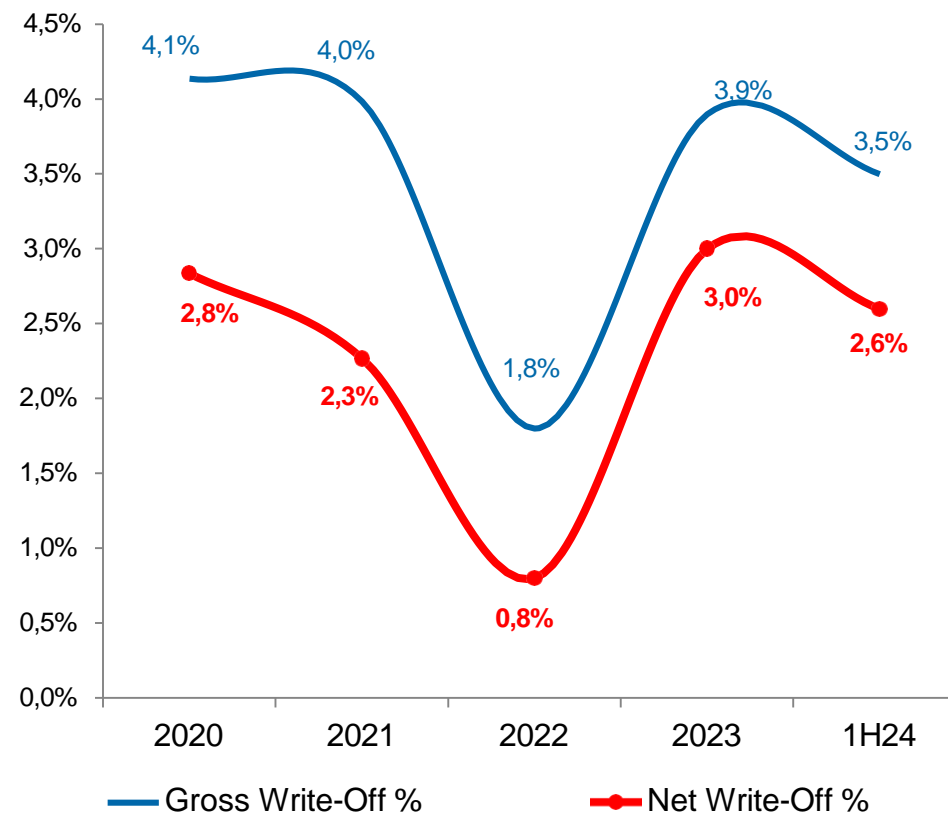
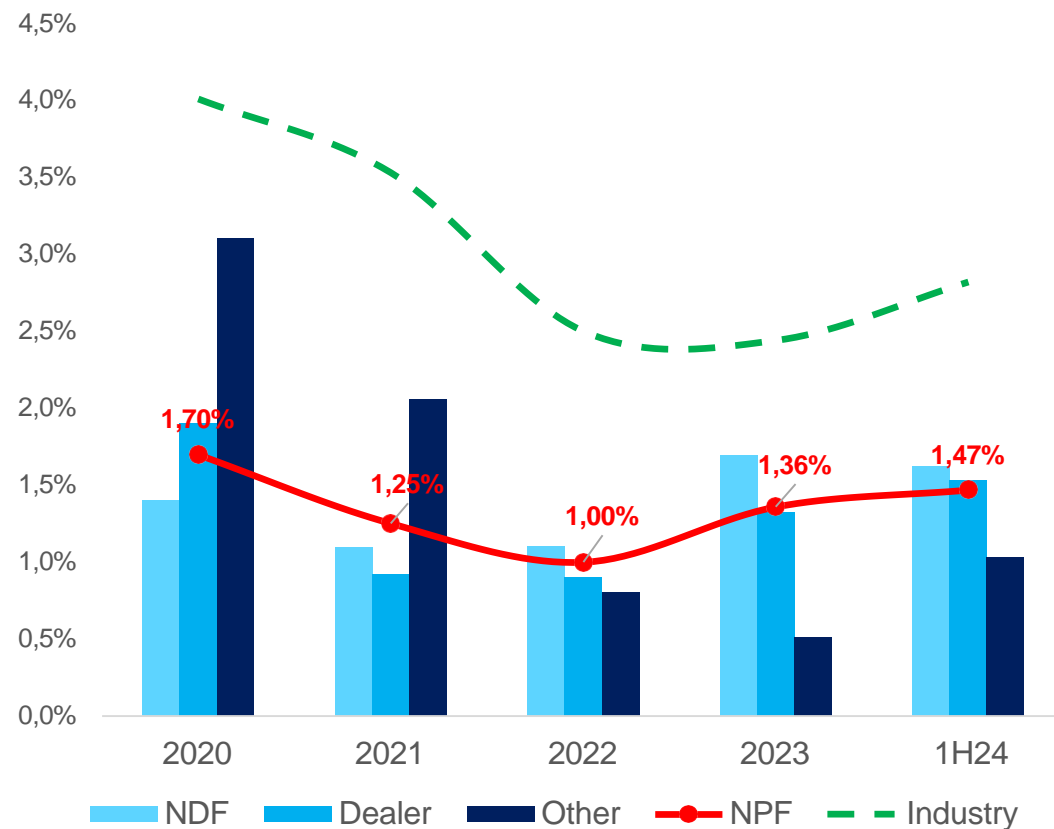
| In Rpbil * (unless otherwise stated) | 1H24 | 1H23 | YoY Δ | | Comments | 2Q24 | 1Q24 | QoQ Δ | |
|---|-------|-------|-------|---------|---|-------|-------|-------|---------|
| Net Interest Spread | 12.0% | 13.2% | ↓ | 117 bps | NDF yield remains resilient but some compression in DF yields | 11.9% | 12.1% | ↓ | 13 bps |
| Cost to Income | 47.8% | 42.8% | ↑ | 500 bps | | 47.7% | 48.0% | ↓ | 23 bps |
| CoC / Avg. Rec. | 4.0% | 4.0% | ↑ | 5 bps | Higher CoC triggered by write-offs due to higher probability of default | 4.4% | 3.7% | ↑ | 70 bps |
| ROAA (after tax) | 5.7% | 7.0% | ↓ | 131 bps | | 5.4% | 6.1% | ↓ | 72 bps |
| ROAE (after tax) | 14.1% | 18.6% | ↓ | 447 bps | | 13.4% | 14.9% | ↓ | 153 bps |
| NPF** | 1.47% | 1.94% | ↓ | 48 bps | Industry NPF at 2.77% in May-24 | 1.47% | 1.24% | ↑ | 23 bps |
| NPF coverage | 2.6x | 2.3x | ↓ | 0.3x | | 2.6x | 2.9x | ↓ | 0.3x |

Strong Balance Sheet Quality

Slight Deterioration in NPF QoQ Due to Seasonality Factor

**NPF Trend
2020-1H24**

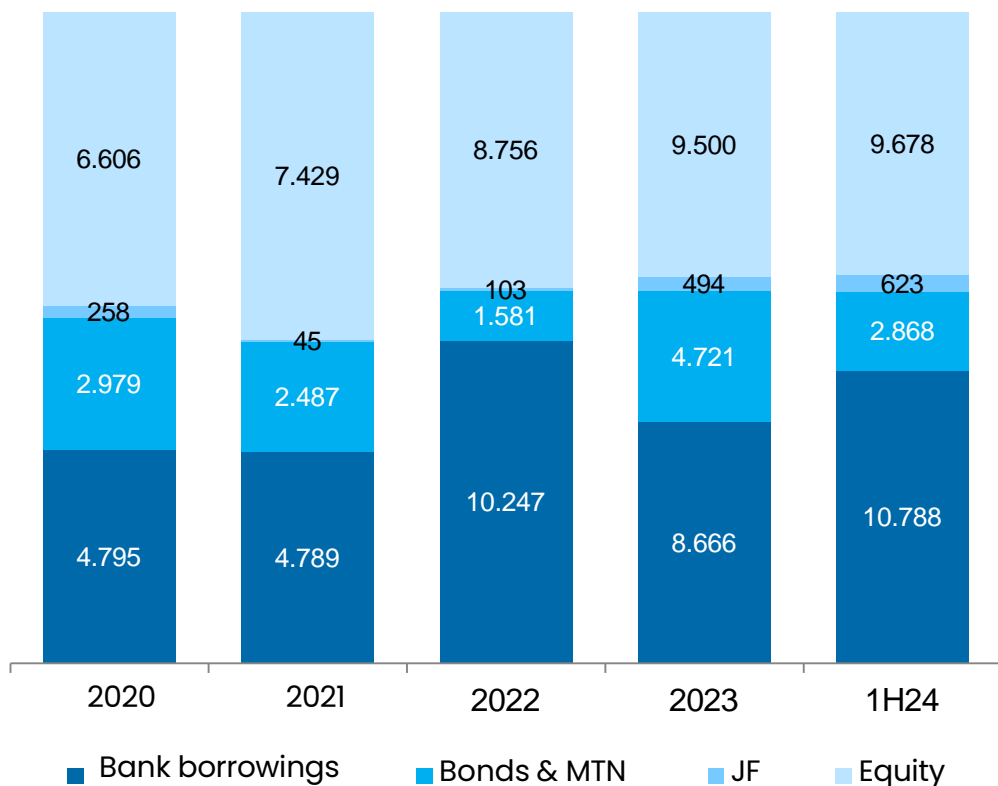
**Write-Off Trend
2020-1H24**



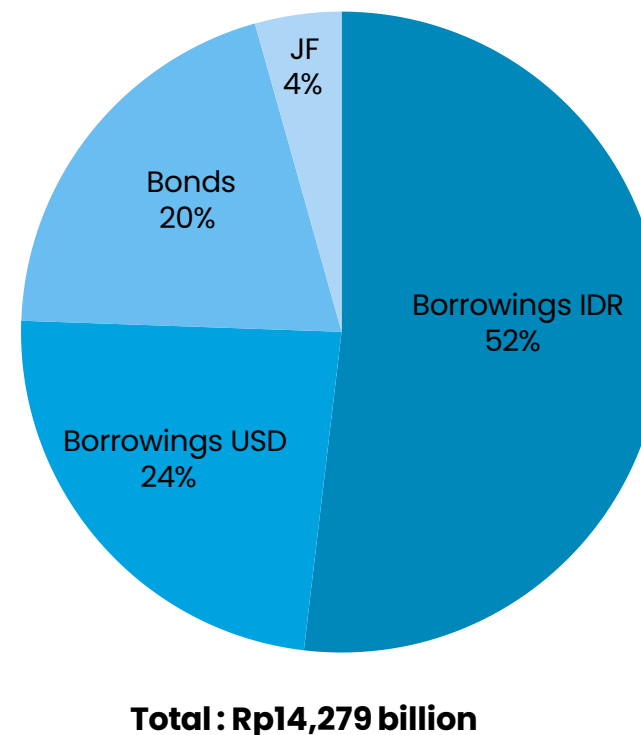
Strong Capital Base

Funding Sources are Well-Diversified, with High Equity Levels Resulting in Low Leverage

**Source of Funding
2020-1H24**



**External Funding Sources
1H24**



THANK YOU