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For Immediate Release

BFI Finance Records Increase of New Financing by 19% QoQ, Optimistic to Maintain Good Performance until the End of the Year

- The Company recorded total assets of Rp24.1 trillion until September 2024
- Non-performing financing (NPF) ratios were at 1.42% (gross) and 0.27% (net), far lower than the industry average
- Total net profit in 9M-2024 amounted to Rp1.1 trillion

South Tangerang, October 28, 2024 – Economic activities during Q3 2024 were reportedly decelerated, both domestically and globally. Various causes from a slowdown in export performance influenced by declining global demand, inflation, and the escalating intercountry conflicts in the Middle East and East Europe, to an increase of interest rate have affected national economic condition.

Such condition became worse due to domestic pressures, like increase in food prices because of El Nino phenomenon, which led to food inflation that in turn decreased purchasing power of communities, depressed investment sector due to geopolitical factors as well as both global and domestic economic slowdown, and also the recent transition to new government, which caused investors to tend to wait for certainty.

Amid these conditions, PT BFI Finance Indonesia Tbk (BFI Finance/IDX: BFIN) proved to be able to maintain its good performance by achieving business growth while demonstrating exceptional risk management, and remaining optimistic to get through the rest of the journey toward the end of this year.

In the ninth month of 2024 (9M24), BFI Finance recorded total assets of Rp24.1 trillion. The assets figure was contributed by total managed receivables of Rp23.0 trillion, or increased by 5.0% compared to the same period in 2023. New financing realization until September 2024 was reportedly reaching Rp14.2 trillion, or grew by 19.1% qoq (quarter-on-quarter).

The Company also reported that managed receivables in productive sector through working capital financing and investment financing amounted to Rp17.9 trillion. This achieved figure was an increase of 4% yoy (year-on-year) and accounted for the biggest portion, that is 77.9%, compared to consumption and multipurpose sectors.

The increase in channeling of financing was balanced neatly by the Company's skills in maintaining non-performing financing (NPF) levels. As of September 30, 2024, NPF ratios stood at 1.42% for gross NPF and 0.27% for net NPF, with the financing industry average level at 2.66% as of August 31, 2024. These figures indicate that the Company has carried on with its trend of having far better NPF ratios compared to NPF ratios of the industry average.

"We have successfully maintained NPF level to remain below 1.5% consistently and provided reserves up to 2.6 times of the Company's NPF ratios in order to anticipate potential decrease of value in the future. Apart from that, the Company also maintained a very healthy gearing ratio, that is 1.1 times, much lower from the industry average of 2.3 times, which has helped maintaining BFI Finance's stability in various market conditions and highly dynamic liquidity," said Sudjono, Finance Director of BFI Finance.

In terms of profitability, BFI Finance reaped profit after tax of Rp1.1 trillion until the third quarter of this year. Quarterly, the figure increased by 32.3% compared to Q2 2024 (April-June). Meanwhile, the Company's revenue until September was recorded at Rp4.7 trillion.

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Positive performance was also shown from the Company's return of average assets (RoAA) and return on average equity (RoAE) at 7.7% and 15.1% respectively as of September 2024. The achieved ratios were higher relative to peer average, which stood at 5.3% and 14.5% respectively according to data from the Financial Services Authority (OJK) as of August 2024.

Based on managed receivables, BFI Finance's business was still dominated by financing with four-wheel and two-wheel motorized vehicles as collaterals (60.3%), followed by financing for purchasing new and used four-wheel motorized vehicles (15.8%), heavy equipment and machinery financing (15.1%), property-backed financing (4.7%), and sharia-based financing and others (4.1%).

"Positive measures conducted by the government during the last third quarter, such as decreasing benchmark interest rates and continuously maintaining inflation to be stable, are expected to promote stimulus for growth until the end of the year. With a range of strategic steps and good risk management, we can keep channeling financing as we maintain credit quality amid market competition and current economic dynamics," Sudjono added.

In terms of service expansion, the year of 2024 has also become a special year since BFI Finance now provides more alternatives of financing for communities. One of them is credit for purchasing previously-owned houses in Jabodetabek areas, which is enabled through the Company's cooperation with one of the leading websites that sell houses.

As the third quarter of the year ended, the Company has already issued Sustainable Bonds VI Phase I Year 2024 amounted to Rp600 billion with 'AA-(idn)' rating. The issuance was a part of Public Offering of Sustainable Bonds VI with target of collected funds of Rp6 trillion. Funds obtained from issuance of bonds, after deducting the costs of emissions, will be used entirely for the Company's working capital through investment financing, working capital financing, and multipurpose financing, except sharia-based financing.

With a good performance and well-planned preparation during the third quarter of the year, the Company is optimistic that there is always a way (*#SelaluAdaJalan*) to record better growth.

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About BFI Finance

BFI Finance is a financing company focusing on financing for various purposes such as working capital, multipurpose, and investment, using collaterals ranging from four-wheel and two-wheel motorized vehicles, heavy equipment, machinery, and property. BFI Finance has now grown into one of the largest financing companies in Indonesia, having the widest network and vastest range of products, and supported by more than 10,000 employees in more than 200 outlets throughout Indonesia, with 45 of them provide sharia-based services (Sharia Business Unit). BFI Finance is licensed and monitored by the Financial Services Authority (OJK).

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