PT BFI Finance Indonesia Tbk

FY:21 Results

February 2022

Analyst Briefing

FY:21 Key Highlights - Consolidated

Strong overall performance in 4Q:21 in line with better market conditions

GROWTH

- YTD FY:21 booking was Rp13,672 bn, 30.2% QoQ increase, and 79.8% YoY (2Q20 saw a temporary halt in bookings)
- Total managed receivables increase of 6.0% QoQ and 4.5% to Rp14,571 bn YoY, while net receivables increase 6.8% QoQ and 7.7% YoY to Rp13,683 bn

ASSET QUALITY

- NPF ratio was 1.25%, improved from 1.97% QoQ and 1.72% YoY
- LLR decreased from 6.3% to 5.8% QoQ, and from 7.1% YoY. NPF coverage on the uptrend at 4.6x, from 3.2x QoQ, and from 4.1x YoY
- NCL ratio improved from 2.70% to 2.10% QoQ, while YTD NCL remained at 2.94% YoY as a result of better collateral disposal and recovery from write off contract
- COC ratio decline from 6.00% to 1.60% YoY, despite an increase from 0.49% to 1.18% QoQ, due to improvement in overall delinquency and declining of restructured loan balance

PROFITABILITY

- Net Revenue increased 14.5% QoQ to Rp930 bn but down by 6.1% YoY to Rp3,303 bn primarily due to declining average receivables balance
- OPEX increased 15.3% QoQ to Rp 478 bn in line with increased business activity; and increase 0.7% YoY to Rp1,670 bn
- 4Q21 PBT and PAT improved 7.8% and 8.4% QoQ whilst FY21 PBT and PAT increased 62.2% and 61.1% YoY to reach Rp1,411 bn and Rp1,131 bn respectively

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Strong overall performance in 4Q:21 in line with better market conditions

CORPORATE ACTION

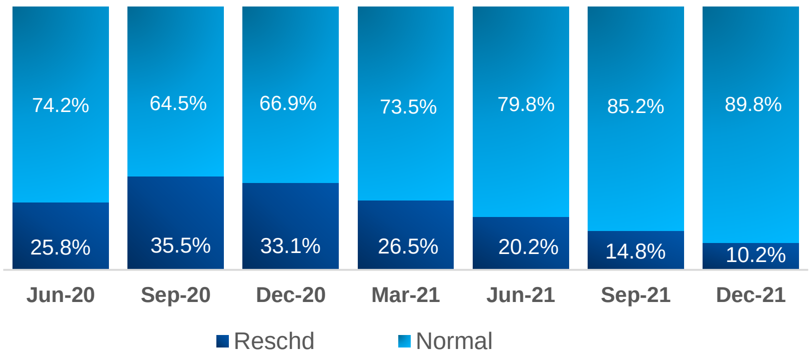
- Trinugraha Capital Announced on 20 Jan 2022 its intention to conduct a Voluntary Tender Offer to purchase remaining 9,131,865,960 shares or 57.12% of BFI shares from existing shareholders at Rp1,200 per share. Tentative timeline of the corporate action is as follows:
  - ✓ Effective from OJK 18 Feb 2022
  - ✓ VTO Statement Date 21 Feb 2022
  - ✓ VTO Period 22 Feb 23 Mar 2022
  - ✓ Estimated Settlement 4 Apr 2022

- Further, on 3 Feb 2022 BFI sent a letter to OJK to obtain approval to sell its Treasury Shares pursuant to the VTO

Update on Loan Restructuring

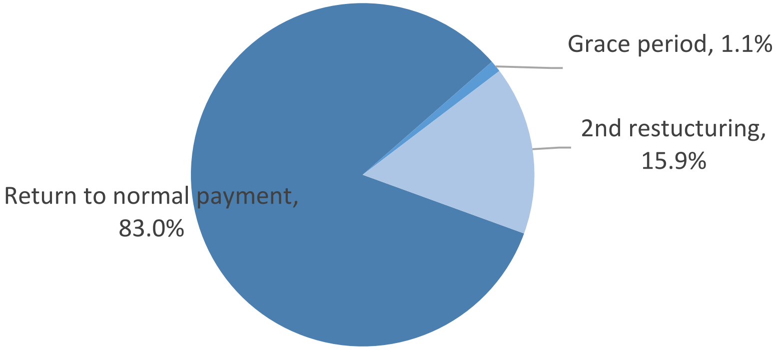
Loan Restructuring due to Covid-19 declined to 10.2% or Rp1.5 tn, with 27.8% allocated reserve

Covid-19 Restructured vs Normal Loans



* Rescheduling program has ended in Aug-20

Restructuring Options Provided



- As of Dec-21, 83.0% of restructured loans have reverted to normal loan status, 1.1% still under grace period and the remaining 15.9% granted 2nd restructuring with strict review
- Rescheduling program covered 10.2% of total receivables as of 31-Dec-21, down from 33.1% in Dec-20.
- Substantial provision amounting to Rp 411 bn or 27.8% of total restructured loans has been allocated to cover the potential loss

FY:21 Balance Sheet Highlights - Consolidated

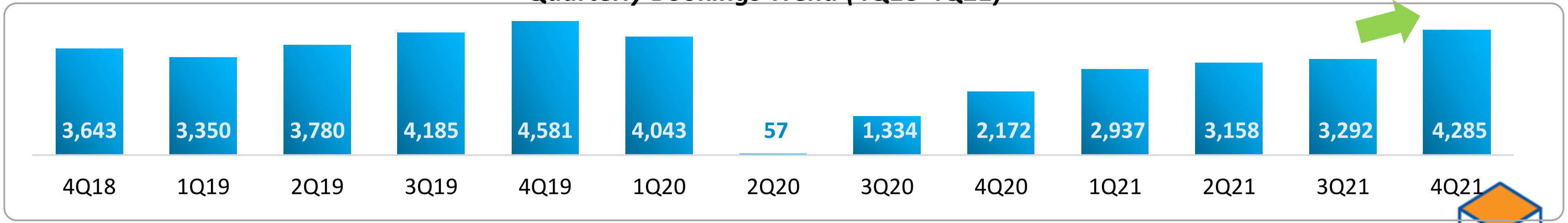
Gradual recovery with booking and receivables YoY growth

*In Rp bil * (unless otherwise stated)*	FY21	FY20	YoY Δ	Comments	4Q21	3Q21	QoQΔ
New Bookings	13,672	7,606	↑ 79.8%	Improve on market condition	4,285	3,292	↑ 30.2%
Managed Receivables^	14,571	13,947	↑ 4.5%		14,571	13,748	↑ 6.0%
Total Net Receivables	13,683	12,700	↑ 7.7%	Decrease on allowance for doubtful	13,683	12,811	↑ 6.8%
Total Assets	15,636	15,201	↑ 2.9%		15,636	14,645	↑ 6.8%
Total Debt#	7,277	7,773	↓ 6.4%		7,277	6,621	↑ 9.9%
Total Proforma Debt^	7,322	8,032	↓ 8.8%	Due to improve on delinquency	7,322	6,697	↑ 9.3%
Total Equity	7,430	6,606	↑ 12.5%		7,430	7,190	↑ 3.3%

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

(#) Consists of borrowings and debt securities issued (^) Includes channeling and joint financing transactions

Quarterly Bookings Trend (4Q18-4Q21)



FY:21 Profit & Loss Highlights – Consolidated

Profitability growth driven by steep decline in CoC and lower financing cost

*In Rp bil * (unless otherwise stated)*	FY21	FY20		YoYΔ	Comments	4Q21	3Q21		QoQΔ
Interest Income	2,818	3,376	↓	16.5%	Due to lower receivables balance	762	691	↑	10.2%
Financing Cost	570	870	↓	34.5%	Lower borrowings balance	134	141	↓	5.3%
Net Interest Income	2,248	2,506	↓	10.3%		628	550	↑	14.2%
Fees & Other Income	1,055	1.013	↑	4.2%	Increase on new booking	302	262	↑	15.1%
Net Revenue	3,303	3.519	↓	6.1%		930	812	↑	14.5%
Operating Expenses	1,670	1,659	↑	0.7%	Increase on business activities	478	414	↑	15.3%
Operating Income	1,633	1,860	↓	12.2%		452	398	↑	13.7%
Cost of Credit	222	990	↓	77.6%	Improve on overall past due bucket	41	17	↑	146.4%
PBT **	1,411	870	↑	62.2%		411	381	↑	7.8%
PAT **	1,131	702	↑	61.1%		335	309	↑	8.4%

* All absolute figures have been rounded to the closest Rp billion and therefore may have some discrepancies with percentage calculations

** BFI only PBT and PAT for FY21 was at Rp1,417 bn and Rp1,136 bn, respectively

Key Ratios

Positive QoQ and YoY trends on key financial ratios

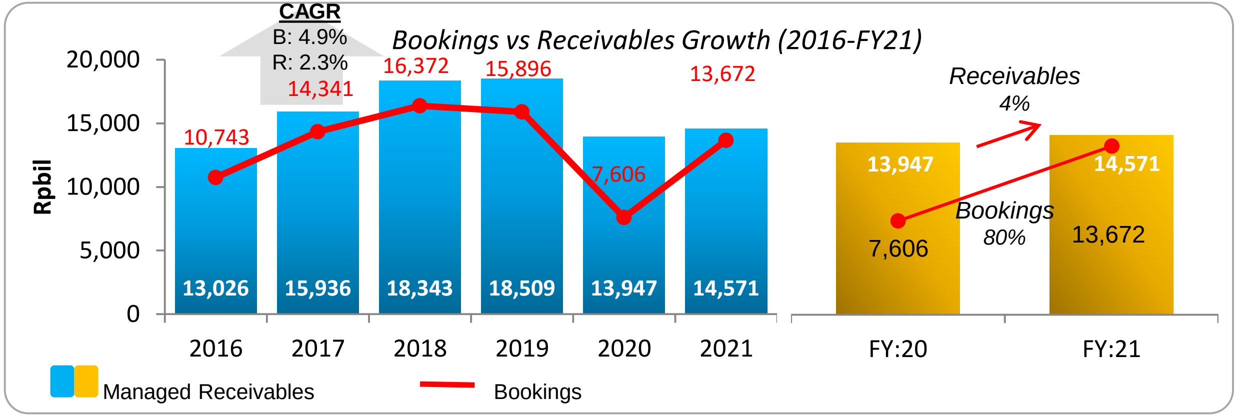
	FY21	FY20	YoY∆	Comments	4Q21	3Q21	QoQ∆
Net Interest Spread	11.88%	11.91%	↓ 3 bps	Encouraging trend with improvement QoQ yield	13.53%	11.49%	↑ 205 bps
Cost to Income	50.26%	46.88%	↑ 338 bps		51.79%	50.34%	↑ 145 bps
COC / Avg. Rec.	1.60%	6.00%	↓ 440 bps	COC decreased by 77.7% YoY to Rp221 bn	1.18%	0.49%	↑ 69 bps
ROAA (before tax)	9.63%	5.01%	↑ 462 bps	PAT growth driven by decreased CoC, CoF	10.81%	10.66%	↑ 15 bps
ROAA (after tax)	7.72%	4.04%	↑ 368 bps		8.75%	8.65%	↑ 10 bps
ROAE (after tax)	16.22%	11.17%	↑ 505 bps		17.82%	17.76%	↑ 6 bps
NPF*	1.25%	1.72%	↓ 47 bps	YoY and QoQ improvement in NPF due to rigorous risk mitigation strategy	1.25%	1.97%	↓ 71 bps
Net Gearing Ratio #	0.9x	1.0x	↓ 15 bps		0.9%	0.8x	↑ 4 bps

* Defined as Past Due >90 days, Calculated from total managed receivables (including Off B/S Receivables)

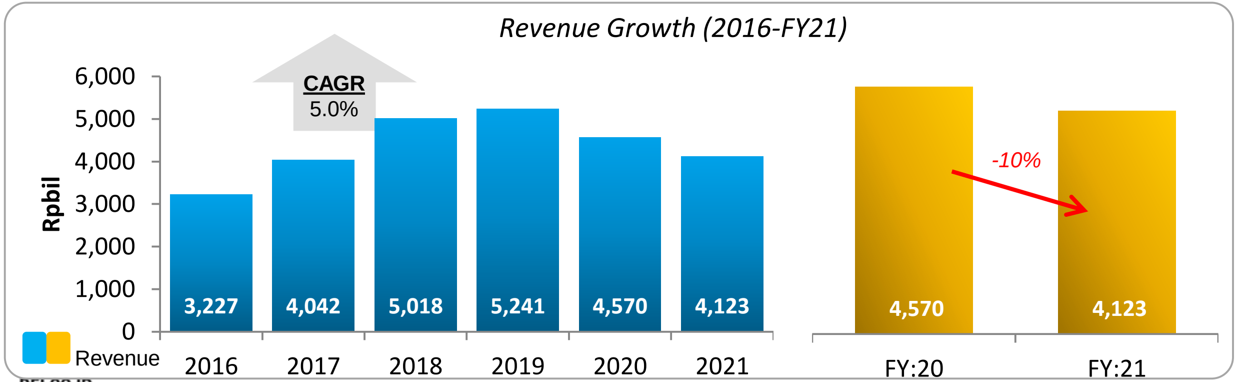
Includes channeling and joint financing transactions

Ability to build a robust balance sheet

FY21 Shows Encouraging Recovery from Pandemic



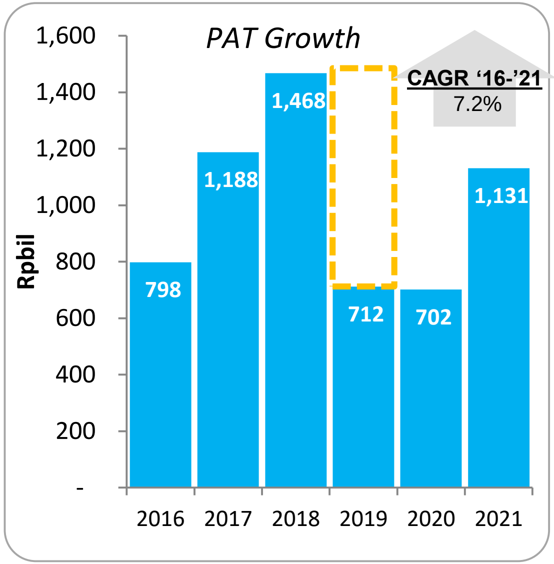
- Consistently growing receivable in the last 5-years with CAGR growth outpace the industry
- Higher receivables in 2021 due to growth in new booking.

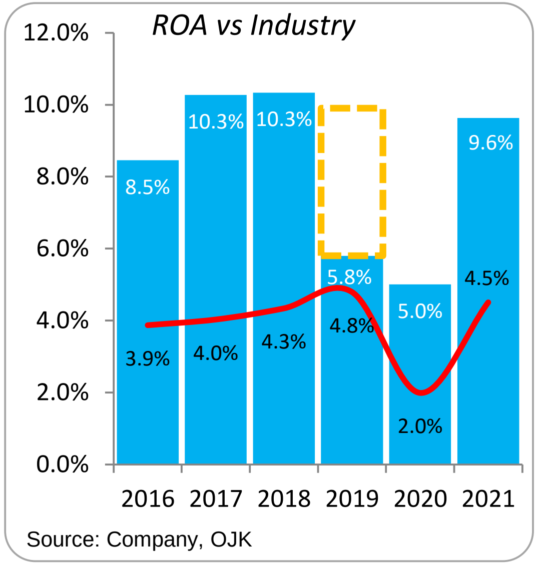


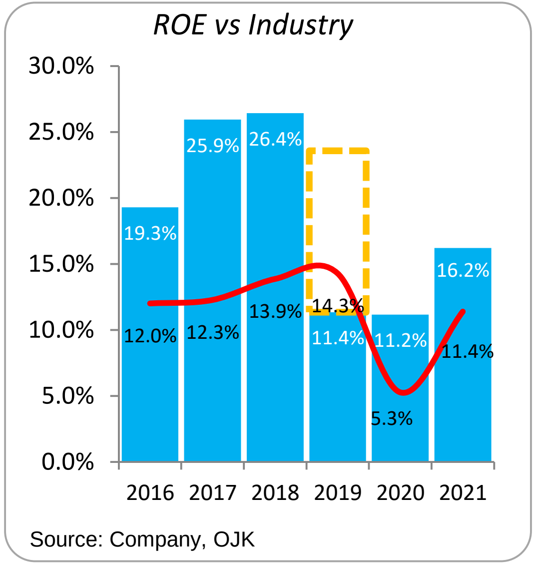
- Consistently strong growth in Revenue as a result of robust balance sheet growth and good spread management (Yield vs COF) in the last 5-years
- Lower revenue in 2021 due to lower receivables balance.

Stable profitability over the years

Still one of the most profitable multi-finance companies, with ROA and ROE above the industry







PAT negatively impacted due to challenging market condition and declining managed receivables because of pandemic

One of the highest ROA companies in the industry and consistently outperformed industry.

ROE remains consistently stable and high above average industry.

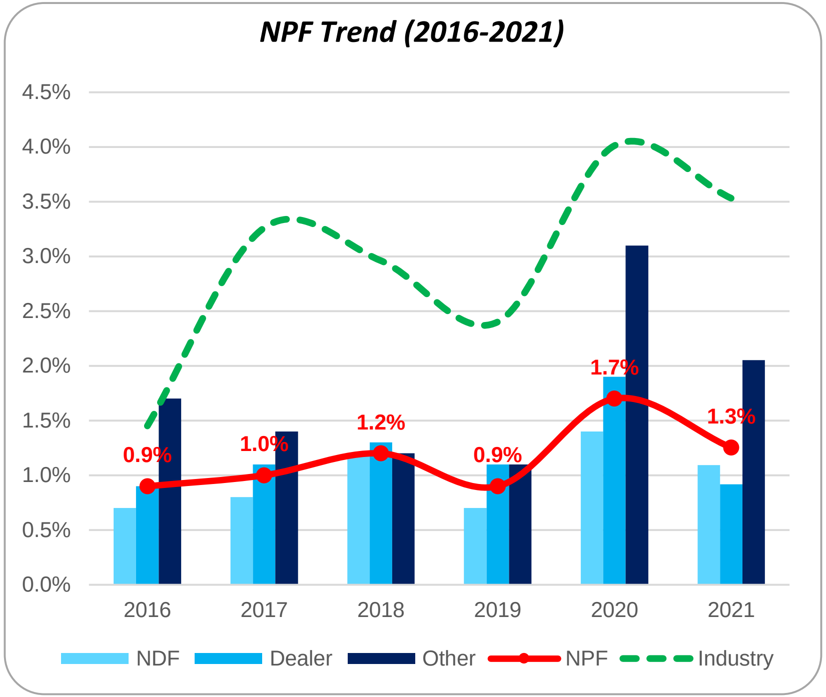
Show result w/o settlement-related expenses

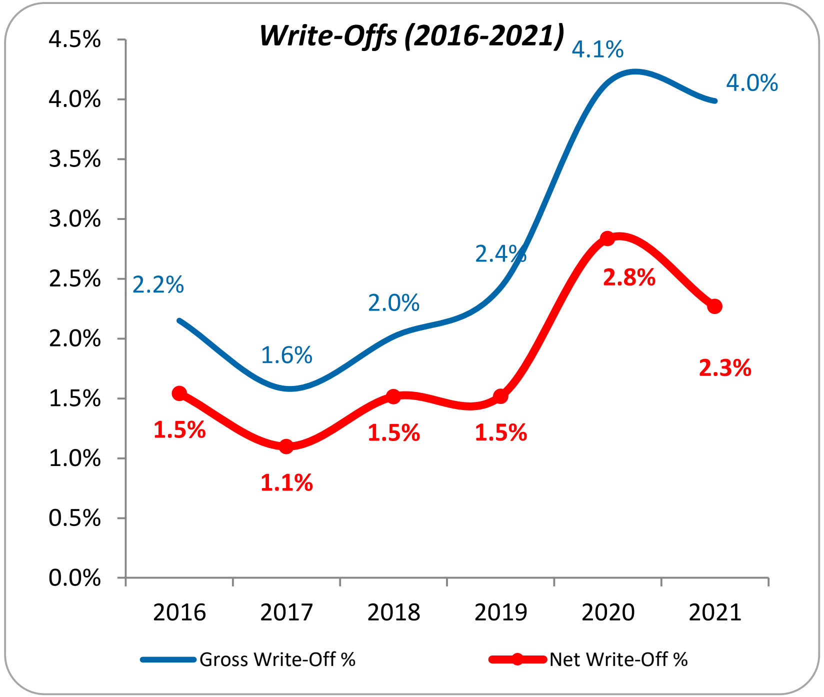
ROA Company is calculated using PBT/Average Total Assets

ROE Company is calculated using PAT/Average Total Equity

Rigorous risk and balance sheet quality management

Better NPLs amidst higher write-off (wider gap between Gross and Net WO due to improved recovery) which already fully provisioned

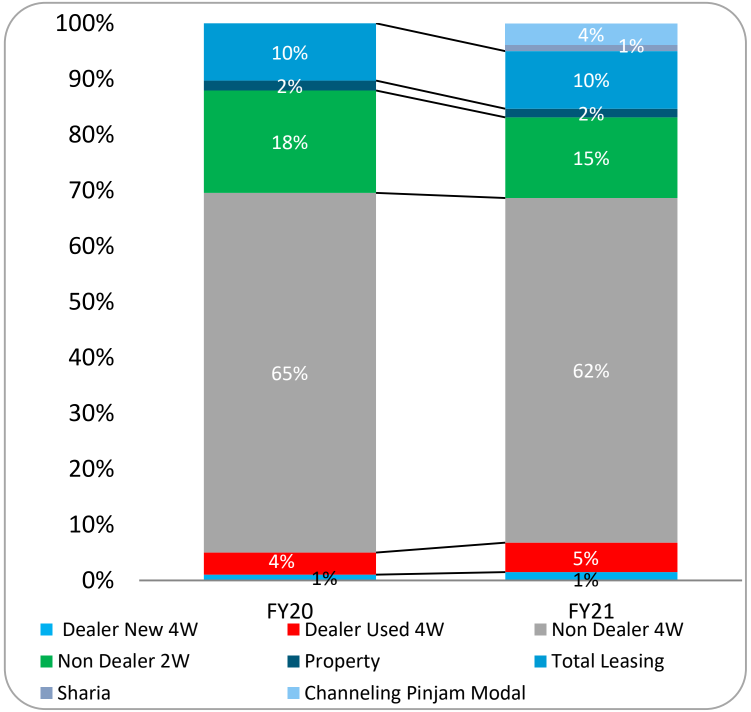




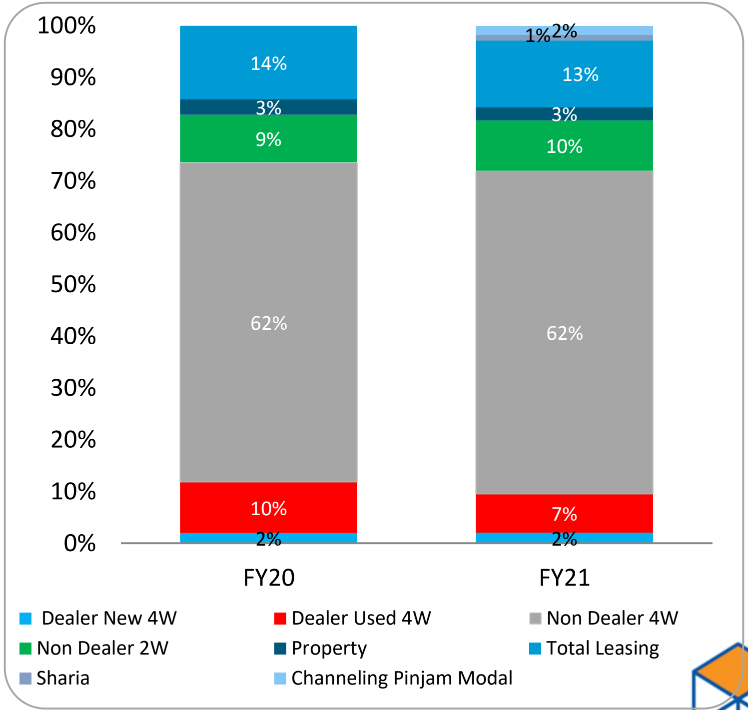
Asset Composition

Non-Dealer business continues to be focus and growth engine

Booking Composition (FY20 vs FY21)

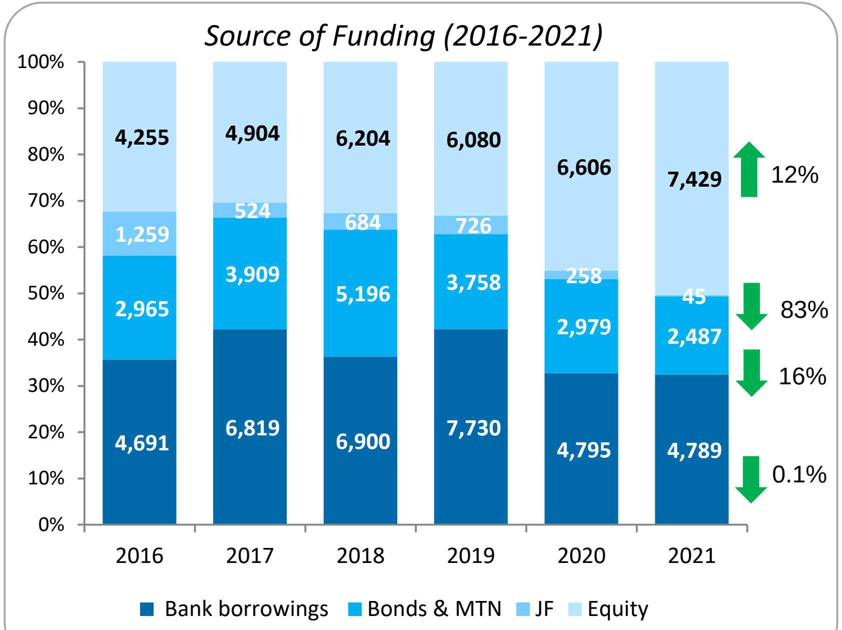


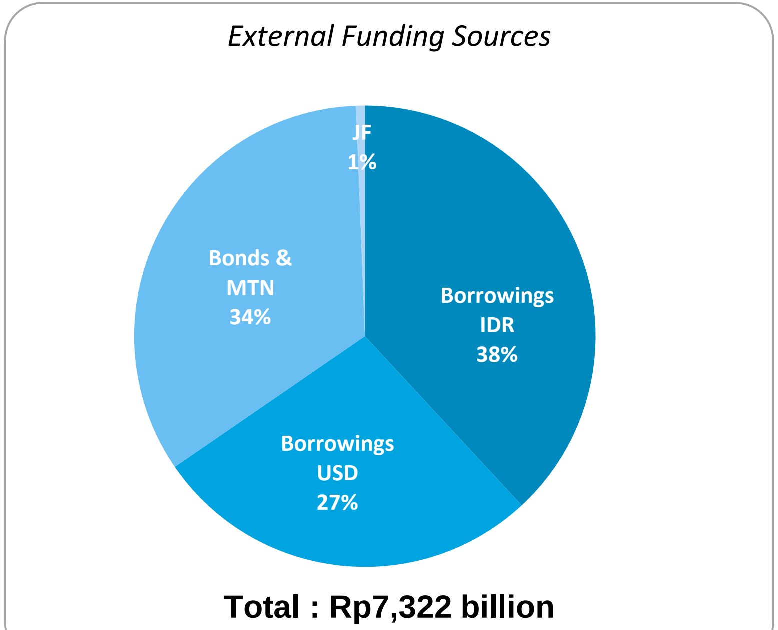
Managed Receivables Composition (FY20 vs FY21)



Strong capital base

Diversified capital structure and funding sources, Equity surpasses the Rp7tn mark for the first time in BFI's history



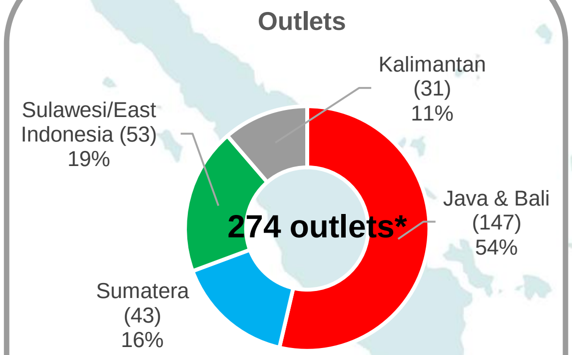


- Decline in Bank Borrowings, Bonds & MTN and JF caused by repayment of due principal

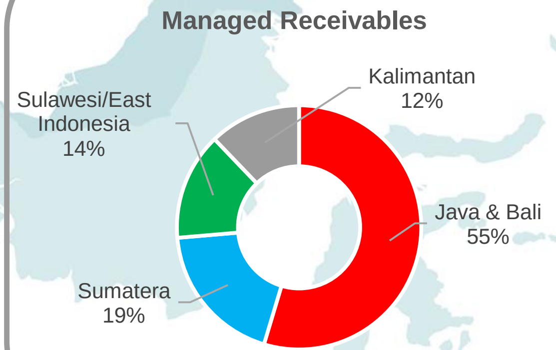
- Well-diversified funding sources is important to reduce dependency and risk
- Adequate facilities in pipeline to support daily operational and further business expansion

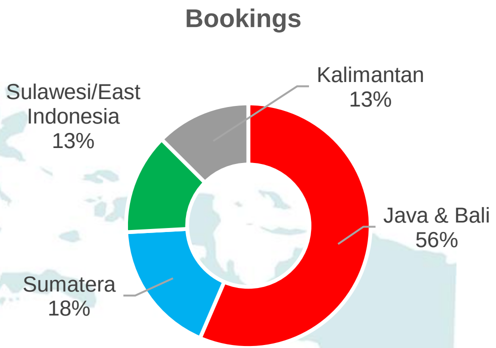
Business Distribution and Branch Network as at 31 December 2021

Network Rationalisation Strategy in line with stricter underwriting, especially for Non Dealer 2W



* Includes 45 Sharia branches sharing premises with existing branches





Thank You