

PT BFI Finance Indonesia Tbk

1Q:22 Results



April 2022

Analyst Briefing

BFI.CO.ID

PT BFI Finance Indonesia Tbk terdaftar dan diawasi oleh OJK



1Q:22 Key Highlights - Consolidated

1Q:22 records highest quarterly booking in history

GROWTH

- YTD 1Q:22 booking was Rp4,752 bn, 10.9% QoQ increase, and 61.8% YoY – the highest quarterly booking ever
- Total managed receivables increase of 7.1% QoQ and 14.3% to Rp15,605 bn YoY, while net receivables increase 7.7% QoQ and 18.4% YoY to Rp14,734 bn

ASSET QUALITY

- NPF ratio was 1.06%, improved from 1.25% QoQ and 2.26% YoY
- LLR decreased from 5.8% to 5.4% QoQ, and from 7.5% YoY. NPF coverage on the uptrend at 5.1x, from 4.6x QoQ, and from 3.3x YoY
- NCL ratio was 1.02%, a decrease from 2.10% QoQ and 2.00% YoY, with lower Net WO and gains on repossession recorded monthly for 3 months
- COC ratio decline from 3.12% to 1.12% YoY, despite an increase from 1.18% to 1.12% QoQ

PROFITABILITY

- Net Revenue increased 5.4% QoQ to Rp980 bn and 25.7% YoY to Rp780 bn
- OPEX increased 14.9% YoY to Rp 448 bn in line with increased business activity; and decreased 6.2% QoQ from Rp478 bn
- 1Q22 PBT and PAT improved 19.2% and 18.1% QoQ whilst 1Q22 PBT and PAT increased 73.4% and 72.5% YoY to reach Rp490 bn and Rp396 bn respectively



1Q:22 Key Highlights - Consolidated

1Q:22 records highest quarterly booking in history

CORPORATE ACTION

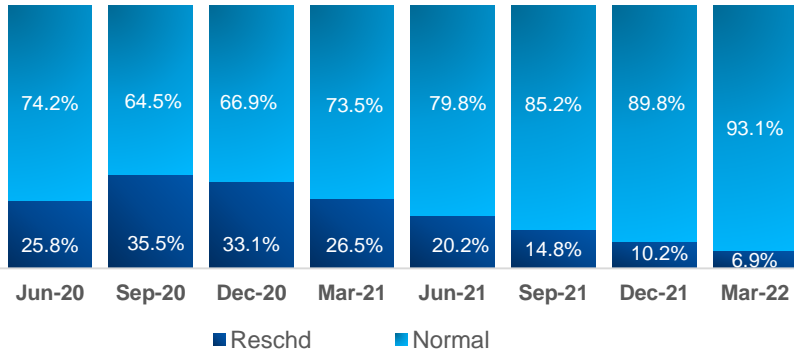
- The VTO proposal from TCC was approved by OJK on 11-Mar-22. The process was conducted from 15-Mar-22 until 13-Apr-22, and settlement on 25-Apr-22
- A total of 852,876,278 shares participated (5.3% of total shares) in the tender offer, at Rp1,200/share
- BFI did not participate in the VTO for its treasury shares as initially planned, due to OJK requirement did not fit with the VTO schedule and target pricing; whereby OJK approval requires the following conditions:
 - ✓ Approval from AGM / EGM
 - ✓ The price determination must follow 3 criteria: 1) higher than purchasing price; 2) not lower than the market closing price of BFIN's shares one day before the sale of treasury shares; 3) not lower than average 90 days closing price of BFIN's share



Update on Loan Restructuring

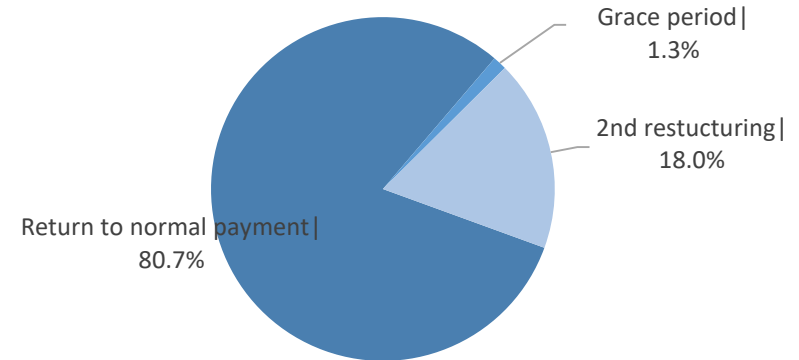
Loan Restructuring due to Covid-19 declined to 6.9% or Rp1.1 tn, with 33.3% allocated reserve

Covid-19 Restructured vs Normal Loans



* Rescheduling program has ended in Aug-20

Restructuring Options Provided



- As of Mar-22, 80.7% of restructured loans have reverted to normal loan status, 1.3% still under grace period and the remaining 18.0% granted 2nd restructuring with strict review
- Rescheduling program covered 6.9% of total receivables as of 31-Mar-22, down from 10.2% in Dec-21.
- Substantial provision amounting to Rp 361 bn or 33.3% of total restructured loans has been allocated to cover the potential loss

1Q:22 Balance Sheet Highlights - Consolidated

Gradual recovery with booking and receivables YoY growth

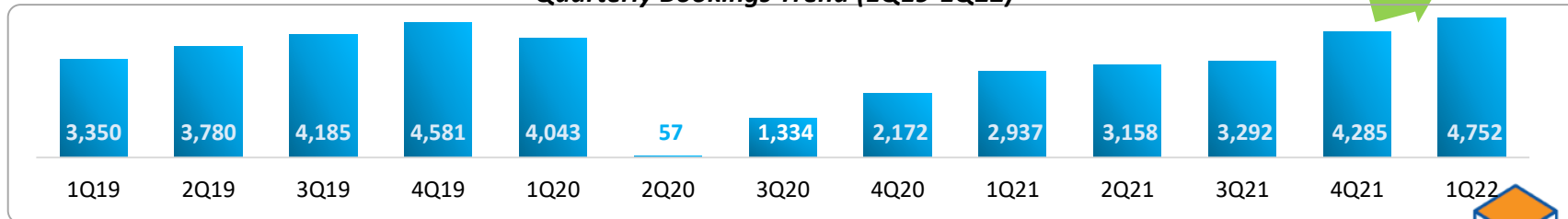
*In Rp bil **

<i>(unless otherwise stated)</i>	1Q22	1Q21	YoY Δ	Comments	1Q22	4Q21	QoQΔ
New Bookings	4,752	2,937	↑ 61.8%	Highest ever quarterly bookings	4,752	4,285	↑ 10.9%
Managed Receivables[^]	15,605	13,647	↑ 14.3%		15,605	14,571	↑ 7.1%
Total Net Receivables	14,734	12,444	↑ 18.4%	Growth in new booking	14,734	13,683	↑ 7.7%
Total Assets	16,355	14,178	↑ 15.4%		16,355	15,636	↑ 4.6%
Total Debt[#]	7,670	6,447	↑ 19.0%		7,670	7,277	↑ 5.4%
Total Proforma Debt[^]	7,694	6,625	↑ 16.1%	New bank loans drawdown	7,694	7,322	↑ 5.1%
Total Equity	7,824	6,868	↑ 13.9%		7,824	7,430	↑ 5.3%

(*) 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 (1Q19-1Q22)



1Q:22 Profit & Loss Highlights – Consolidated

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

<i>In Rp bil *</i> (unless otherwise stated)	1Q22	1Q21	YoYΔ	Comments	1Q22	4Q21	QoQΔ	
Interest Income	785	685	↑ 14.5%	Due to higher receivables balance	785	762	↑	3.0%
Financing Cost	138	154	↓ 10.5%	Higher borrowings to support business growth, yet, COF decreased by 1.07%	138	134	↑	2.9%
Net Interest Income	647	531	↑ 21.8%		647	628	↑	3.0%
Fees & Other Income	333	249	↑ 33.9%	Inline with new booking growth	333	302	↑	10.3%
Net Revenue	980	780	↑ 25.7%		980	930	↑	5.4%
Operating Expenses	448	390	↑ 14.9%	Increase on business activities	448	478	↓	6.2%
Operating Income	532	390	↑ 36.4%		532	452	↑	17.6%
Cost of Credit	42	108	↓ 61.0%	Improve on overall past due bucket	42	41	↑	1.1%
PBT **	490	283	↑ 73.4%		490	411	↑	19.2%
PAT **	396	230	↑ 72.5%		396	335	↑	18.1%

* 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 1Q22 was at Rp491 bn and Rp396 bn, respectively



Key Ratios*

Positive QoQ and YoY trends on key financial ratios

	1Q22	1Q21	YoYΔ	Comments	1Q22	4Q21	QoQΔ
Net Interest Spread	13.20%	11.12%	↑ 208 bps	Improvement in both yield and CoF	13.20%	13.53%	↓ 33 bps
Cost to Income	45.38%	49.45%	↓ 407 bps		45.38%	51.79%	↓ 641 bps
CoC / Avg. Rec.	1.12%	3.12%	↓ 200 bps	CoC decreased by 60.8% YoY to Rp42 bn	1.12%	1.18%	↓ 6 bps
ROAA (before tax)	12.38%	7.73%	↑ 466 bps		12.38%	10.81%	↑ 157 bps
ROAA (after tax)	10.00%	6.29%	↑ 371 bps	PAT growth driven by decreased CoC, CoF	10.00%	8.75%	↑ 125 bps
ROAE (after tax)	20.76%	13.82%	↑ 694 bps		20.76%	17.82%	↑ 294 bps
NPF**	1.06%	2.26%	↓ 12 bps	YoY and QoQ improvement in NPF due to rigorous risk mitigation strategy	1.06%	1.25%	↓ 19 bps
Net Gearing Ratio #	0.9x	0.8x	↑ 3 bps		0.9x	0.9%	↑ 5 bps

* BFI only

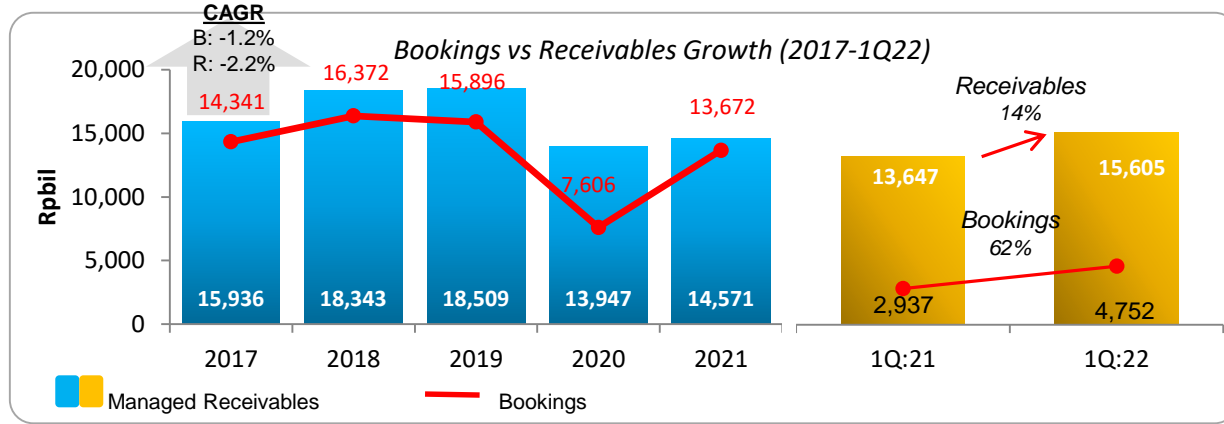
** Defined as Past Due >90 days, Calculated from total managed receivables (including Off B/S Receivables)

Includes channeling and joint financing transactions

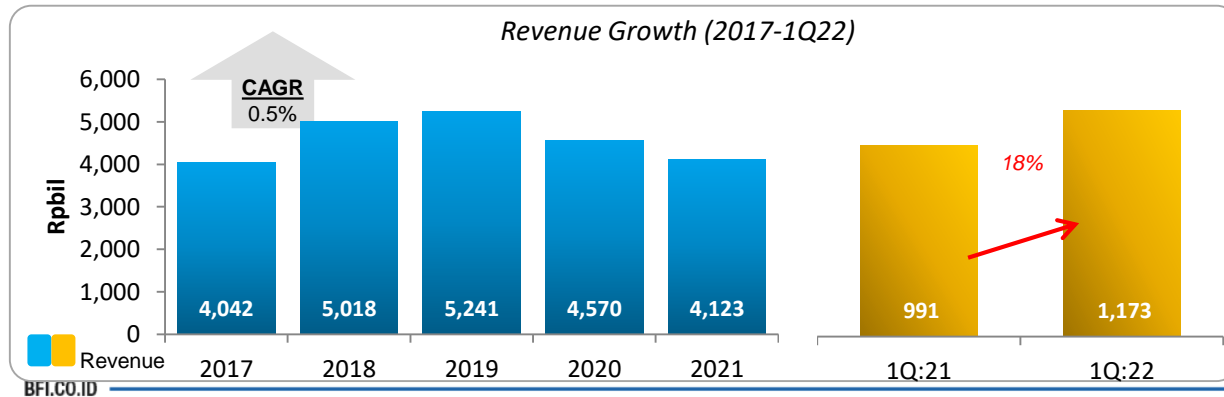


Ability to build a robust balance sheet

1Q22 performance builds optimism in the new normal



- Consistently outpacing industry growth even through the pandemic
- Higher receivables in 1Q22 due to growth in new booking

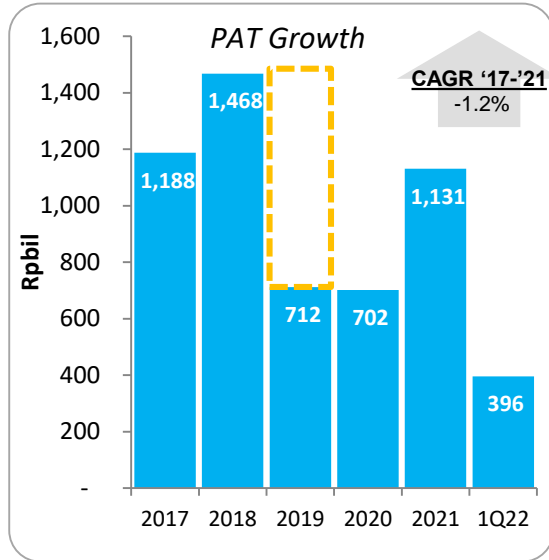


- Revenue growth remains strong, as a result of robust balance sheet growth and good spread in the last 5-years
- Higher revenue in 1Q22 due to higher receivables balance



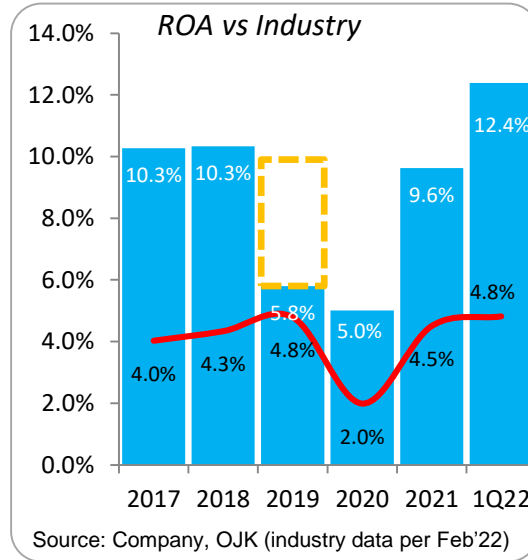
Stable profitability over the years

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

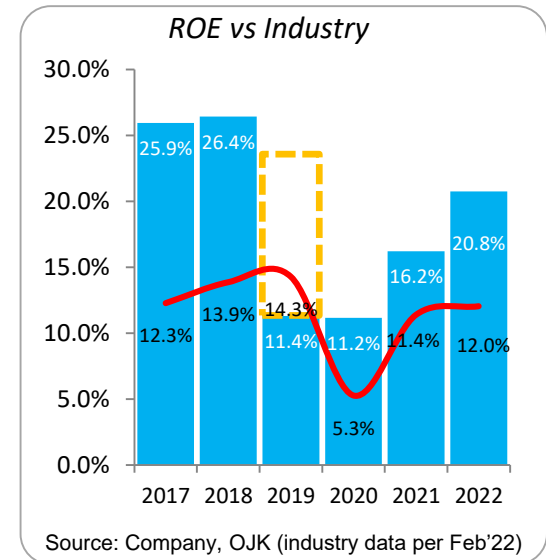
Show result w/o settlement-related expenses



Source: Company, OJK (industry data per Feb'22)

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

ROA Company is calculated using PBT/Average Total Assets



Source: Company, OJK (industry data per Feb'22)

ROE remains consistently stable and high above average industry.

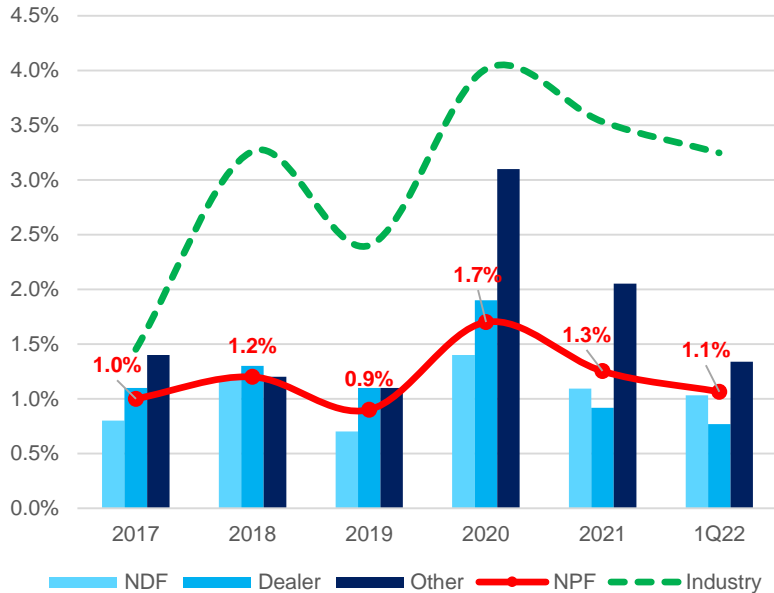
ROE Company is calculated using PAT/Average Total Equity



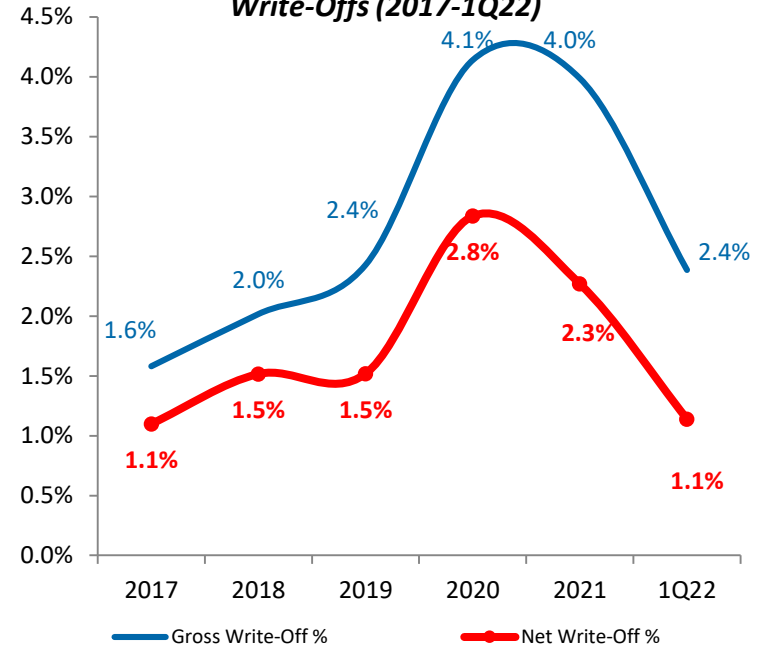
Rigorous risk and balance sheet quality management

NPF and write-off continues to improve, with excess provisioning

NPF Trend (2017-1Q22)



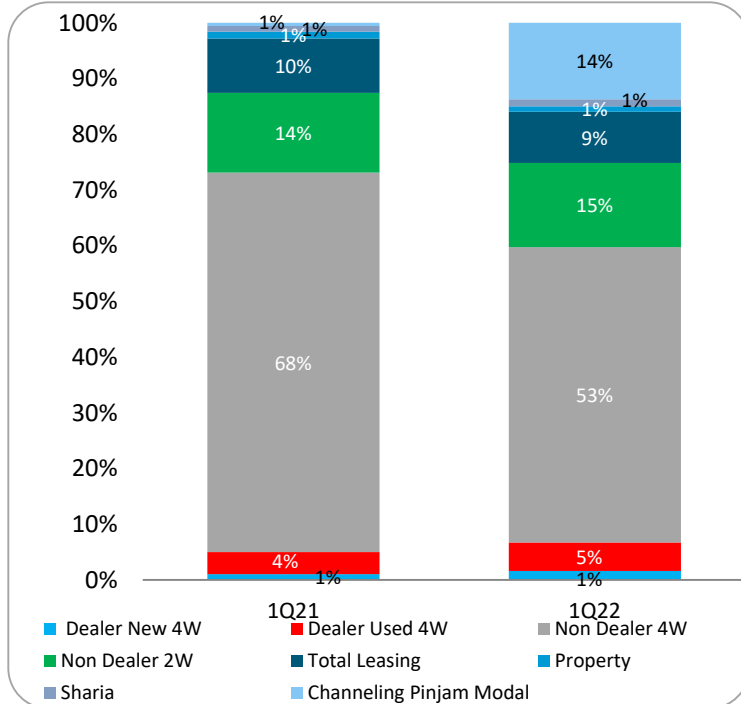
Write-Offs (2017-1Q22)



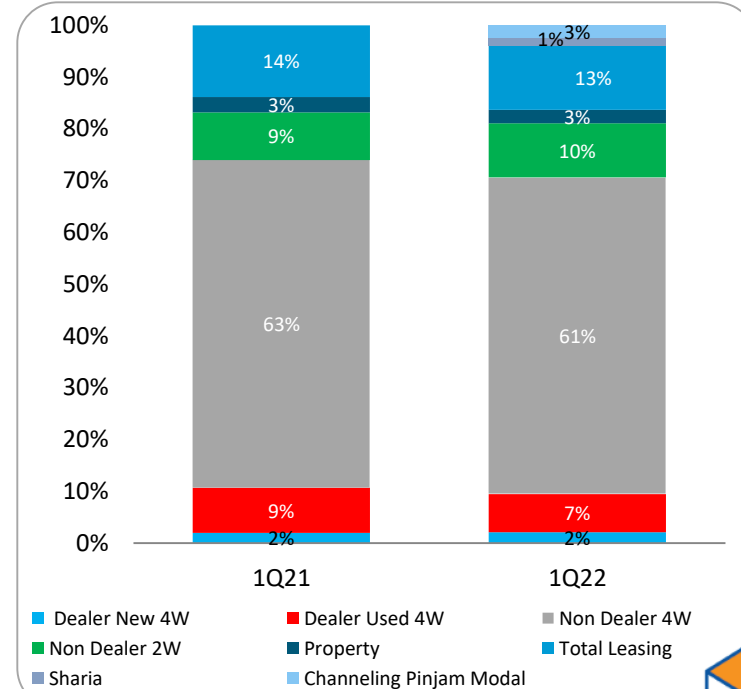
Asset Composition

Non-Dealer business continues to be focus and growth engine

Booking Composition (1Q21 vs 1Q22)

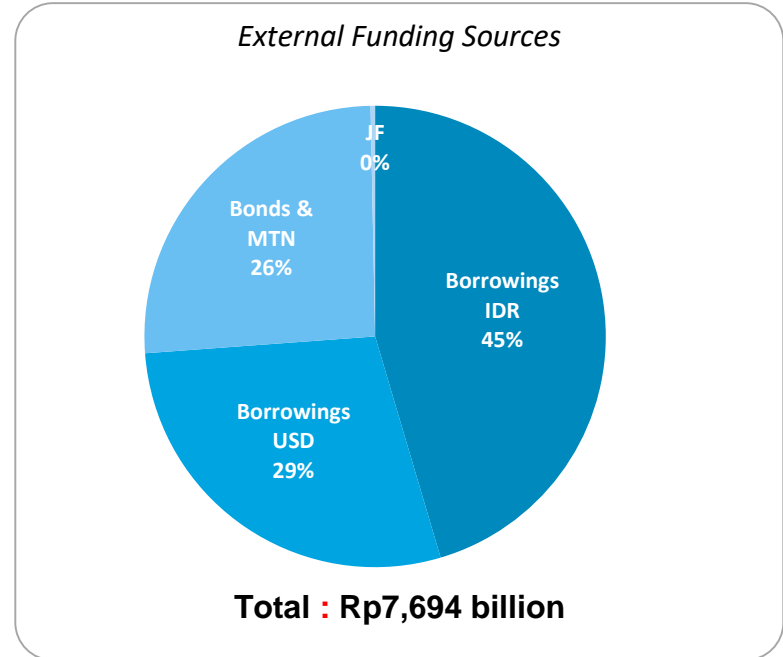
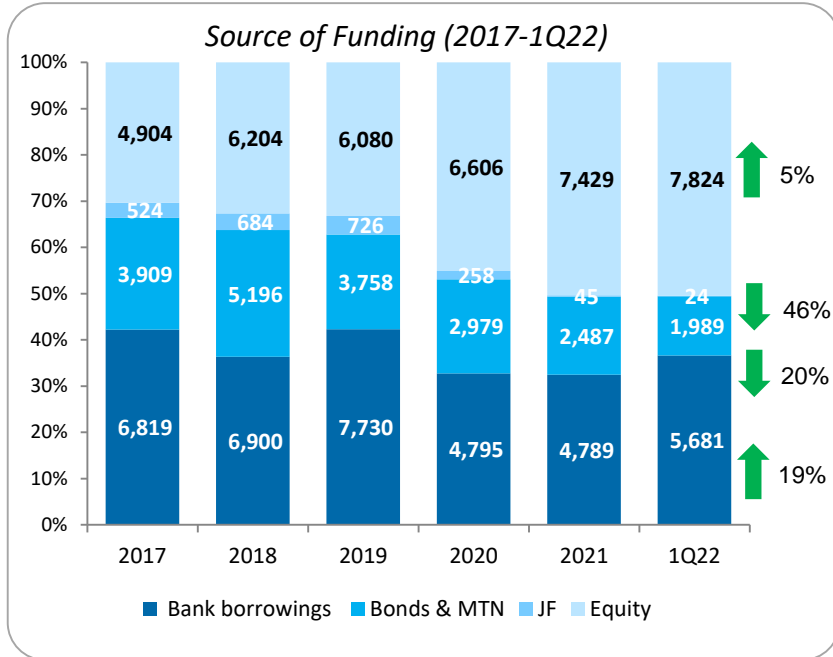


Managed Receivables Composition (1Q21 vs 1Q22)



Strong capital base

Diversified funding sources, and strong level of equity

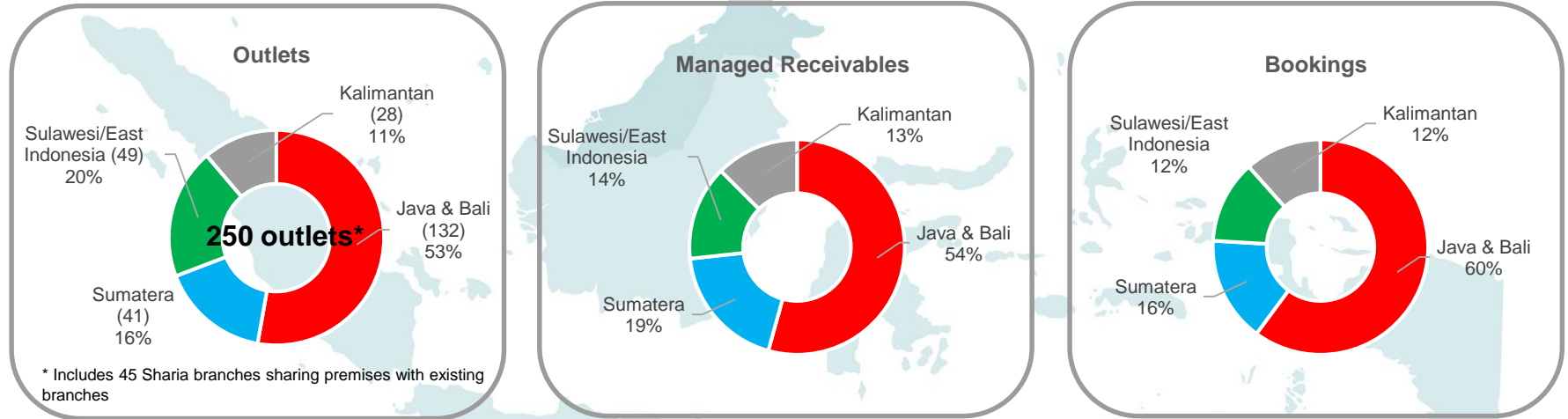


- Decline in Bonds & MTN and JF caused by repayment of due principal

- 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 March 2022

Network Optimization Strategy in line with business growth and focus



Thank You

