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For Immediate Release

As Financing Rises, BFI Finance Adapts to New Normal with Prudence Principles

SOUTH TANGERANG, OCTOBER 27, 2020 - In line with the progress of the new normal adaptation, PT BFI Finance Indonesia Tbk (BFI Finance) is reopening its financing services for all product lines starting from Q3/2020. With the opening of this service, financing disbursement is increasing and NPF remains under control, thanks to a series of initiatives taken by the Company during the COVID-19 pandemic period.

This rebound certainly shows a positive signal despite mounting challenges of the uncontrolled pandemic situation and the recession threat in sight. "The financing volumes showed a positive trend during the third quarter. We hope this condition will continue to improve, as long as external condition is conducive, for example, no lockdown imposition that may paralyze economic activities," said Sudjono, Finance Director of BFI Finance.

Up until September 2020, BFI Finance was able to book revenue of Rp3.50 trillion and net profit of Rp520.63 billion. The Company's Non-Performing Financing (NPF) Ratio improved to 2.67% as of September 30 from the previous quarter of 3.73% in June 2020. BFI Finance's NPF trend ratio is still below the average figure of the financing industry, which in August 2020 was recorded at 5.23% (according to Data from Financial Services Authority/OJK).

The Company has maintained the adequacy of allowance for doubtful accounts at above the normal level of 6.5% from the total financing receivables, or equal to 2.4 times of total current NPF, higher than 1.6 times recorded in the previous quarter.

"The adequacy of allowance for impairment loss shows the Company's cautiousness in managing prudent financing and financial risks in the midst of the Covid-19 pandemic and current sagging economy," Sudjono added.

Financing restructuring trend has begun to decline in line with economic activity restoration. BFI Finance has provided credit relaxation from April to August 2020 to customers whose



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financially conditions were affected by COVID-19. The restructuring amount was reached up to 35.5% from the total managed financing receivables as of September 30, 2020. As many as 68% of it takes form in tenor extension with initial principal payment leniency. It is expected that customers who have obtained financing relaxation can improve their financial condition and adapting the current “new normal”.

The Company also supports the National Economic Recovery (PEN) program promoted by the government, particularly the Ministry of Finance and OJK. Up to now, the Company has distributed interest subsidies worth Rp67 billion from the government to more than 69 thousand eligible BFI Finance customers who meet the government’s subsidy-granting criteria.

Trust from investors and business partners are crucial for BFI Finance. The Company continues to receive support from funding partners, namely banks and the capital market, where one support were proven through the signing of joint financing cooperation between BFI Finance and Bank BRI on motor vehicle loan services worth Rp1 trillion. In addition, the Company also succeeded in issuing *Obligasi Berkelanjutan IV Tahap III Tahun 2020* with a principal Bond amount of Rp832 billion, consisting of Series A bond of Rp437 billion for a tenor of 1 year and Series B of Rp395 billion for a tenor of 3 years.

As of September 2020, BFI Finance recorded net financing receivables of Rp13.52 trillion, with managed financing receivables of 71.2% largely contributed by used car financing. Meanwhile, other financing receivables consists of 14.3% of heavy equipment and machinery, 9.9% of used motorcycles, new cars, property-backed financing (PBF), and 4.6% of sharia financing.

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About BFI Finance

BFI Finance is a finance company focusing on financing for various purposes such as investment, business capital, and multipurpose using collateral ranging from automobile, motorcycle, heavy equipment, machinery, property, and else. BFI Finance has now grown into one of the largest finance companies in Indonesia, having the widest network and vastest range of products, and supported by more than 8,000 employees in more than 300 outlets throughout Indonesia, with 45 of them provide Sharia-based services.

BFI Finance has proven its expertise in multifinance business in Indonesia by achieving numerous awards until June 2020. The awards include “First Place for Financing Companies with Assets between Rp15 Trillion to Below Rp20 Trillion” and “Third Place for Best Overall of Financing Companies” from the ‘Infobank Digital Brand Awards 2020’. Additionally, the company has also been crowned the “Gold Winner in the Private Category for Annual Report Subcategory” and “Silver Winner in the Private Category for Corporate PR Subcategory” from the ‘PR Indonesia Awards 2020’. BFI Finance is registered and monitored by OJK.

For more information, please contact:

Dian Ariffahmi
Corporate Communication Unit Head
BFI Tower Lt. 3, Sunburst CBD Lot 1.2
Jl. Kapt. Soebijanto Djojohadikusumo, BSD City
South Tangerang 15322
Telepon : (021) 29650300, 29650500
e-Mail : dian.ariffahmi@bfi.co.id
Website : www.bfi.co.id

Rizky Adelia Risyani
Press & Media Management Specialist
BFI Tower Lt. 3, Sunburst CBD Lot 1.2
Jl. Kapt. Soebijanto Djojohadikusumo, BSD City
South Tangerang 15322
Telepon : (021) 29650300, 29650500
e-Mail : corporate.communication@bfi.co.id
Website : www.bfi.co.id

