



Investor Presentation 2024Q1

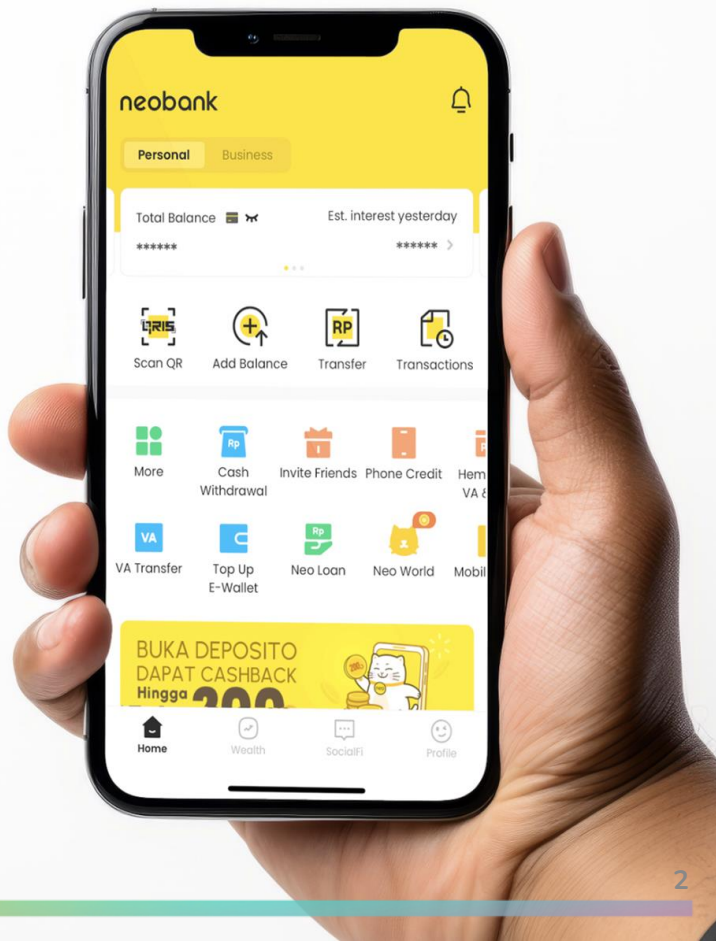
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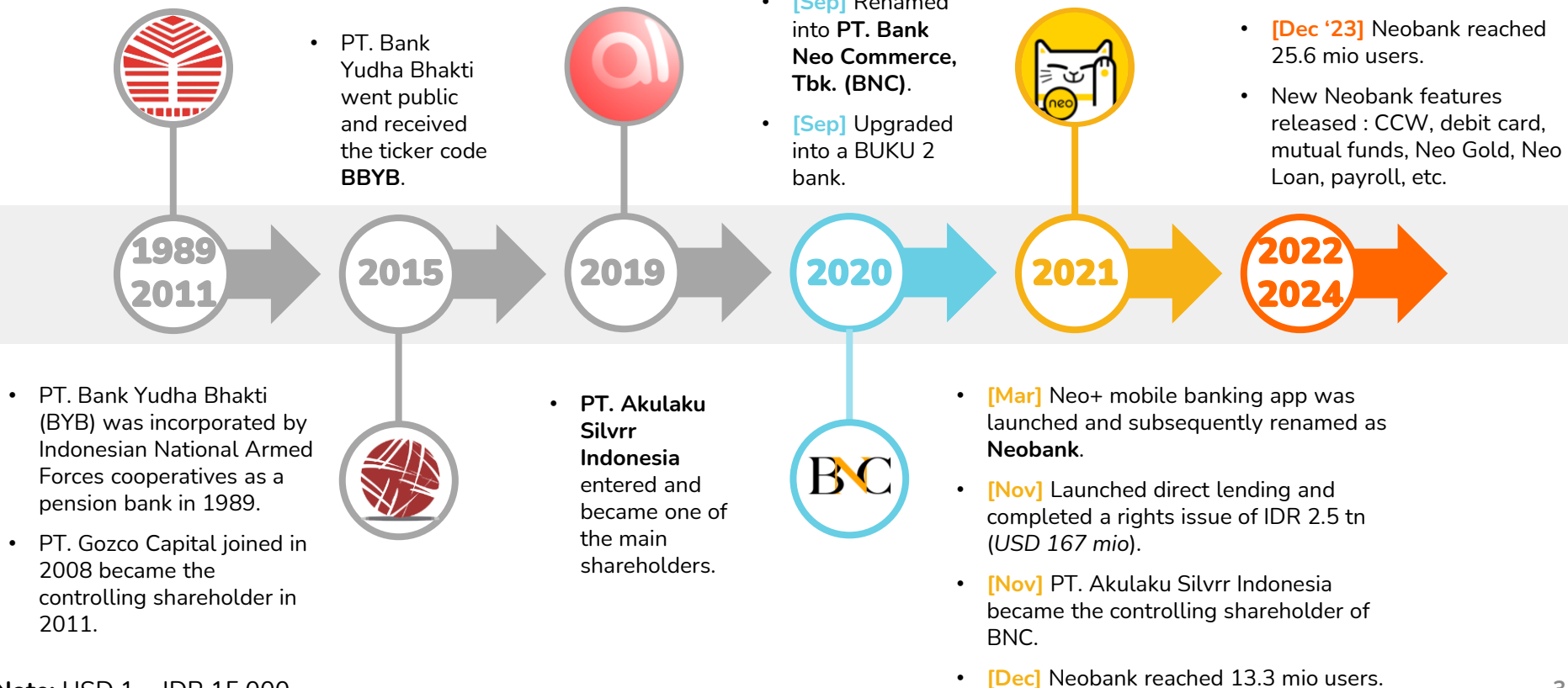
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BNC: *Brief History*



Note: USD 1 = IDR 15,000.



Inkawan D. Jusi
President Commissioner

Indonesian citizen, born on May 1, 1962, in Singkawang. Appointed as the President Commissioner of PT. Bank Neo Commerce, Tbk. at the Extraordinary General Meeting of Shareholders on April 18, 2023.



Kreisna Dewantara Gozali
Commissioner*

An Indonesian citizen, born on April 3, 1980. Appointed as a Commissioner of PT. Bank Neo Commerce, Tbk. based on the decision of the Extraordinary General Meeting of Shareholders on April 30, 2024

**Effective upon obtaining approval from the Financial Services Authority (OJK) based on assessment of competency and propriety.*



Pramoda Dei Sudarmo
Independent Commissioner

An Indonesian citizen, born in 1985 in Bandung. Appointed as an Independent Commissioner of PT. Bank Neo Commerce, Tbk. at the Extraordinary General Meeting of Shareholders on May 28, 2021, and effectively assumed the position on August 23, 2022.



Eri Budiono
President Director*

An Indonesian citizen, born in 1968. Appointed as the President Director of BNC in the EGMS on April 30, 2024

**Effective upon obtaining approval from the Financial Services Authority (OJK) based on assessment of competency and propriety.*



Aditya W. Windarwo
Business Director

An Indonesian citizen, born on June 5, 1977, in Jakarta. Appointed as a Director of BNC in the Extraordinary General Meeting of Shareholders on March 31, 2021, and effectively assumed the position.



Ricko Irwanto
Compliance Director

An Indonesian citizen, born on December 30, 1970, in Palembang. Appointed as the Compliance Director of BNC in the Extraordinary General Meeting of Shareholders on December 29, 2021, and effectively assumed the position.



Chen Jun (Justin)
Tech Director

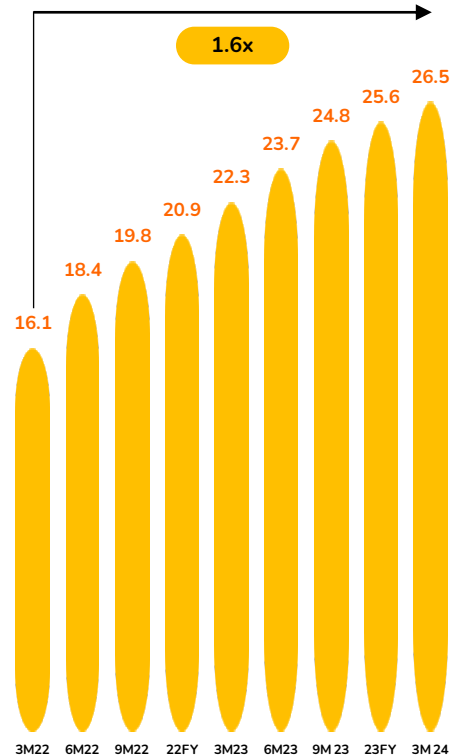
Throughout his career, he has held various significant positions in the IT field, such as Business Analyst at the Private Banking IT of UBS in 2008, Senior IT Manager at the China BU IT of Kasikorn Bank in 2012, and Chief Technology Officer (CTO) at Jinhui Asset Management in 2016.

Preface: Meaningful Track to Profitability

Neobank Users (Mn)

CAGR: 64%

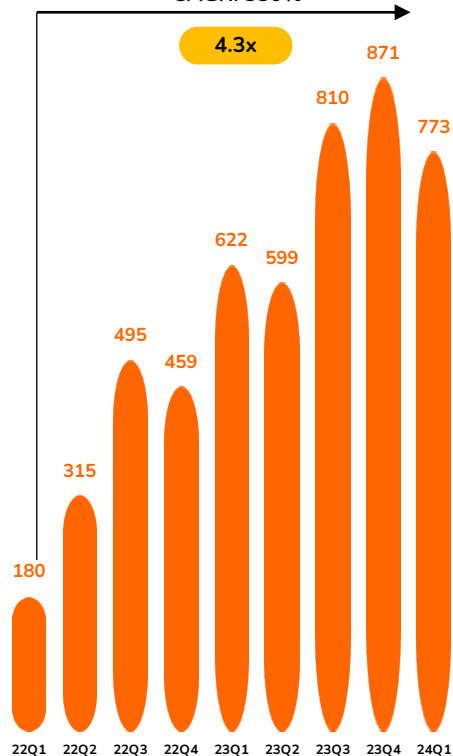
1.6x



Net Interest Income (IDR Bn)

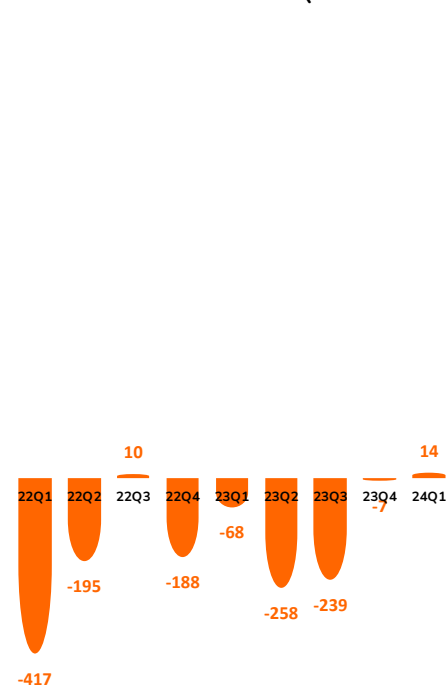
CAGR: 330%

4.3x



Net Income (IDR Bn)

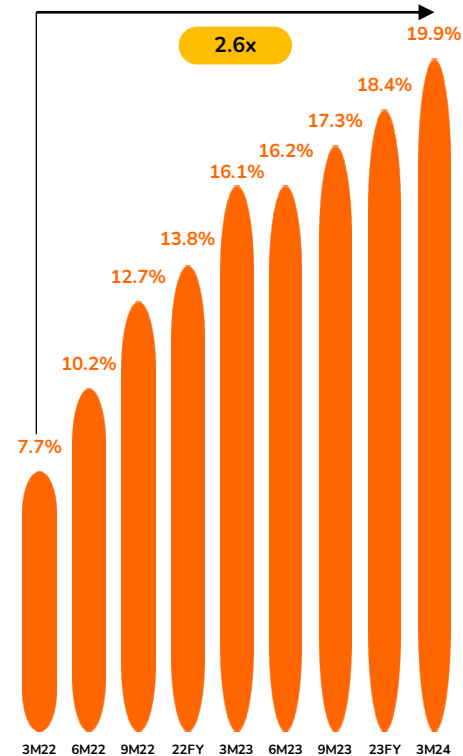
Positive Since 24Q1



Net Interest Margin (%)

CAGR: 158%

2.6x



Preface: Latest Financial Figures

Balance Sheet	IDR Bn	22FY	3M23	6M23	9M23	23FY	3M24	Δ YoY	Δ QoQ
Total Assets		19,694	19,112	19,625	19,449	18,170	18,913	-1%	4%
Gross Loans		10,244	10,909	10,110	10,965	10,783	9,396	-14%	-13%
Channeling & Digital		8,045	8,604	8,316	9,126	8,843	7,892	-8%	-11%
Third Party Funds		14,450	14,751	15,229	15,304	13,872	14,269	-3%	3%
CASA		4,129	3,978	3,797	4,139	3,995	3,960	0%	-1%
Time Deposits		10,322	10,773	11,432	11,165	9,878	10,310	-4%	4%
Equity		3,745	3,706	3,499	3,230	3,323	3,622	-2%	9%

Quarterly bottom-line performance has finally turned positive.

Income Statement	IDR Bn	22Q4	23Q1	23Q2	23Q3	23Q4	24Q1	Δ YoY	Δ QoQ	22FY	23FY	Δ YoY
Operating Income		602	699	713	1,047	1,081	932	33%	-14%	1,904	3,540	86%
Net Interest Income		459	622	599	810	871	773	24%	-11%	1,449	2,902	100%
Non-interest Income		143	77	115	236	209	159	107%	-24%	455	637	40%
Operating Expenses		-371	-234	-319	-525	-275	-261	12%	-5%	(1,616)	(1,353)	-16%
PPOP		231	465	395	522	805	671	44%	-17%	288	2,187	660%
Provisions		-420	-533	-653	-763	-813	-657	23%	-19%	(1,073)	(2,762)	157%
Operating Profit/(Loss)		-189	-68	-259	-241	-7	14	-121%	-293%	(785)	(575)	-27%
Net Profit/(Loss)		-188	-68	-258	-239	-7	14	-121%	-300%	(789)	(573)	-27%

Ratios (YTD)	%	22FY	3M23	6M23	9M23	23FY	3M24
CAR		36.8%	34.8%	31.8%	26.3%	27.9%	32.0%
CIR		86.8%	39.5%	45.0%	47.6%	41.5%	31.8%
LDR		70.9%	74.0%	66.4%	71.7%	77.7%	65.5%
NIM		13.8%	16.1%	16.2%	17.3%	18.4%	19.9%
NPL (Gross)		2.6%	3.5%	3.7%	3.9%	3.7%	3.9%
NPL Coverage Ratio		82.0%	70.7%	96.0%	133.3%	165.0%	150.8%
OEI		127.3%	106.7%	116.0%	116.9%	112.3%	98.8%
ROA		-5.2%	-1.4%	-3.3%	-3.9%	-3.0%	0.3%
ROE		-32.7%	-7.6%	-18.9%	-22.6%	-17.6%	1.7%

LDR indicates a room for growth.

NIM reached a new high score of 19.9%.

NPL remains manageable.

NPL coverage ratio has rebounded.

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Chapter 3: Sustainable profitability

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Chapter 1: Environment we operate in

What Causes the **Under-penetration** of Banking Services in Indonesia?

Key challenges of incumbent banks

Limited economic benefits and **high cost-to-serve** for the mass markets and MSMEs

High fees charged for basic banking products (saving accounts, bank transfers, etc.)

Inefficiency in business process – **long transaction time** and **manual KYC process**

Shared account within family

Expensive fees

Too far away

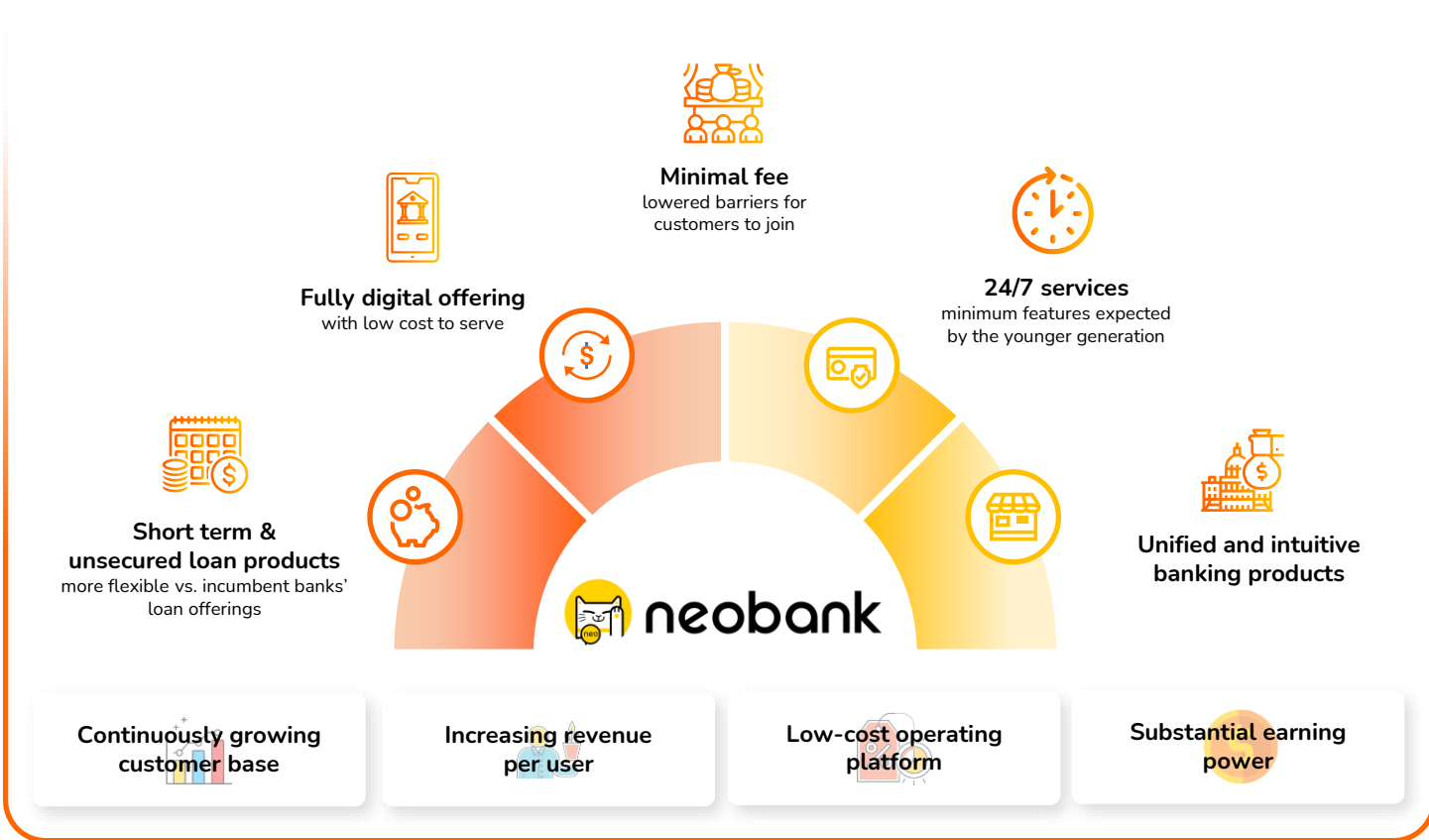
Lack of docs

Lack of trust

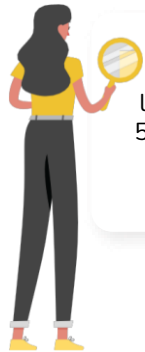
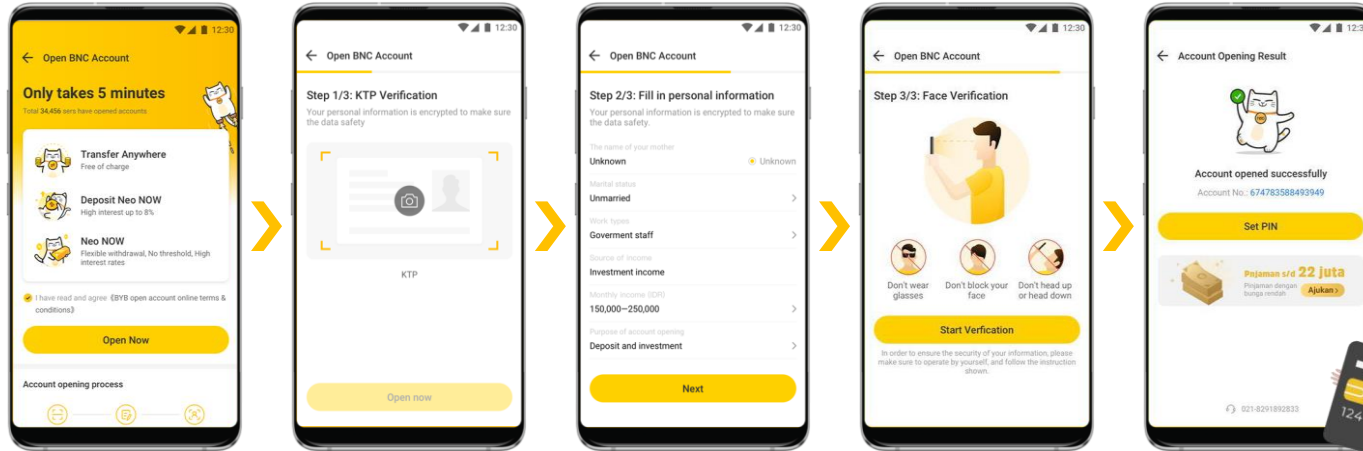
Insufficient funds



BNC Digital Banking Offerings Differentiated from the Incumbents



Client Onboarding: **Fully Digitalized** Account Opening Process



Ease of Use

No standing in line at branches; 5mins to open an account

ID Verification

Efficient verification process connected with credit bureau

Personal Info

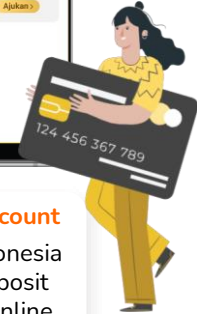
Limited data requirement

Live Verification

Utilize facial recognition technology

Get a Bank Account

Transfer in Indonesia anywhere, deposit and savings, online payment, digital credit



An efficient and simple way to open an account and complete transactions, without hustles and barriers

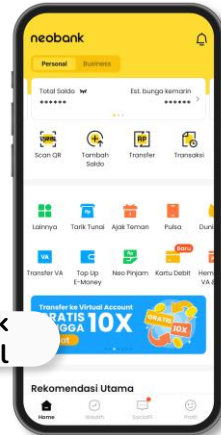
Client Engagement: *Multi-faceted User Interaction* via Neobank App

Game Interaction

Neo Coins game to drive user activity and conversion to transaction



Neobank Personal



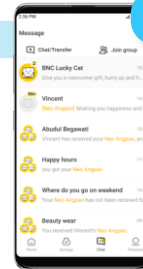
Red pocket, split-bill, joint-saving, and more financial interaction services



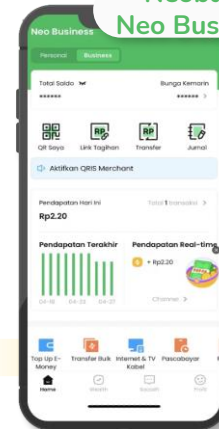
Financial Interaction

Social Interaction

C2C, B2C network and connect users through C2C chat, group chat, and subscription account

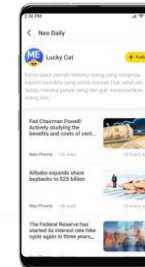


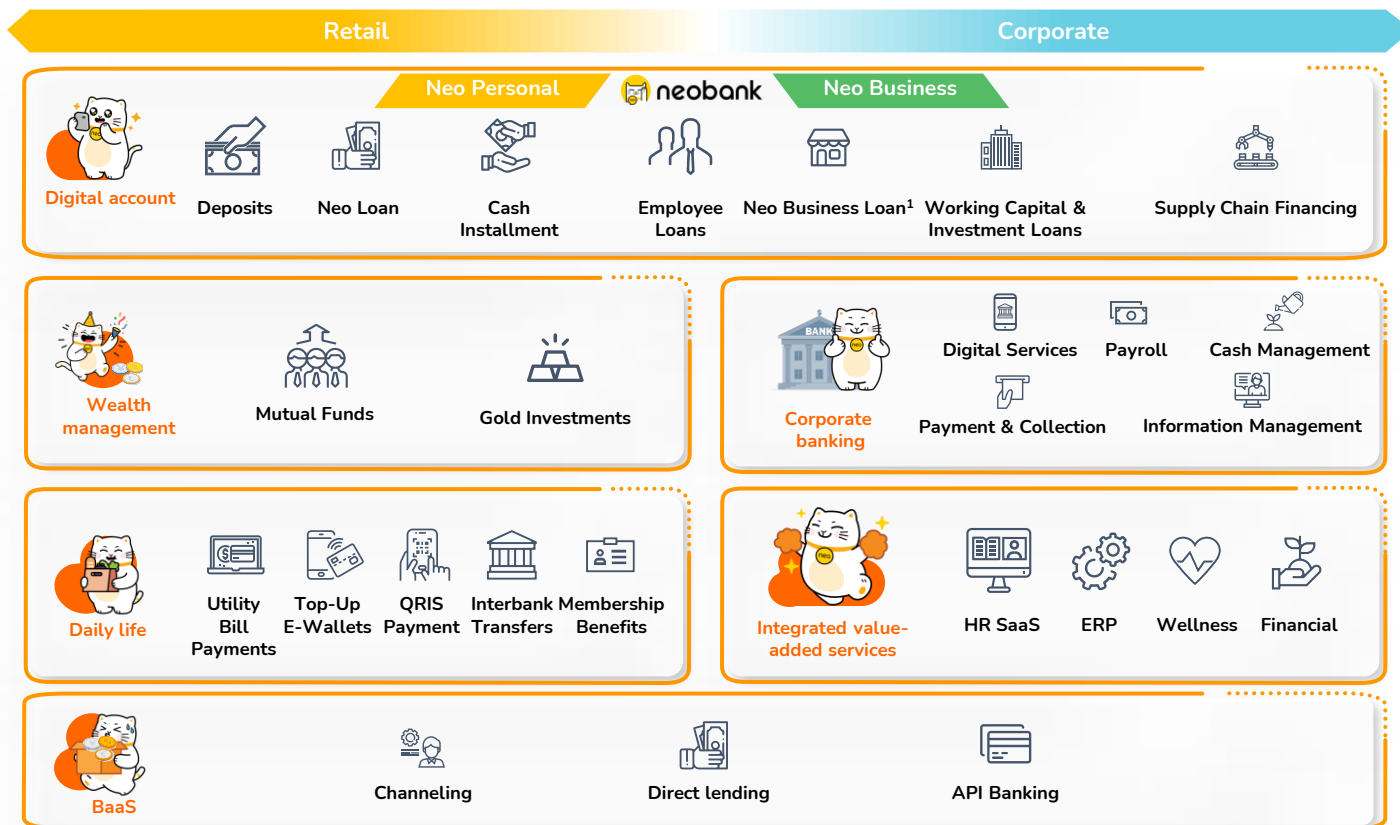
Neobank Neo Business



Content Interaction

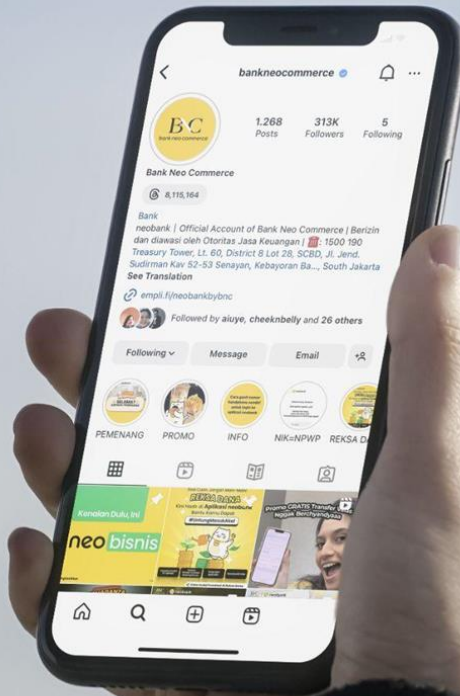
Capturing mindshare of B & C users by leveraging content and service distribution tools





¹: Coming soon.

Chapter 2: BNC story



1

The largest listed digital-serviced bank in Indonesia

2

Profitability driven by unrivalled financial DNA and digitalization

3

Strong business scalability potential

4

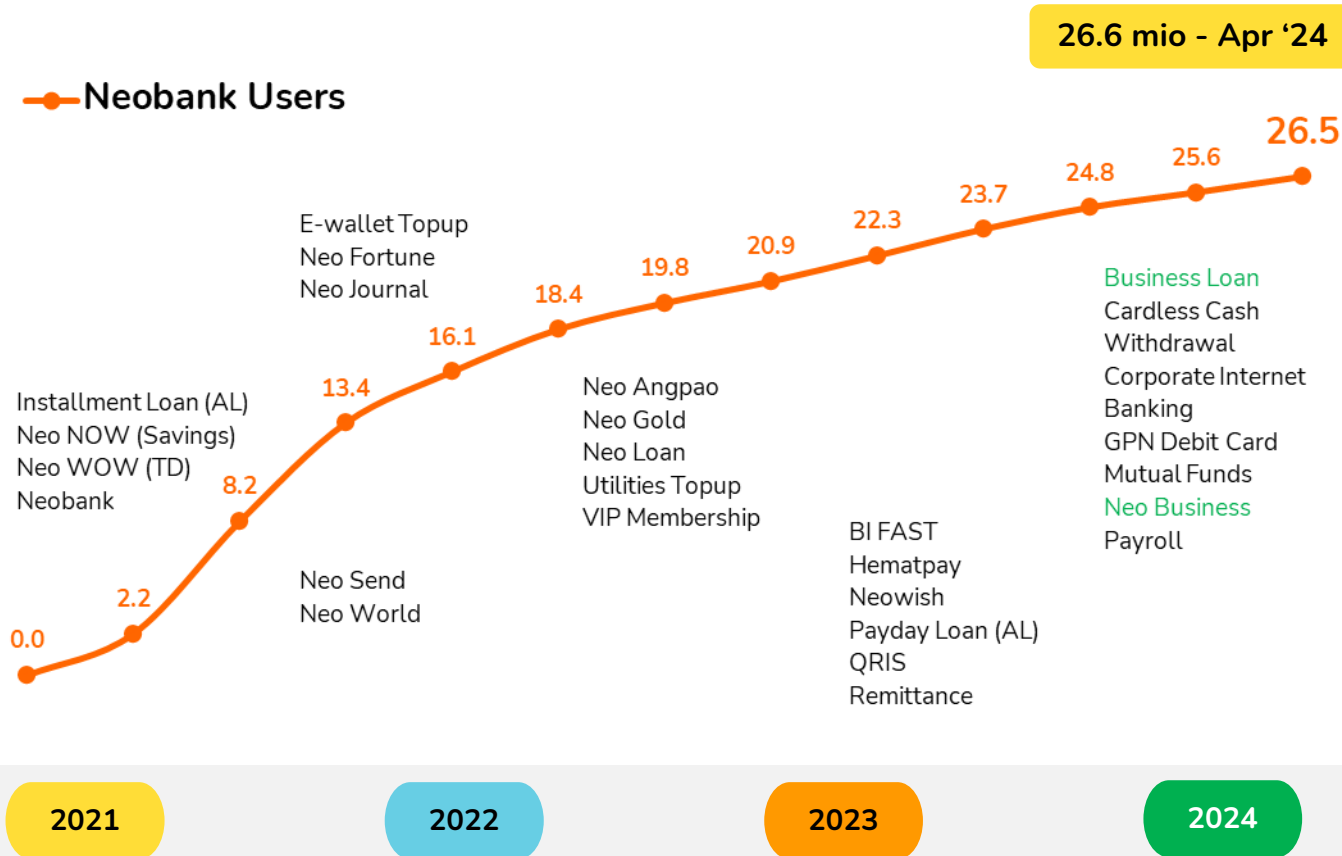
Unparalleled shareholder ecosystems and preferred partnerships

5

Full-stack technology facilitates differentiated digital propositions and seamless customer experiences

1. The Largest Listed Digital-serviced Bank in Indonesia

Neobank Users

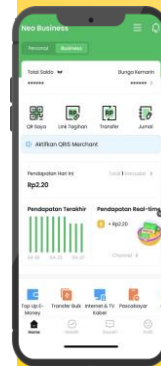


Neo Business

316k merchants – Apr '24

Main features:

- Agent banking (Merchants to become bank's agents for PPOB and bank services)
- Bookkeeping & analysis
- Business accounts
- Business loans
- Business owner loans
- Categorized savings
- Financial management
- Owner, manager, and staff role supports
- Payment collections
- QRIS & linked payments
- Role management



2021

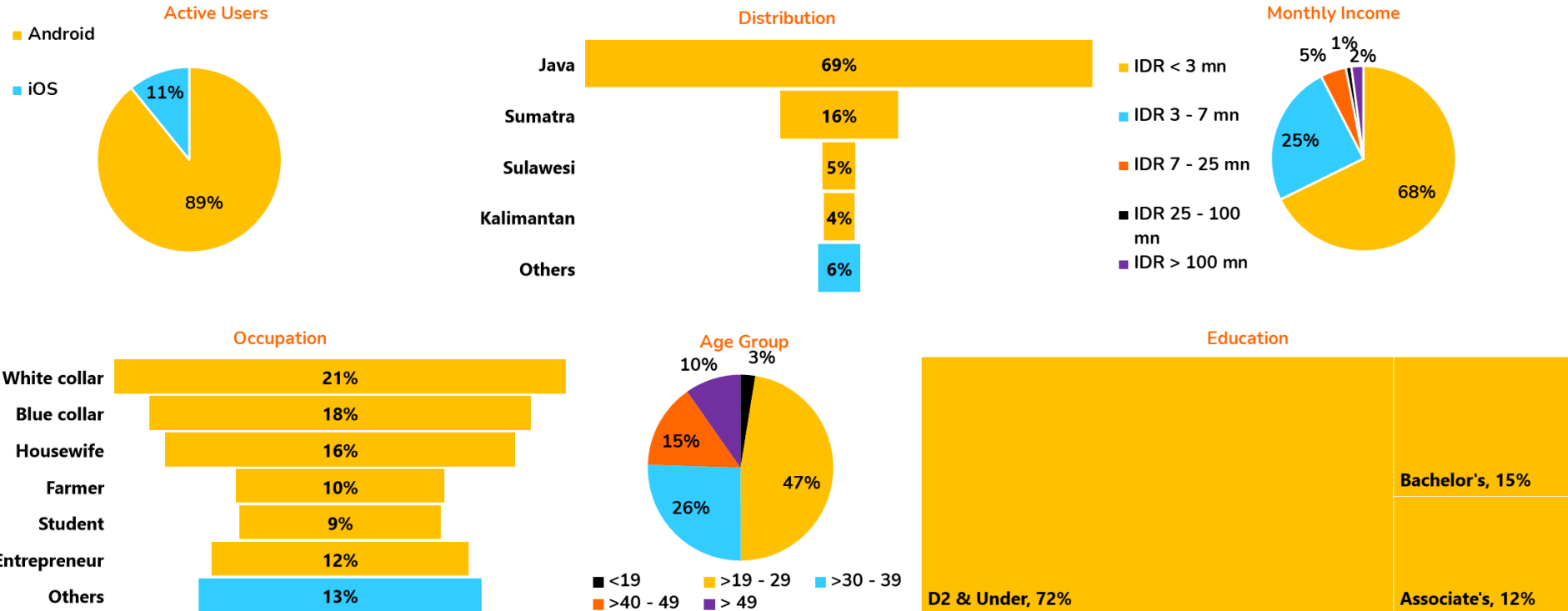
2022

2023

2024

Note: Users who have successfully opened Neobank accounts. Units in million.

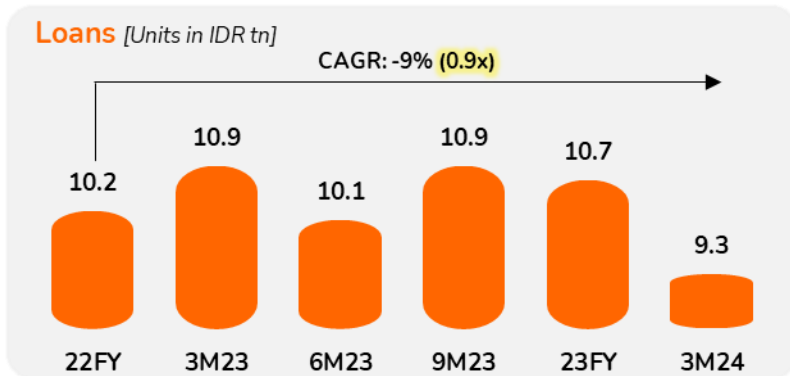
1. The Largest Listed Digital-serviced Bank in ID – User Demographics



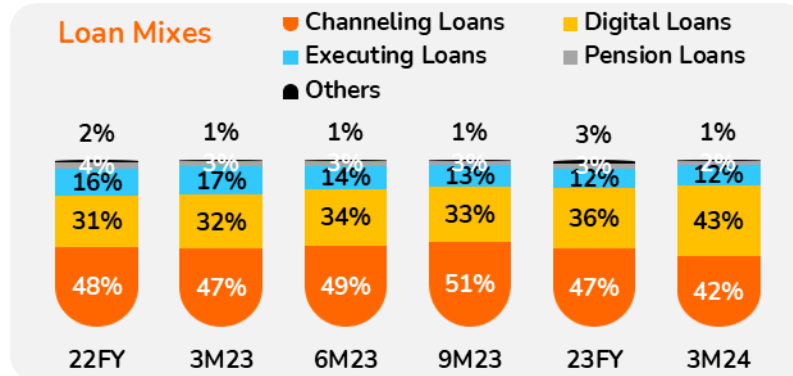
Note: Data as of Apr '24.

2. Profitability Driven by Financial DNA and Digitalization

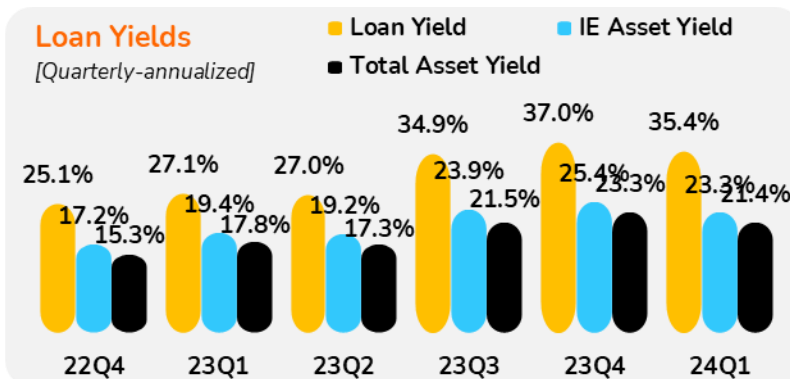
Lending activities will rebound



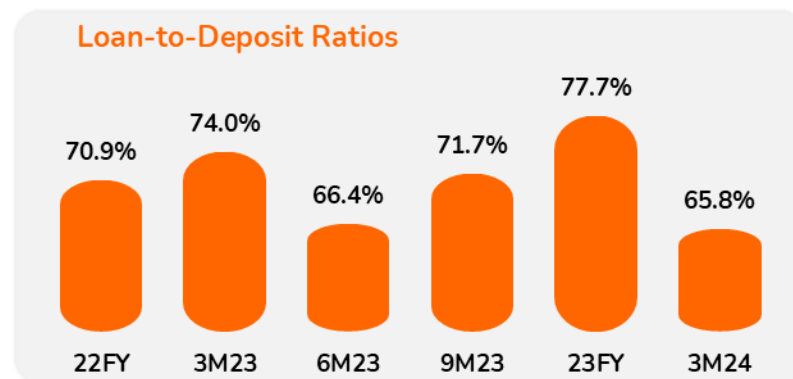
And continue to be more diversified



Producing high loan yields

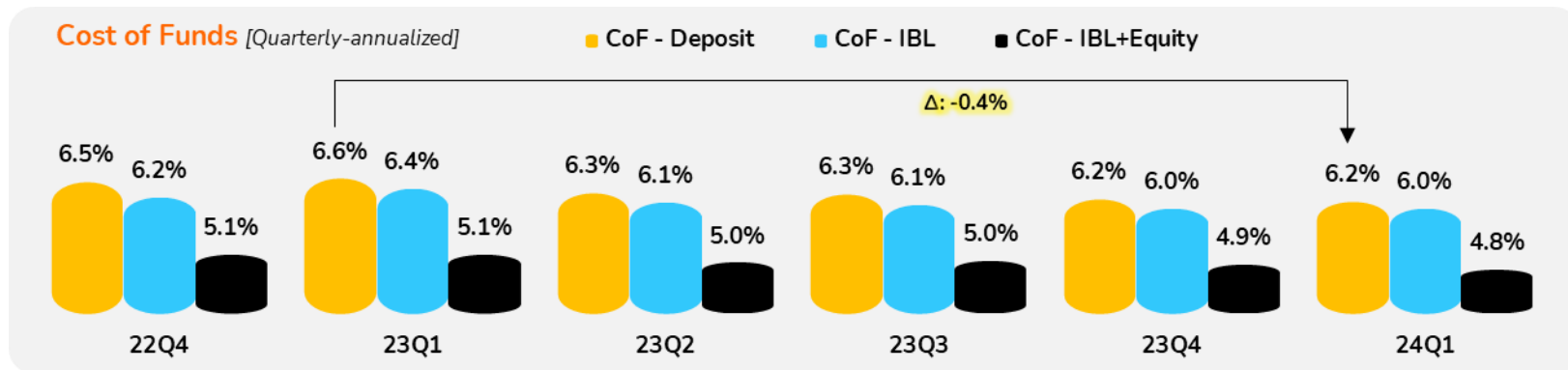


With an ample room to grow

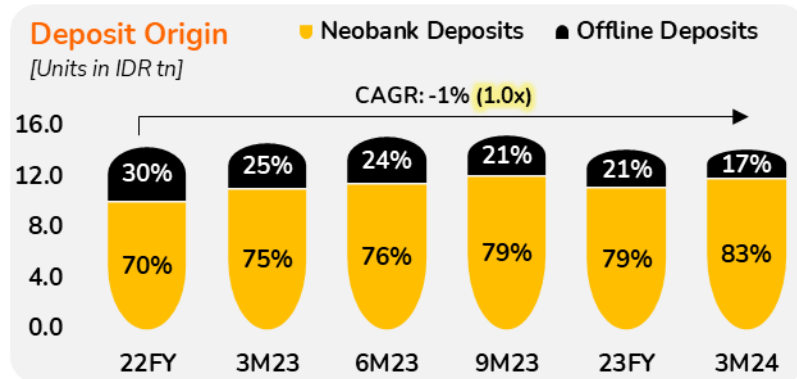


2. Profitability Driven by Financial DNA and Digitalization

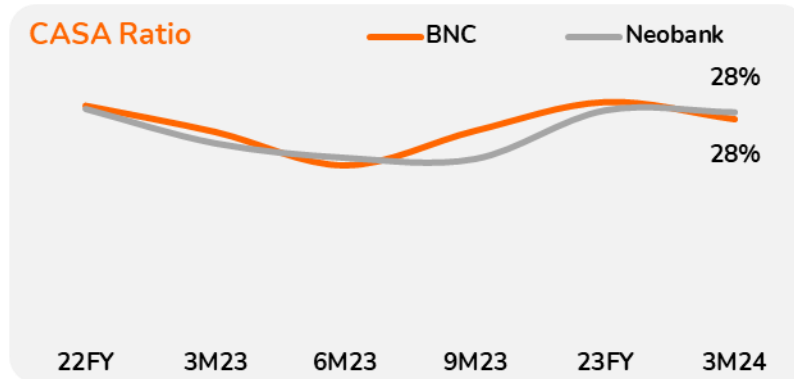
Cost of funds improved amidst digital transformation



Digital formed nearly 85% of deposits



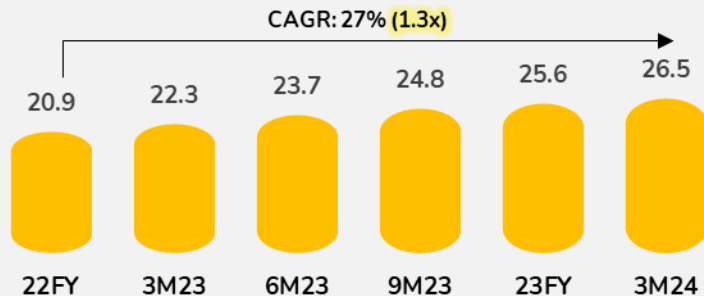
CASA ratio is approaching 30%



3. Strong Business Scalability Potential - Continuous Growth

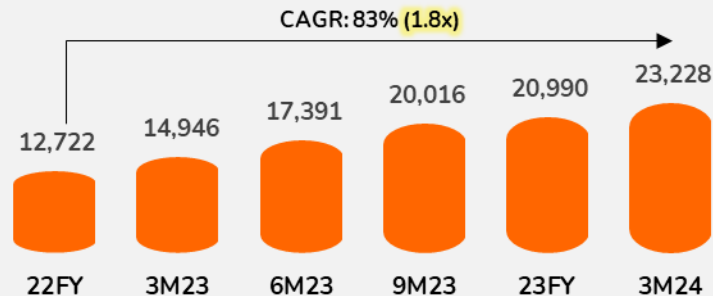
Largest customer base among peers

Neobank Users [Units in mn]



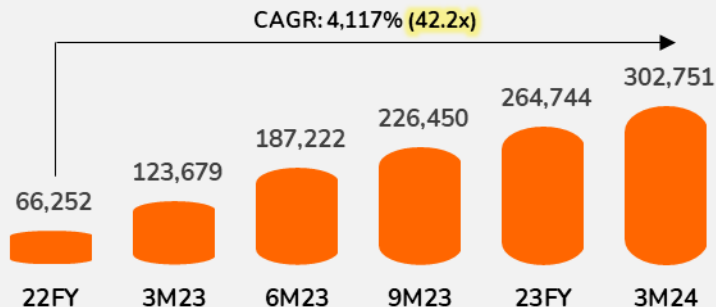
With a rapidly growing HNWI segment

HNWI Customers [Actual units]



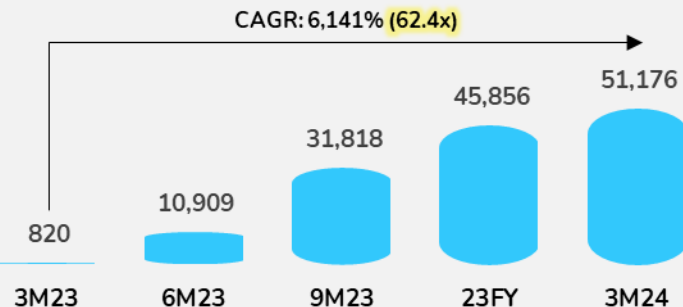
And strong MSME merchant origination

Neo Business Merchants [Actual units]



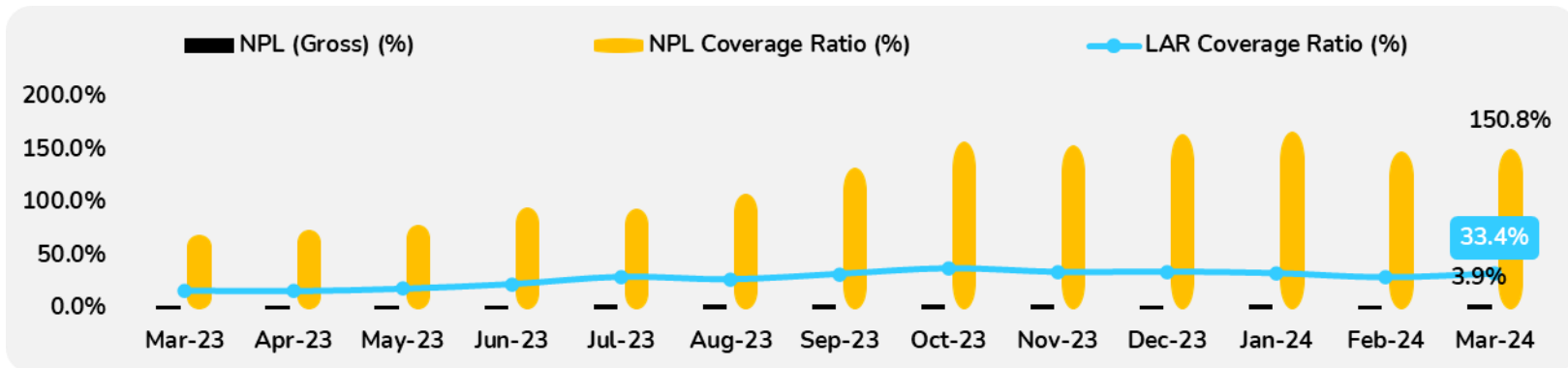
As well as payroll users

Payroll Users [Actual units]

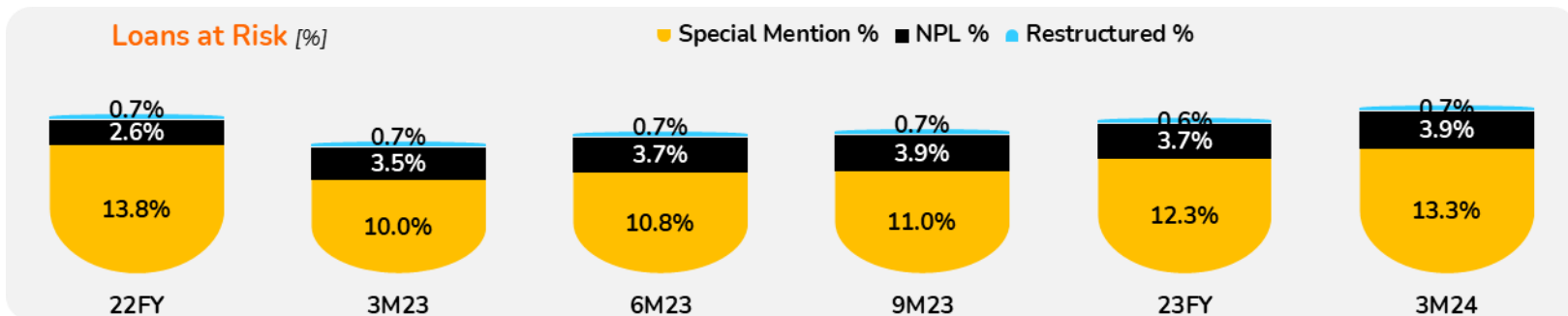


3. Strong Business Scalability Potential – Robust Risk Controls |

Implementing prudent standards in credit risk management



Stable LAR



4. Unparalleled Shareholder Ecosystems and Partnerships

Payment (>750 Partners)



Loan Cooperation (>50 Partners)



Neo Business (>100 Partners)



Lifestyle & Wealth (>10 Partners)

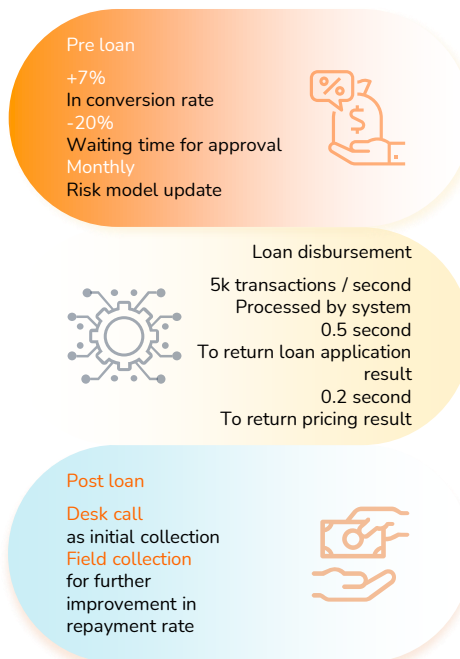


5. Full-stack Technologies – Differentiated Digital Propositions

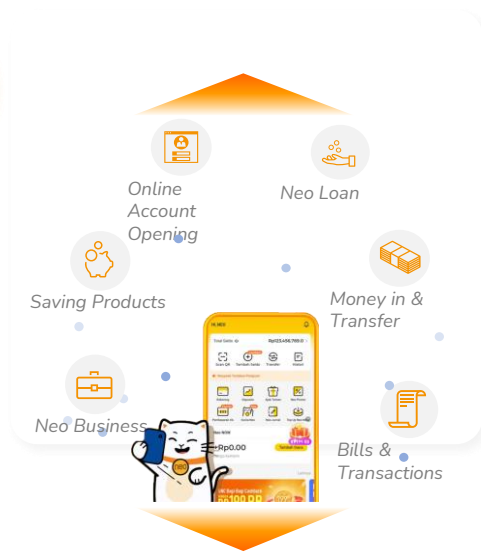
Fully digital and superior process for both customers and partners

Cutting-edge technology deployment across full loan life-cycle

Financial and social features cultivate daily usage habit



One-stop shop financial services app





Chapter 3: Sustainable profitability

BNC's Model Powers An **Earnings Generating Formula**

Continuously Growing
Active Customer Base

Increasing Revenue per
User (Customer)

Low-cost Operating
Platform

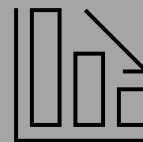
Substantial Earning
Power



**Active
User Growth**



APRU¹⁾



**Lower
Operational
Costs**



BNC

bank neo commerce

**Sustainable
Profitability**

¹⁾: Average revenue per user.

Retail Customers: Building Scenario-based User Growth and Segment-based Services



Digitally Savvy

Highly frequent payments

Convenient, fun, and secure

Features:

- Debit cards
- Flexi saving products
- Gamified product experiences
- Personalized payment scenarios & benefits



MSMEs

Frequent incoming funds

Cost-saving & cash-flow safe

Features:

- Agent banking
- Business debit cards
- Micro lending
- QRIS acquirer with financial management



Payroll Users

Regular incoming funds

Salary usage convenient

Features:

- Card/cardless cash withdrawals
- Payroll accounts
- Payroll loans
- Personalized payment scenarios & benefits



HNWIs

Avg. balance of IDR 100 mn

Interest rate & service sensitive

Features:

- Exclusive RM services
- Personalized wealth management
- Various deposit products

Financial Institutions

BNC collaborates with fintechs, multifinances, and cooperatives in providing **channeling and executing loans**. Up to Apr '24, we have partnered with **55 financial institutions** (38 channeling and 17 executing).



Multifinances & Cooperatives



High Growth Enterprises

BNC had more than **750 partners** as of Apr '24 to serve their ecosystems and to provide **payment services**.



More partnership products available soon:



Various Digitally Transforming Companies

BNC launched **corporate internet banking** in Jan '23 and has partnered with over **1,200 companies** as of Apr '24. We have product advantages that focus on **digital cash management** and **payrolls**.

Corporate Savings:

- 3.5% p.a. savings account
- Online corporate time deposit

Cash Management:

- Account Management
- Corporate loan withdrawals & repayments
- Payrolls
- Single/bulk bank transfers

API Banking:

- Corporate QRIS acquiring API
- Disbursement API
- Inquiring
- VA/Direct Debit API



More exciting features coming soon!

Neo Loan

Targets:

- Digitally savvy Neobank users.
- Practical fund disbursement process.
- Quick approval only with an ID card.

Products:

- Non-revolving cash loan.
- Up to IDR 30 mn of ticket size.
- Up to 24 months of tenor.



MSME Loans

Targets: Micro, small, and medium enterprises which contribute to nearly 60% of Indonesian GDP with low market saturation (underbanked).

Categories:

- SME owner loans
- Micro seller loans



Products:

- Up to IDR 200 mn credit loan ticket size
- Up to 12 months revolving amount
- $\pm 1.5\%$ monthly effective interest rate

Risk Underwriting:

- Online KYC & KYB
- Data driven CBAI¹⁾ & CBCA²⁾
- Comprehensive pre-lending risk control access
- In-house lending risk monitoring and warning system

Note:

¹⁾CBAI: Customer Business Authenticity Identification

²⁾CBCA: Customer Business Capability Assessment

Commercial Innovative Loans

Targets:

- Companies among various industries with attractive business model prospects and unique enterprise values.
- Strong and passionate management and leaders who are dedicated to the growth and development of the enterprise within its sector.
- Solid and long-term support from shareholders and stakeholders.

Products:

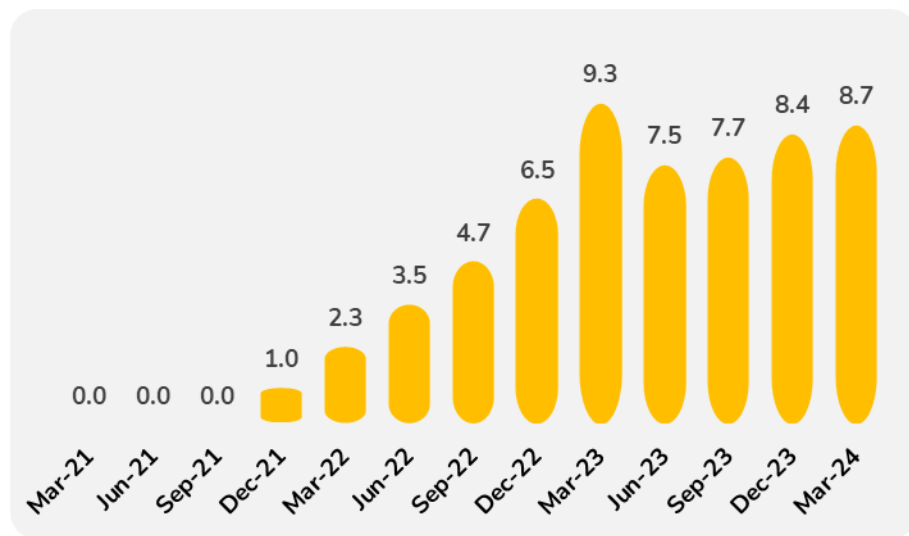
- Up to 12-month tenor revolving loans
- Up to 24-month tenor term loans
- [Case-by-case] Collaterals and/or guarantees



BNC: Continuous Improvement in Transaction Values

Improving transaction value per MAU¹⁾

(In IDR mn)



59%

MAU actively transacting¹⁾

42%

MAU enjoy Neobank's transfer services²⁾

36%

MAU deposited their funds to BNC³⁾

39%

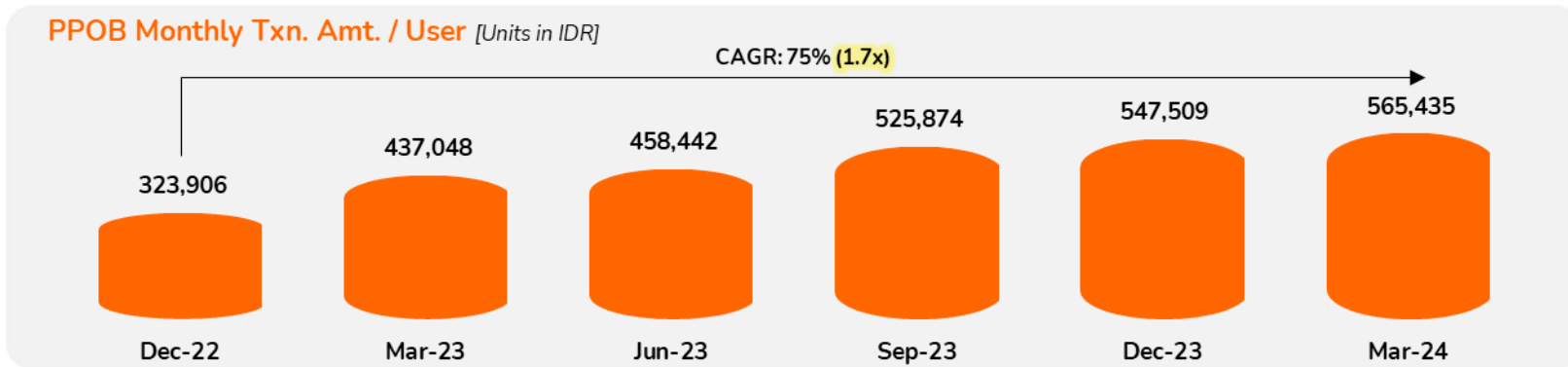
MAU utilized Neobank's payment services⁴⁾

The presence of additional use cases that offer more opportunities for users to generate transactions and actively save their funds has led to an increase in the average transaction value from IDR 6.5 mn to IDR 8.4 mn per MAU.

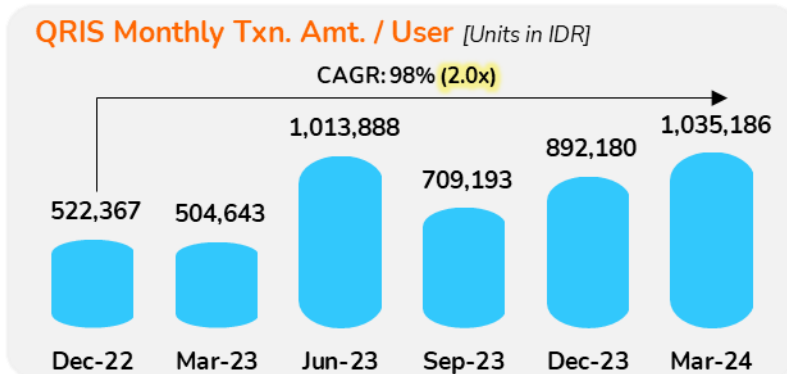
Note: ¹⁾ Transaction per customer ID, including incoming transfers, outgoing transfers, and payments – excluding Neo Business. ²⁾ User who logs in at least once per month to Neobank mobile banking app and utilized transfer services that consist of transfer to BNC and/or other Banks. ³⁾ User who logs in at least once per month to Neobank mobile banking app and deposited their funds to BNC as savings and/or time-deposit. ⁴⁾ User who logs in at least once per month to Neobank mobile banking app and utilized payment services provided by BNC namely payment by virtual account and bill top-up & payment services.

BNC Transaction Values: *Grew Across Features*

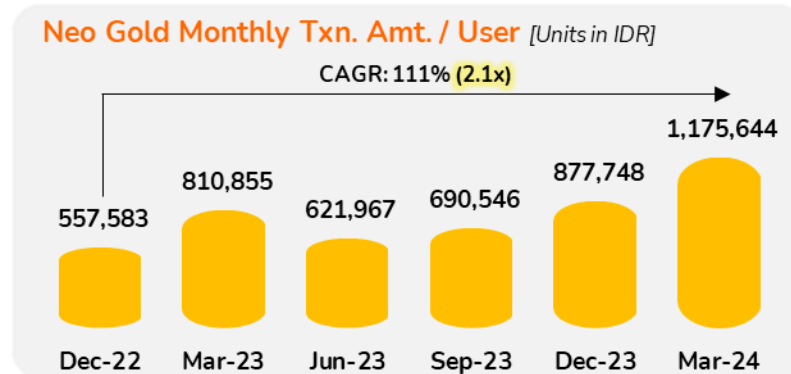
Continuous increase in PPOB txn. amt.



And QRIS via HematPay and Neo Business

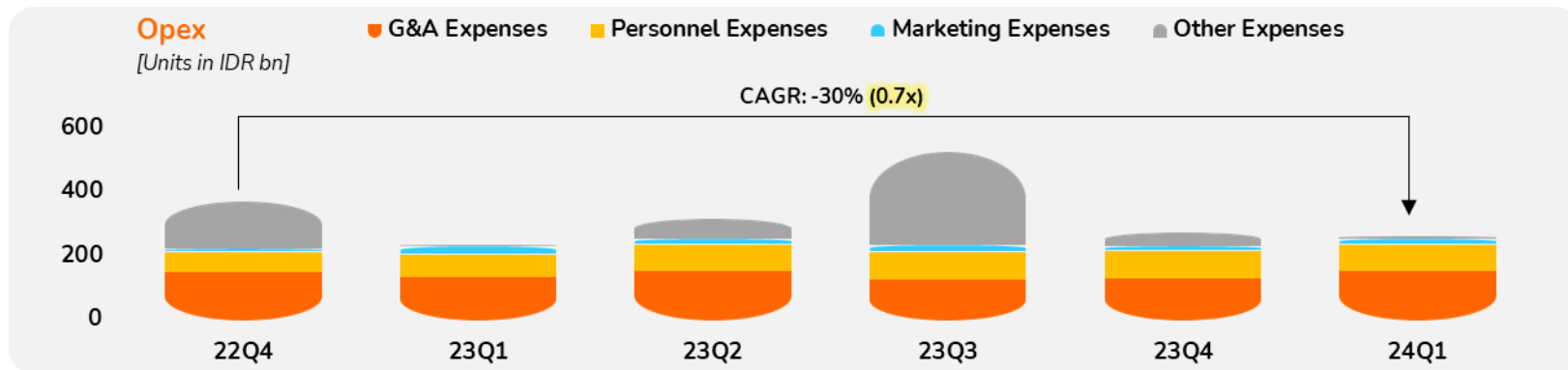


As well as an uptick in gold transactions

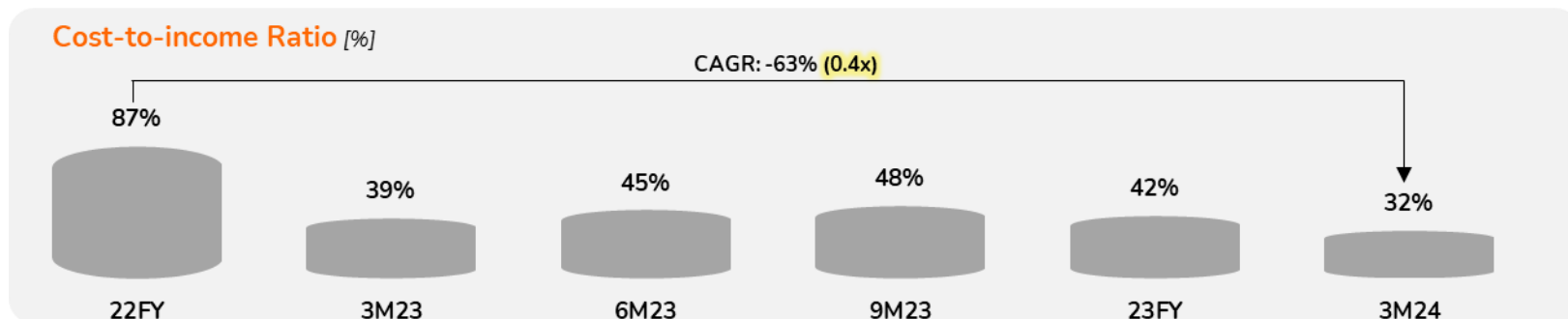


BNC: Exercising Highest and Best Uses of Costs

Opex has become more stabilized



Cost-to-income ratio has been declining



Summary: **Clear and Simple Strategies** to Maintain Profitability **Sustainably**

Grow loan portfolio

1

Continue strong growth momentum by **leveraging strategic partnerships** with **Akulaku**

2

Partner with **fintech ecosystems** for FI loans

3

Introduce **new digital products** (e.g. cash loans via new partners) to **deepen penetration**

4

Expand into underserved **MSMEs** and **new economy startups**

Further improve loan unit economics

1

Increase take rate via **cross-selling of other fee-generating products**

2

Optimize funding cost via expansion of **transactional balances** (e.g. corporate solution, payroll business), moving **excess deposits** into **wealth management AUM** and adjusting deposit rates

3

Enhance risk capabilities to lower costs of risk



Let's Collaborate and Grow Together!

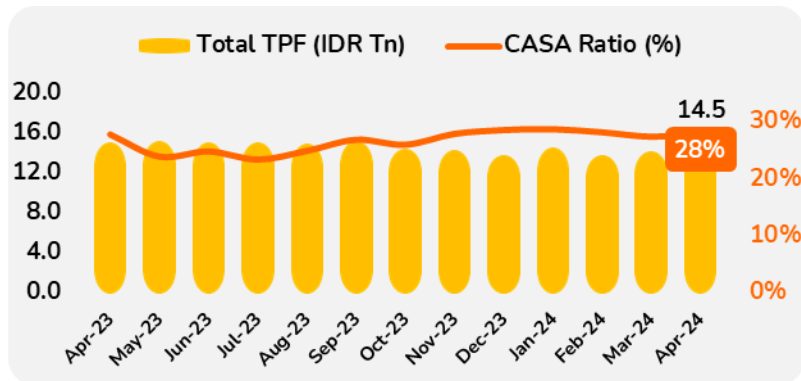
For more information, please contact our Investor Relation team:

calvin.neonardi@bankneo.co.id

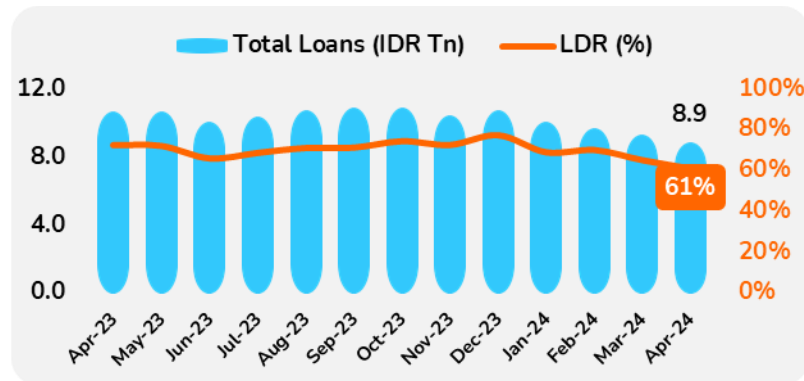


Appendix

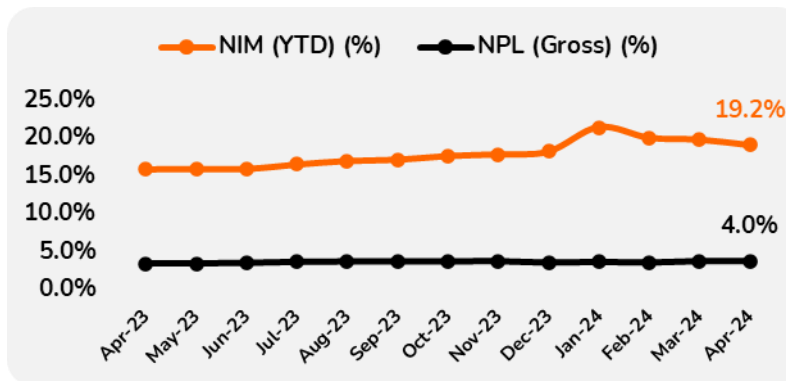
TPF reached IDR 13.8 tn



Gross loans at IDR 9.8 tn



Increasing NIM & manageable NPL



Continuous user growth

