

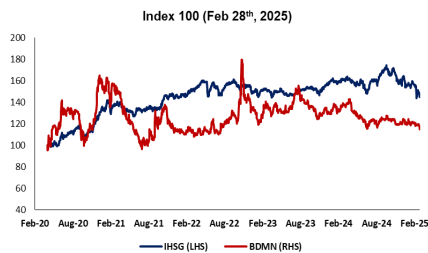


Buy

Price (Feb 28 th , 25)	2380
Target Price	2810
Potential Upside	18.07%
Market Cap	24.38 T
Number of Share	9.67 B
52w Lo/Hi	2490 / 2630

Source : IDX | Phintraco Sekuritas Research
| as of Feb 28th, 2025

IHSG vs BDMN



Source : IDX

Shareholder	%
MUFG Bank Ltd.	92.47
Public <5%	7.53

Source : Company | as of fin. statement FY24

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PT Bank Danamon Indonesia Tbk

(BDMN.JK / BDMN.IJ)

Loan Growth Maintained with Good Asset Quality

BDMN booked net interest income growing 2% QoQ and 2% YoY to IDR15.6 trillion in FY24. In line with this growth, Pre Provision Operating Profit (PPOP) also increased to IDR8.3 trillion (+1% YoY) in FY24. However, this growth was accompanied by an increase in Cost of Credit on an annual basis (+19% YoY). This increase was due to high interest rates until August 2024, so the Cost of Credit every quarter booked a lower increase (+7% QoQ) to IDR1.03 trillion in 4Q24.

Loan grew 8% YoY with a Gross NPL of 1.9% (-30 bps YoY) in FY24. BDMN distributed total loan reaching IDR189 trillion (+8% YoY) in FY24. The wholesales segment contributed the most to total loan, IDR87 trillion (46%). Regarding asset quality, Gross NPL fell to 1.9% (-30 bps YoY). This value is among the lowest gross NPL values compared to peers. Gross NPL has been on a downward trend since 2020.

Loan at Risk (LaR) has tended to decline in the last 5 years. BDMN continues to improve its disbursed credit. The LaR ratio fell 100 bps YoY to 10.6% in FY24. This achievement also continues the downward trend in LaR in the last 5 years. In order, BDMN's LaR in FY20-FY23 (24.1%, 16.0%, 12.6% and 11.6%). In terms of liquidity, BDMN's Loan to Deposit Ratio (LDR) tends to be high, but BDMN continues to strive to maintain its liquidity. BDMN's LDR was booked to fall 10 bps YoY to 96.5 in FY24.

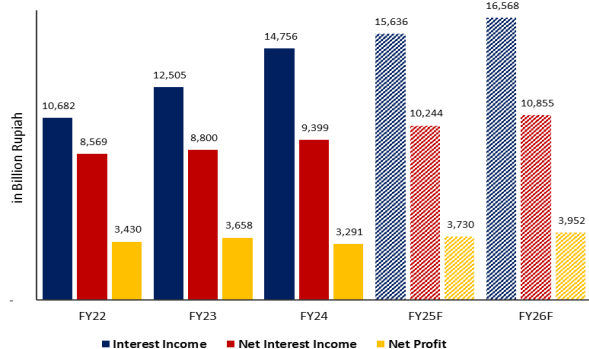
Adira Finance's contribution to total loan is maintained at around 30%. Adira Finance is the second highest contributing segment after wholesales to BDMN's total loan (figure 5). Adira Finance's loan of IDR55.97 trillion in FY24 is almost the same as IDR55.73 trillion in FY23 amidst the decline in domestic vehicle sales. For information, sales of 2-wheeled vehicles (+1.5% YoY) and 4-wheeled vehicles (-13.9% YoY) in FY24. However, Adira Finance's loan amount is higher than pre-COVID (2019), IDR55 trillion.

Interest Income is estimated to grow 6% YoY to IDR15.6 trillion in FY25F. Management targets BDMN's credit growth in 2025 of 9% to 11%. Corporate loan is targeted to grow double digits, with loan for the green energy sector reaching 25% of total loan in FY24. Regarding consumer credit, BDMN focuses on specific ecosystems, namely the automotive, hajj, and education ecosystems. For information, the funding balance for education increased by 69% YoY, and for hajj funds increased 143% YoY in FY24. So we estimate net profit can reach IDR3.55 trillion in 2025F (+11.7% YoY).

Using the Discounted Cash Flow method with a Required Return of 7.93% and Terminal Growth of 1.35%, **we estimate BDMN's fair value at 2,810 (7.34x expected P/E).** Therefore, we maintain a buy rating for BDMN with a potential upside of 18.07%.

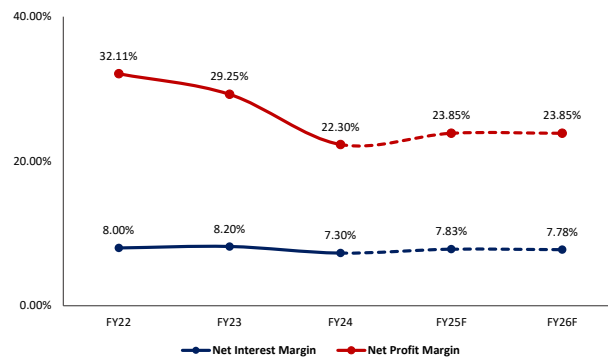
Performance Highlight

Figure 1. Financial Performance



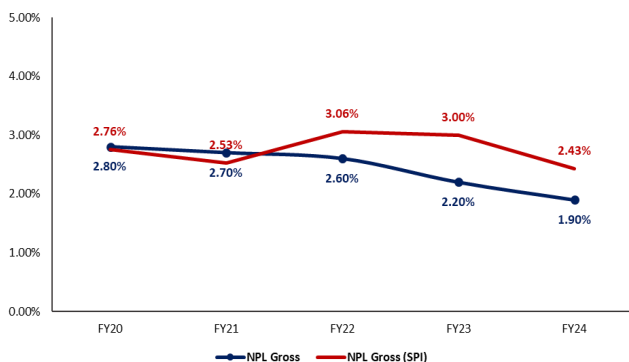
Source : Company | Phintraco Sekuritas Research

Figure 2. Profitability Ratio



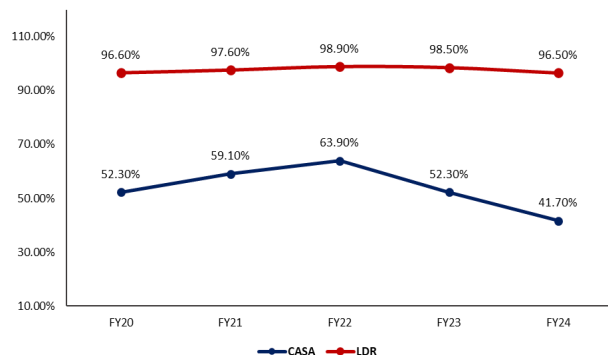
Source : Company | Phintraco Sekuritas Research

Figure 3. Asset Quality Ratio



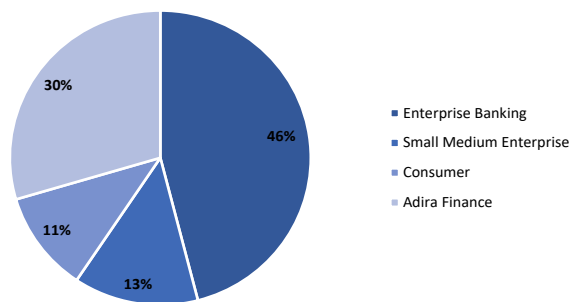
Source : Company | Phintraco Sekuritas Research

Figure 4. Liquidity Ratio



Source : Company | Phintraco Sekuritas Research

Figure 5. Loan Composition FY24



Source : Company | Phintraco Sekuritas Research

Key Financial Figures

(in Billion Rupiah)						
INCOME STATEMENT	FY21	FY22	FY23	FY24	FY25F	FY26F
Interest Income	10,596	10,682	12,505	14,756	15,636	16,568
Interest Expense	(2,540)	(2,113)	(3,705)	(5,357)	(5,392)	(5,713)
Net Interest Income	8,056	8,569	8,800	9,399	10,244	10,855
<i>NIM</i>	<i>76.03%</i>	<i>80.22%</i>	<i>70.37%</i>	<i>63.70%</i>	<i>65.52%</i>	<i>65.52%</i>
PPOP	(4,218)	(1,936)	(2,596)	(3,022)	(2,991)	(3,170)
<i>Provision</i>	<i>(312)</i>	<i>(309)</i>	<i>(457)</i>	<i>(387)</i>	<i>(470)</i>	<i>(498)</i>
EBITDA	(4,664)	(2,224)	(3,208)	(3,465)	(3,461)	(3,668)
<i>EBITDA Margin</i>	<i>-44.02%</i>	<i>-20.82%</i>	<i>-25.65%</i>	<i>-23.48%</i>	<i>-22.14%</i>	<i>-22.14%</i>
EBIT	(4,530)	(2,244)	(3,053)	(3,409)	(3,338)	(3,537)
<i>EBIT Margin</i>	<i>-42.75%</i>	<i>-21.01%</i>	<i>-24.42%</i>	<i>-23.10%</i>	<i>-21.35%</i>	<i>-21.35%</i>
Profit Before Tax	2,281	4,405	4,694	4,184	4,782	5,067
<i>EBT Margin</i>	<i>21.52%</i>	<i>41.23%</i>	<i>37.53%</i>	<i>28.35%</i>	<i>30.58%</i>	<i>30.58%</i>
Net Profit After Tax	1,668	3,430	3,658	3,291	3,730	3,952
<i>NPM</i>	<i>15.74%</i>	<i>32.11%</i>	<i>29.25%</i>	<i>22.30%</i>	<i>23.85%</i>	<i>23.85%</i>

Source : Company | Phintraco Sekuritas Research

(in Billion Rupiah)						
BALANCE SHEET	FY21	FY22	FY23	FY24	FY25F	FY26F
Asset						
Cash & Marketable Securities	8,304	5,687	5,623	15,161	17,669	18,652
Loans	120,205	136,755	163,959	176,684	184,661	192,998
Current Accounts	15,926	16,901	16,200	12,470	12,550	13,299
Total Current Assets	186,750	191,948	211,141	223,369	240,991	251,834
Fixed Assets	1,895	1,926	2,161	2,483	2,600	2,755
Investments	1,264	1,227	4,628	12,381	4,916	5,209
Total Non Current Assets	5,458	5,781	10,164	18,965	12,266	12,997
Total Asset	192,207	197,730	221,305	242,335	253,257	264,831
Liabilities						
Portion of Long Term Debt	8,747	7,637	12,485	20,398	20,398	20,692
Deposits	123,354	127,355	141,444	154,774	161,991	169,544
Total Current Liabilities	144,707	148,055	168,790	188,574	196,614	205,190
Long-Term Debt	2,304	2,197	2,555	1,935	1,935	2,155
Total Non Current Liabilities	2,304	2,197	2,555	1,935	1,935	2,155
Total Liabilities	147,010	150,251	171,345	190,509	198,549	207,346
Equity	45,197	47,478	49,959	51,826	54,708	57,485

Source : Company | Phintraco Sekuritas Research

(in Billion Rupiah)						
RATIOS	FY21	FY22	FY23	FY24	FY25F	FY26F
Profitability Ratio (%)						
<i>NPM</i>	15.74%	32.11%	29.25%	22.30%	23.85%	23.85%
<i>ROA</i>	0.87%	1.73%	1.65%	1.36%	1.47%	1.49%
<i>ROE</i>	3.69%	7.22%	7.32%	6.35%	6.84%	6.92%
Banking Ratio						
<i>CASA to Third Party Funds</i>	59.10%	63.90%	52.30%	41.70%	58.43%	52.63%
<i>LDR</i>	97.60%	98.90%	98.50%	96.50%	98.33%	97.97%
<i>CAR</i>	26.00%	25.50%	26.50%	25.20%	26.00%	25.73%
<i>NPL Gross</i>	2.70%	2.60%	2.20%	1.90%	2.50%	2.23%
Price Ratio						
<i>Share Price (IDR)</i>	2,350	2,730	2,780	2,540	2,810	3,119
<i>Average Share Price (IDR)</i>	2,631	2,596	2,833	2,670	2,810	3,119
<i>Outstanding Shares (in Billion)</i>	10	10	10	10	10	10
<i>EPS (IDR)</i>	171	352	375	337	405	429
<i>BVPS (IDR)</i>	4,635	4,869	5,123	5,315	5,853	6,132
<i>RPS (IDR)</i>	1,087	1,095	1,282	1,513	1,699	1,800
<i>PER(X)</i>	13.74	7.76	7.41	7.53	6.93	7.26
<i>PBV(X)</i>	0.51	0.56	0.54	0.48	0.48	0.51
<i>P/R(X)</i>	2.16	2.49	2.17	1.68	1.65	1.73
Dividends						
<i>DPS</i>	56	118	125	-	-	-
<i>DPR</i>	32.94%	33.62%	33.45%	0.00%	0.00%	0.00%
<i>Div. Yield</i>	1.79%	5.03%	4.60%	0.00%	0.00%	0.00%

Source : Company | Phintraco Sekuritas Research

BANKING RATIOS GUIDANCE	
<i>CAR</i>	>8%
<i>LDR</i>	78%~92%

Source : Company | Phintraco Sekuritas Research

BDMN P/B Band (5 Years)



Source : Company | Phintraco Sekuritas Research

Glossarium

CFFO	: <i>Cash Flow from Operating</i>
CFFI	: <i>Cash Flow from Investing</i>
CFFF	: <i>Cash Flow from Financing</i>
EBITDA	: <i>Earning Before Interest, Tax, Depreciation & Amortization</i>
EBIT	: <i>Earning Before Interes & Tax</i>
EBT	: <i>Earning Before Tax</i>
OPM	: <i>Operating Profit Margin</i>
NPM	: <i>Net Profit Margin</i>
ROA	: <i>Return on Asset</i>
ROE	: <i>Return on Equity</i>
EPS	: <i>Earning per Share</i>
BVPS	: <i>Book Value per Share</i>
RPS	: <i>Revenue per Share</i>
PER	: <i>Price to Earning Ratio</i>
PBV	: <i>Price to Book Value</i>
P / R	: <i>Price to Revenue Ratio</i>
DPS	: <i>Dividend per Share</i>
DPR	: <i>Dividend Payout Ratio</i>
EV	: <i>Enterprise Value</i>
OJK	: <i>Otoritas Jasa Keuangan</i>
COF	: <i>Cost of Fund</i>
BOPO	: <i>Biaya Operasi Pendapatan Operasi</i>
DPK	: <i>Dana Pihak Ketiga</i>
CAR	: <i>Capital Adequacy Ratio</i>
CASA	: <i>Current Account Saving Account</i>
LDR	: <i>Loan to Deposit Ratio</i>
LFR	: <i>Loan to Financing Ratio</i>
NIM	: <i>Net Interest Margin</i>
NPL	: <i>Non Performing Loan</i>
PPOP	: <i>Pre-Provision Operating Profit</i>



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Rating for Stocks :

- Buy : The stock is expected to give total return (price appreciation + dividend yield) of $> +10\%$ over the next 12 months.
- Hold : The stock is expected to give total return of $> 0\%$ to $\leq +10\%$ over the next 12 months.
- Sell : The stock is expected to give total return of $< 0\%$ over the next 12 months.
- Outperform : The stock is expected to do slightly better than the market return. Equal to "moderate buy"
- Underperform : The stock is expected to do slightly worse than the market return. Equal to "moderate sell"

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Kantor Cabang & Mitra GI BEI



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