KIWOOM SEKURITAS INDONESIA

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BRIS: Steady 1H26 Earnings Despite NIM Pressure

1H26 net profit rose 11.1% YoY to IDR 4.2tn, supported by lower credit costs and stronger fee income despite continued NIM pressure. Financing grew 16.0% YoY, led by strong gold financing growth.

STOCK RATING

BUY

UPGRADED

TP 12M (IDR)	**2,700**
vs. Last Price	**+52.11%**
Previous TP	*IDR 2,930*

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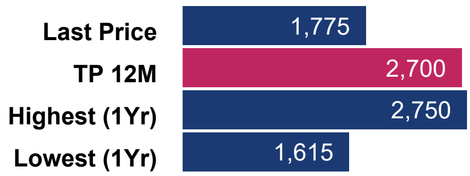
Ticker	**BRIS**
Sub-Sector	**Banks**
Last Price (IDR)	**1,775**
Market Cap (IDR Tn)	**81.88**
Shares Issued (Bn)	**46.13**
AVG 3M Turnover (IDR bn)	**27.65**



PERFORMANCE OVERVIEW

BRIS delivered solid 1H26 earnings despite continued margin pressure. Net profit reached IDR 4.16tn (+11.1% YoY), while PPOP increased 3.7% YoY to IDR 6.53tn, supported by stronger fee-based income, which rose 38.2% YoY to IDR 4.06tn. BRIS' NIM eased to 5.42% from 5.73% in 1H25 as financing yields declined, although the lower cost of funds partly cushioned the pressure. Meanwhile BRIS' CoC improved to 0.62% from 0.95%, helping support the company's bottom line growth, as CIR increased to 52.7% amid continued investment in technology and operating capabilities.

Financing growth remained strong, reaching IDR 340.1tn (+16.0% YoY), supported by expansions across Consumer, Wholesale, and SME-Micro. Consumer financing rose 16.7% YoY, with BRIS' gold business remaining the key standout as outstanding financing increased 80.5% YoY to IDR 30.5tn, which also equates to around 9.0% of financing. Funding growth continued to outpace financing, with third-party funds rising 21.8% YoY to IDR 393.3tn, driven mainly by savings growth of 22.3% YoY. CASA increased by 19.5% YoY to IDR 238.3tn, while FDR improved to 86.4%, providing a more comfortable liquidity position.

Overall, BRIS's fundamentals remain healthy, with strong balance-sheet growth and improving credit costs helping offset pressure on the margins. Gross NPF improved to 1.80% from 1.87% in 1H25, while Net NPF declined to 0.33% and NPF Coverage strengthened to 245.3%. Looking ahead, we expect earnings growth to remain supported by continued expansion in gold financing, stronger fee-based income, and a growing low-cost funding base. However, NIM recovery might be more gradual as financing yields stay under pressure, while BRIS' ongoing investment phase could keep operating efficiency relatively elevated in the near term.

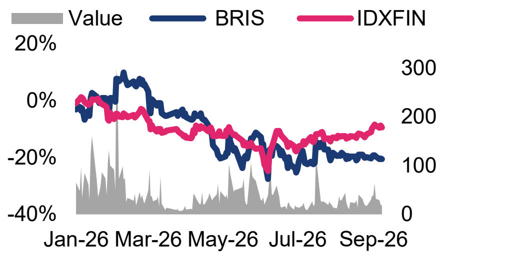
KEY TAKEAWAYS

- **Earnings Growth Held Up Despite NIM Pressure.** BRIS booked 1H26 net profit of IDR4.16tn (+11.1% YoY), supported by 38.2% YoY growth in fee-based income and lower CoC of 0.62%, despite NIM declining to 5.42%.
- **Gold Remained the Standout Financing Growth Driver.** Total financing grew 16.0% YoY to IDR340.1tn, while gold financing surged 80.5% YoY to IDR30.5tn, increasing its contribution to around 9% of total financing.
- **Strong Funding and Asset Quality Support Growth.** Third-party funds rose 21.8% YoY, led by 22.3% savings growth, while gross NPF improved to 1.80% and NPF coverage strengthened to 245.3%, providing room for continued financing expansion.

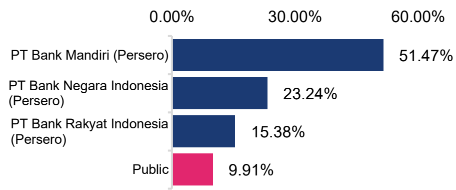
RECOMMENDATION "Buy"

We upgrade our rating to a **"BUY"** recommendation on BRIS. Our valuation is based on a blended valuation method combining P/BV and DDM. We determine a 12-month target price of **IDR 2,700**, implying a **52.11% upside** from the last close of IDR 1,775. At our target price, BRIS would trade at a **2026F P/BV of 2.1x**, above its 3-year SD-1 P/BV level of 1.9x, but below its 3-year average of 2.4x. *Downside risks include prolonged NIM pressure, weaker financing growth, tighter funding competition, higher credit costs, and deterioration in asset quality.*

PRICE PERFORMANCE, YTD (%) TURNOVER (Bn)



SHAREHOLDER STRUCTURE



ESG Rating	**5.78**
Environmental	4.00
Social	6.64
Governance	6.32

Source: Bloomberg

FINANCIAL HIGHLIGHTS

Source: Company, KSI Research, Based on Company Consolidated Financial Statements

End Dec (IDR Bn)	2023A	2024A	2025A	2026F	2027F	2028F
Net Financing Income	*16,259*	*17,409*	*19,129*	*21,123*	*24,505*	*27,809*
Non-Financing Income	*4,204*	*5,556*	*6,937*	*8,419*	*9,625*	*10,820*
PPOP	***10,214***	***11,172***	***12,365***	***14,086***	***16,654***	***18,813***
Income Before Zakat & Tax	*7,589*	*9,282*	*10,012*	*11,364*	*13,173*	*14,660*
Net Income	***5,704***	***7,006***	***7,568***	***8,611***	***9,981***	***11,108***
EPS (IDR)	*124*	*152*	*164*	*187*	*216*	*241*
DPS Paid (IDR)	9	19	23	33	47	54
BVPS (IDR)	*840*	*976*	*1,126*	*1,280*	*1,450*	*1,637*
Dividend Yield	0.5%	0.7%	1.0%	1.2%	1.5%	1.6%
ROE	15.8%	16.7%	15.6%	15.5%	15.9%	15.6%
P/BV (x)	2.1x	2.8x	2.0x	2.1x	2.1x	2.1x
PER (x)	14.1x	18.0x	13.6x	14.5x	14.1x	14.3x

PERFORMANCE OVERVIEW

BRIS Financial Exhibit – 2Q26

FINANCIAL STATEMENT & RATIOS - EXHIBIT

Expressed in IDR Bn, Based on Consolidated Company Financial Statements

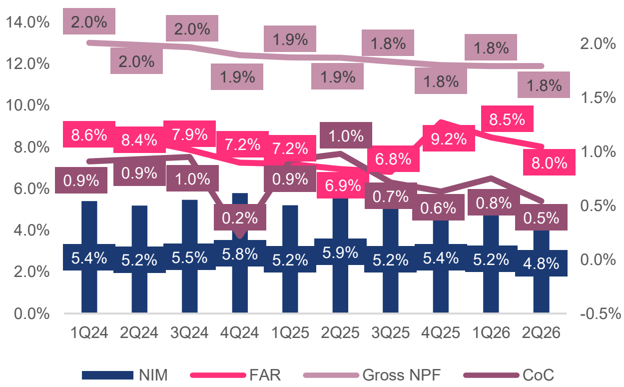
Balance Sheet	2Q25	1Q26	2Q26	YoY	QoQ
Gross Financing	293,237	328,543	340,092	16.0%	3.5%
Net Customer Financing	279,268	309,904	321,220	15.0%	3.7%
Cash & Placements in Banks	38,970	61,854	51,233	31.5%	-17.2%
Investments	60,055	58,852	61,213	1.9%	4.0%
Total Assets	**400,567**	**460,131**	**464,508**	**16.0%**	**1.0%**
Customer Funding	323,494	377,328	393,916	21.8%	4.4%
Total Liabilities & Syirkah Funds	**352,744**	**409,362**	**413,467**	**17.2%**	**1.0%**
Total Equity	**47,823**	**50,769**	**51,041**	**6.7%**	**0.5%**
BVPS (IDR)	1,037	1,101	1,106	6.7%	0.5%

Income Statement	2Q25	1Q26	2Q26	YoY	QoQ
Net Financing Income	**5,111**	**4,975**	**4,733**	**-7.39%**	**-4.9%**
Non-Financing Income	**1,237**	**2,101**	**1,971**	**59.4%**	**-6.2%**
Operating Expenses	3,178	3,572	3,680	15.8%	3.0%
PPOP	**3,170**	**3,505**	**3,024**	**-4.6%**	**-13.7%**
Provisions for Impairment	703	602	447	-36.4%	-25.7%
Net Income	**1,862**	**2,200**	**1,956**	**5.0%**	**-11.1%**
EPS (IDR)	40	48	42	5.0%	-11.1%

Ratios	2Q25	1Q26	2Q26	YoY	QoQ
NIM	5.9%	5.2%	4.8%	(1.07ppt)	(0.40ppt)
Credit Cost	0.98%	0.75%	0.54%	(0.44ppt)	(0.21ppt)
FDR	90.8%	87.1%	86.4%	(4.34ppt)	(0.73ppt)
CASA Ratio	61.8%	62.7%	60.6%	(1.20ppt)	(2.12ppt)
Gross NPF	1.9%	1.8%	1.8%	(0.07ppt)	-
FAR	6.9%	8.5%	8.0%	1.09ppt	(0.43ppt)

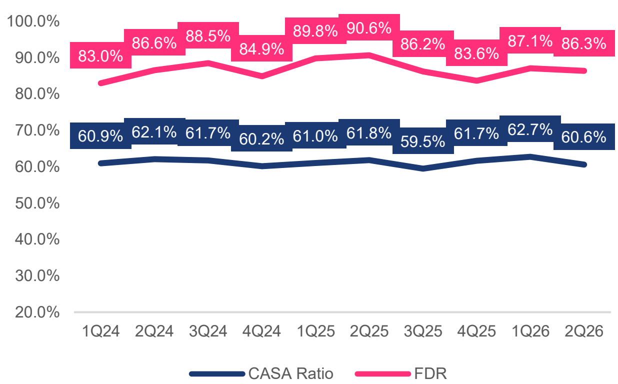
Source: Company, KSI Research, based on company financial statements

Margins & Asset Quality



Source: Company, KSI Research

Funding Mix & Liquidity



Source: Company, KSI Research

VALUATION

TP Updated to IDR 2,700 ; Upgraded to BUY

BUY TP 12M: IDR 2,700

vs. Last Price (IDR 1,775, 9 Sep 2026): +52.11% upside | Previous TP: IDR 2,930

We upgrade to a **"BUY"** rating for BRIS. Our fair value estimate is derived through the use of a blended valuation approach, that assigns **70% weight to P/BV and 30% weight to DDM.** We have set BRIS's 12-month target price at **IDR 2,700**, offering a potential upside of **52.11%** from its last closing price of **IDR 1,775 as of 9 September 2026.**

Blended Valuation	Base Amount	Target Multiple	Value (IDR Bn)	Weight (%)	The Value of the firm
P/BV	59,050	2.44x	144,090	70%	100,863
DDM	76,654		76,654	30%	22,996
				Total Value (Bn)	**123,859**
				Share (Bn)	46.13
				Intrinsic Value (IDR)	2,685
				Target Price (IDR)	**2,700**
				Last Price (9 Sep 26)	IDR 1,775
				Potential Upside (%)	**52.11%**

HISTORICAL P/BV – 3Y

Source: Company, KSI Research

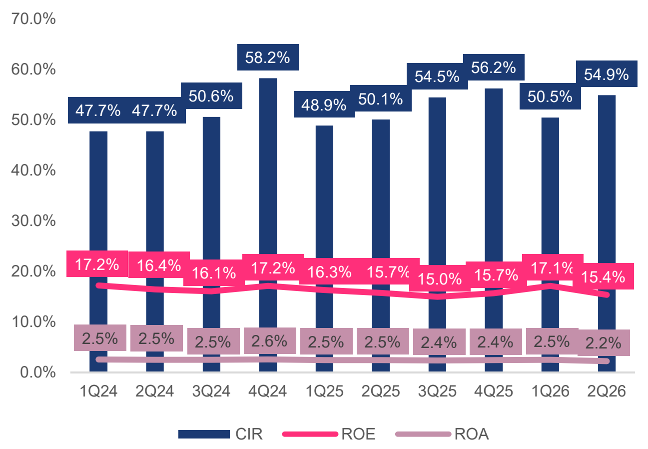
DDM ASSUMPTIONS

Beta (x)	**0.937**
Risk-Free Rate (%)	**6.70**
Equity Risk Premium (%)	**6.56**
Terminal Growth (%)	**5.00**
Cost of Equity (%)	**12.85**

FINANCIAL EXHIBITS - CHARTS

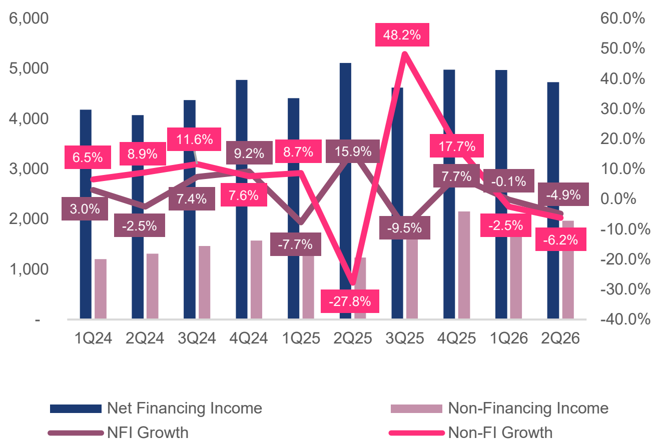
BRIS 2Q26 – Performance Highlights

Profitability & Efficiency



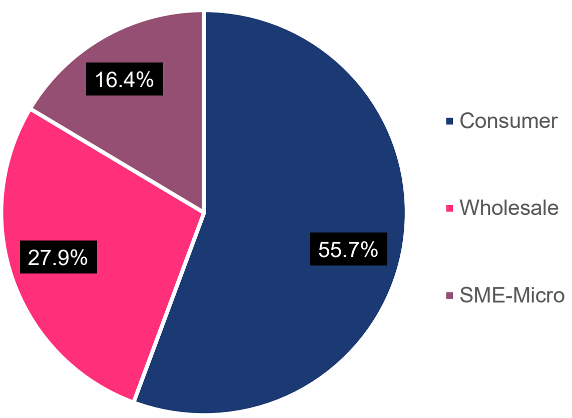
Source: Company, KSI Research

Net-Financing & Non-Financing Income



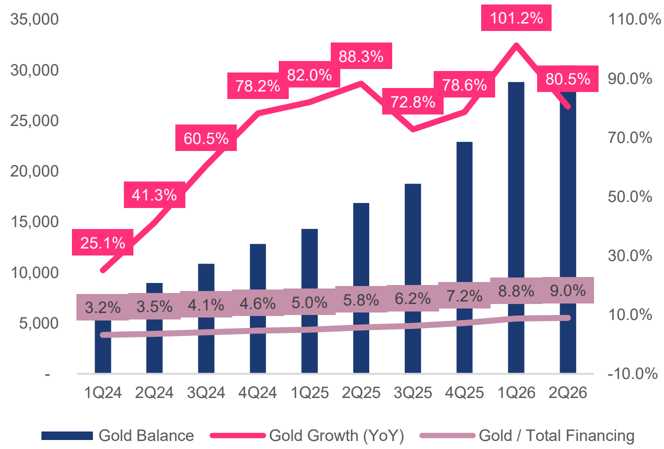
Source: Company, KSI Research

2Q26 Financing Mix



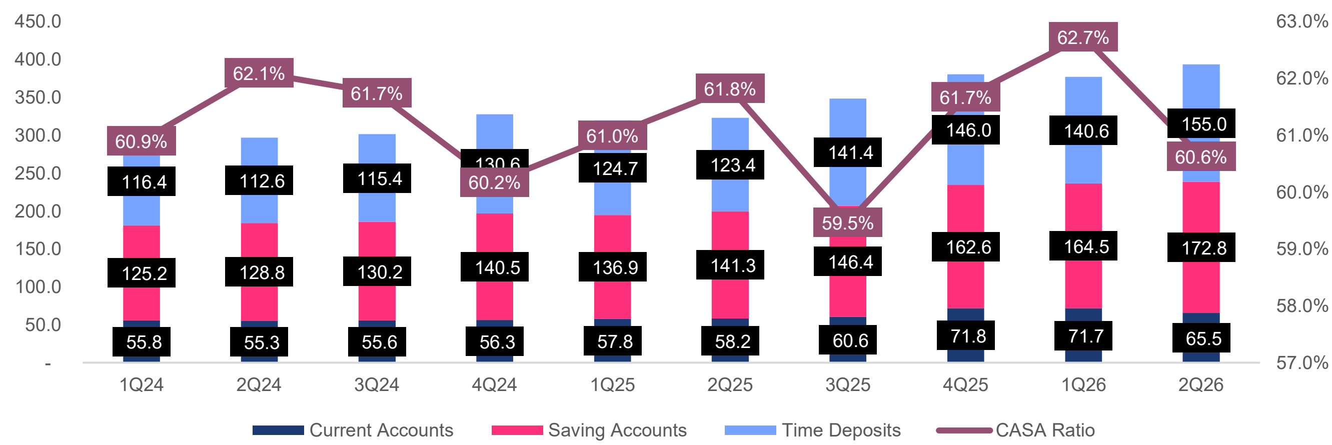
Source: Company, KSI Research

Gold Financing Growth



Source: Company, KSI Research

Third-Party Funds Breakdown in IDR tn



Source: Company, KSI Research

FINANCIAL HIGHLIGHTS (IDR Bn)

Annual Financial Statements & Key Ratios

FINANCIAL STATEMENT & RATIOS - OVERVIEW

Expressed in IDR Bn, Based on Company Consolidated Financial Statements

Income Statement	2023A	2024A	2025A	2026F	2027F	2028F
Income from Fund Management	22,252	25,298	28,265	30,262	34,782	39,312
Third Parties' Share on Return	(5,993)	(7,889)	(9,136)	(9,139)	(10,277)	(11,503)
Net Financing Income	16,259	17,409	19,129	21,123	24,505	27,809
Non-Financing Income	4,204	5,556	6,937	8,419	9,625	10,820
Total Operating Income	20,463	22,966	26,066	29,542	34,130	38,629
Operating Expenses	(10,249)	(11,794)	(13,701)	(15,456)	(17,475)	(19,816)
PPOP	10,214	11,172	12,365	14,086	16,654	18,813
Provisions for Impairment	(2,622)	(1,894)	(2,357)	(2,725)	(3,484)	(4,157)
Income Before Zakat & Tax	7,589	9,282	10,012	11,364	13,173	14,660
Zakat	(190)	(232)	(250)	(284)	(329)	(366)
Tax Expense	(1,696)	(2,045)	(2,194)	(2,469)	(2,862)	(3,185)
Net Income	**5,704**	**7,006**	**7,568**	**8,611**	**9,981**	**11,108**
EPS (IDR)	124	152	164	187	216	241

Balance Sheet	2023A	2024A	2025A	2026F	2027F	2028F
Cash	5,256	8,081	8,691	7,595	8,586	9,617
Placement with Bank Indonesia	32,441	49,966	51,603	49,652	52,449	54,119
Placements with Other Banks	2,304	3,866	4,551	6,503	7,424	8,399
Investments	71,169	62,217	59,650	67,905	76,600	86,012
Net Customer Financing	228,437	265,067	303,995	347,414	396,102	446,863
Assets Acquired for Ijarah	2,190	3,122	3,866	4,328	4,741	5,288
Fixed & ROU Assets	5,353	7,724	11,421	12,414	12,589	12,641
Intangible Assets	1,128	2,102	2,436	2,632	2,966	3,309
Deferred Tax Assets	1,666	2,057	1,875	2,608	2,851	3,085
Other Assets	3,253	4,228	7,418	10,778	12,406	14,092
Total Assets	**353,624**	**408,613**	**456,193**	**512,510**	**577,482**	**644,285**
Customer Funding	294,556	328,132	381,242	435,444	492,212	551,322
Other Funding & Liabilities	20,329	35,439	22,998	18,016	18,392	17,472
Total Liabilities & Syirkah Funds	**314,885**	**363,572**	**404,240**	**453,460**	**510,603**	**568,794**
Total Equity	**38,739**	**45,042**	**51,953**	**59,050**	**66,879**	**75,491**

Key Ratios	2023A	2024A	2025A	2026F	2027F	2028F
Profitability & Efficiency						
Operating Income Growth	6.1%	12.2%	13.5%	13.3%	15.5%	13.2%
NIM	5.7%	5.4%	5.4%	5.4%	5.5%	5.5%
CIR	50.1%	51.4%	52.6%	52.3%	51.2%	51.3%
ROE	15.8%	16.7%	15.6%	15.5%	15.9%	15.6%
ROA	1.7%	1.8%	1.8%	1.8%	1.8%	1.8%
Funding, Liquidity & Capital						
CASA Ratio	60.6%	60.2%	61.7%	62.7%	63.5%	64.2%
FDR	80.8%	83.9%	82.6%	84.3%	84.8%	85.3%
Customer Funding / Assets	83.3%	80.3%	83.6%	85.0%	85.2%	85.6%
Equity / Assets	11.0%	11.0%	11.4%	11.5%	11.6%	11.7%
BVPS (IDR)	840	976	1,126	1,280	1,450	1,637
CAR	21.0%	21.4%	22.0%	22.7%	22.2%	22.4%
Asset Quality & Valuation						
Gross NPF	2.1%	1.9%	1.8%	1.7%	1.6%	1.6%
Net NPF	0.5%	0.5%	0.5%	0.3%	0.3%	0.3%
FAR	9.1%	7.2%	9.2%	7.5%	6.9%	6.5%
NPF Coverage	194.4%	195.0%	190.9%	245.3%	240.2%	239.9%
Cost of Credit	1.2%	0.7%	0.8%	0.8%	0.9%	0.9%
Share Price (IDR)	1,740	2,730	2,230	2,700	3,050	3,450
P/BV (x)	2.1x	2.8x	2.0x	2.1x	2.1x	2.1x
PER (x)	14.1x	18.0x	13.6x	14.5x	14.1x	14.3x
Dividend Yield	0.5%	0.7%	1.0%	1.2%	1.5%	1.6%
DPR	15.0%	15.0%	20.0%	20.0%	25.0%	25.0%

Source: Company, KSI Research

DISCLOSURES

Rating Guide, Disclaimer & Contact

KIWOOM SEKURITAS GUIDE TO SECTOR / STOCK RATINGS

SECTOR / INDUSTRY

OVERWEIGHT	Sector & Industry outlook has potential and good condition
NEUTRAL	Sector & Industry outlook stable or tends to be stagnant
UNDERWEIGHT	Sector & Industry outlook has challenges and bad condition

STOCK

BUY	Performance > +15% over the next 12 months (ex-dividend)
TRADING BUY	Performance +5% to +15%, minor to medium term
HOLD	Performance -10% to +15% over the next 12 months (ex-dividend)
SELL	Performance < -15% over the next 12 months (ex-dividend)
TRADING SELL	Performance -5% to -15%, minor to medium term
NOT RATED	Stock not within regular research coverage

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