KB Valbury Sekuritas

Global Digital Niaga (BELI)

Capitalize omnichannel opportunity

27 June 2023

BELI IJ	**BUY**
Sector	Technology
Price at 26 June 2023 (IDR)	456
Price target (IDR)	559
Upside/Downside (%)	22.6

Stock Information

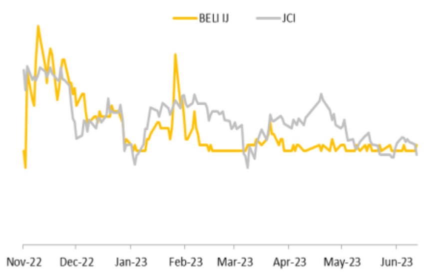
Global Digital Niaga is a comprehensive omnichannel ecosystem, provided through online shopping platform, Blibli.com, lifestyle and online platform, Tiket.com as well as physical stores ranging from electronic appliances to supermarket outlets.

Market cap (IDR bn)	54,024
Shares outstanding (mn)	118,475
28-week range (IDR)	456-496
3M average daily vol. ('000)	5,348
3M average daily val. (IDR mn)	2,445

Shareholders (%)

Global Investama Andalan	83.7
Public	16.3

Stock Performance



Source: Bloomberg

	1M	3M	7M
Performance (%)	0.4	--	0.4

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BELI is expected to be a beneficiary of strong recovery post-pandemic, marked by normalized mobility and pick-up in consumer spending especially in 2Q23 in conjunction with holiday season, on top of its efforts to strengthen logistics and O2O brand partnership. Initiate BELI with a BUY, assigning target price of IDR559/ share.

Boost from strengthened logistic infrastructure

BELI is currently on-progress of building a new giant warehouse in Marunda Center, Bekasi, expected to be fully operational in 2024. The warehouse will also be situated in strategic position with access to Tj. Priok Seaport and Soetta Airport on 10 ha of land. The company expects that the green concept warehouse to be able to house c. 2mn items in capacity, in which will become central of supply chain and fulfillment. With addition of such strong infrastructure, we believe BELI will be able to optimize its fast-dispatched feature, Blibli Express Service (BES) and other 3PLs, amid growing trend in quick commerce, and thus encouraging more transaction.

Furthermore, the company also enhances monobrand outlet line-up through the launch of 'Hello', Apple authorized reseller, marked with opening of 4 new outlets and aiming for 7 more this year, while incorporating it to its click and collect feature. We are sanguine this brand inclusion will improve its TPV and margins given Apple's solid branding in mid-to-high customers that BELI is also intending to tap.

Capturing strong recovery momentum

We expect to see BELI's TPV to pick-up in 2Q23, boosted by school holiday season in June-July, beside Eid holiday in April. This is especially ensuing government's announcement to move into endemic phase, which is expected to be followed by continuous pick-up in travel and spending. On top of that, consumer confidence index (IKK) pointed out to higher optimism at 128.3 in May from 126.1 in April with durable goods purchase index rising compared to festive holiday season.

Efficiency efforts yield fruitful result

BELI has shown substantial improvement on monetization efforts, reflected by higher take rate at 4.9% in 1Q23, compared to 3.7% in 4Q22. The take-rate bump mostly comes from 1P that stood at 6.9% in 1Q23 compared to 3.8% in previous quarter, followed by institution segment. However, the company's higher take rate comes with declined TPV 13.8% qoq in 1Q23 to IDR17.92 tn, on the back of seasonality, in our view. Improved monetization also was also exhibited by lower discount & promotion, especially for 3P segment that mostly came from Tiket.com, which stood at 1.6% to TPV in 1Q23 compared to 2.2% in 4Q22, as part of BELI's attempts to capitalize mobility normalization.

Initiate with BUY on better monetization and eased restrictions

We initiate coverage on BELI with a BUY, assigning target price of IDR559 per share. Note that our price target implies 2023F P/TPV at 0.6x and P/gross revenue at 3.4x. We consider the company's integrated online-offline networks coupled with lifestyle and travel arm, Tiket.com to be its strongest point of advantage and primary beneficiary of transition to endemic phase. In addition, we also note that BELI's better monetization capitalized from physical stores will serve as a positive catalyst for its performance going forward.

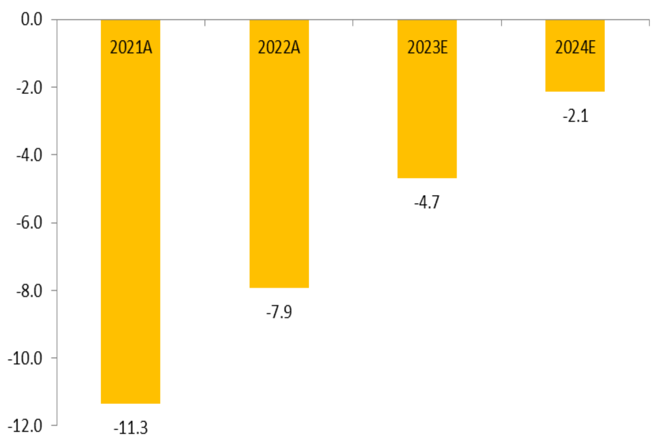
Exhibit 1: Key Statistics

Year end Dec	2021A	2022A	2023F	2024F	2025F
Revenue (IDR bn)	8,858	15,269	18,412	22,612	25,344
EBITDA (IDR bn)	(3,677)	(4,869)	(3,682)	(1,950)	134
Net profit (IDR bn)	(3,887)	(5,229)	(3,873)	(2,287)	(200)
EPS (IDR)	(28.1)	(46.5)	(34.3)	(20.3)	(1.8)
EPS growth (%)	38.2	65.0	(26.1)	(41.0)	(91.2)
ROAA (%)	9.4	(18.1)	(39.1)	(27.7)	(18.6)
ROAE (x)	15.3	(79.2)	(52.7)	(53.5)	(48.1)
PER (x)	(16.2)	(9.8)	(13.3)	(22.5)	(257.1)
PBV (x)	5.4	5.2	8.4	13.4	14.2
EV/EBITDA	(14.7)	(11.1)	(14.7)	(27.7)	403.4

Source: Company, KBVS Research

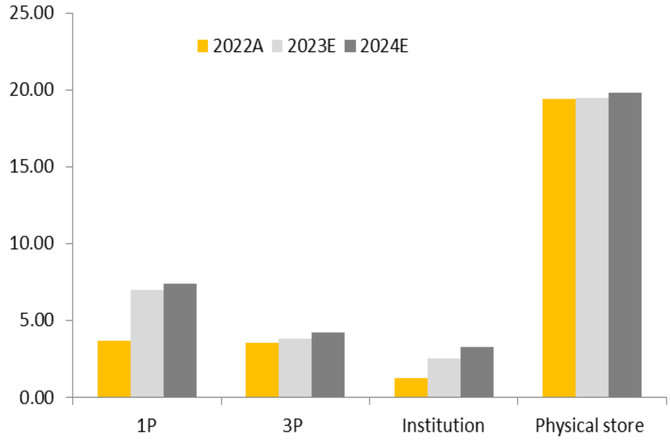
Global Digital Niaga (BELI)

Exhibit 2: EBITDA to TPV (%)



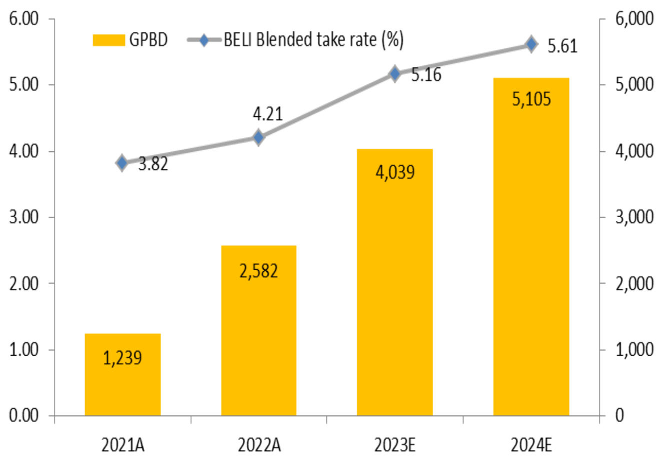
Source: Company

Exhibit 3: Blibli's take rate per segment (%)



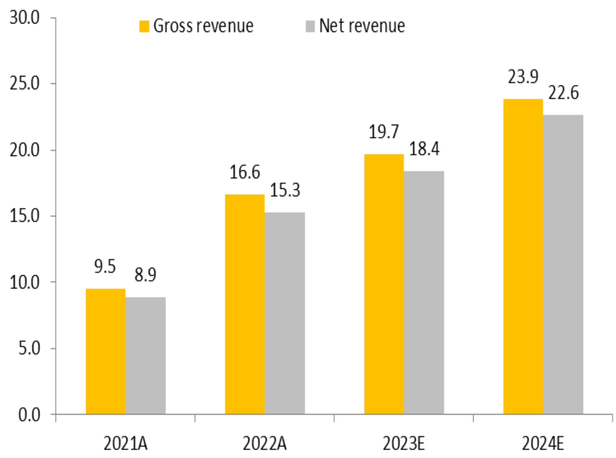
Source: Company, KBVS Research

Exhibit 4: Blibli's blended take rate and GPBD



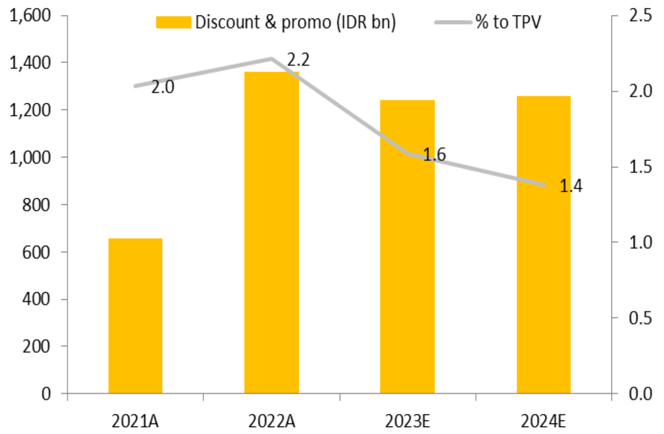
Source: Company

Exhibit 5: Gross and net revenue



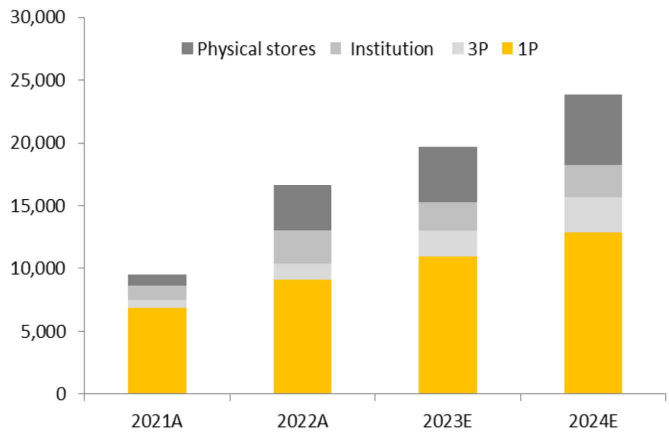
Source: Company

Exhibit 6: Discount & Promotion to TPV (%)



Source: Company

Exhibit 7: Gross revenue mix by segment



Source: Company, KBVS Research

Global Digital Niaga (BELI)

Exhibit 8: Financial Summary

	1Q23	1Q22	YoY (%)	4Q22	QoQ (%)	2023E	%F
TPV							
1P	2,399	2,128	12.7	2,612	-8.2	11,928	20.1
3P	13,316	5,632	136.4	12,776	4.2	55,860	23.8
Institution	1,074	228	371.6	4,351	-75.3	5,640	19.0
Physical stores	1,126	938	20.1	1,053	6.9	4,807	23.4
BELI TPV	17,915	8,925	100.7	20,792	-13.8	78,235	22.9
GPBD							
1P	165	106	55.6	100	65.0	835	19.8
3P	468	228	105.5	407	15.0	2,123	22.0
Institution	214	13	1528.0	58	269.0	144	148.8
Physical stores	214	186	15.0	204	4.9	937	22.8
BELI GPBD	871	533	63.4	769	13.3	4,039	21.6
Discount & Promotion							
1P	-87	-42	109.8	-71	22.7	-350	24.9
3P	-193	-188	2.8	-366	-47.3	-849	22.7
Institution	-	-	-	-	-	-	-
Physical stores	-14	-3.343	312.2	-11	25.3	-43	31.8
BELI Discount and promotion	-294	-233	26.3	-448	-34.4	-1,242	23.7
% to BELI TPV	-1.6	-2.6	-37.1	-2.2	-23.9	-1.6	
Take rate							
1P	6.88	4.98		3.83		7.0	
3P	3.51	4.04		3.19		3.8	
Institution	2.23	5.77		1.33		2.55	
Physical stores	19.01	19.84		19.37		19.5	
Blended take rate(%)	4.86	5.97		3.70		5.16	
Net revenue							
1P	2,094	1,909	9.7	2,336	-10.4	10,586	19.8
3P	275	40	588.6	41	569.7	1,274	21.6
Institution	461	370	24.6	1,430	-67.7	2,256	20.4
Physical stores	1,000	849	17.8	939	6.5	4,296	23.3
BELI net revenue (IDR Bn)	3,830	3,168	20.9	4,746	-19.3	18,412	20.8

Source: Company, KBVS Research

Exhibit 9: Forecasts

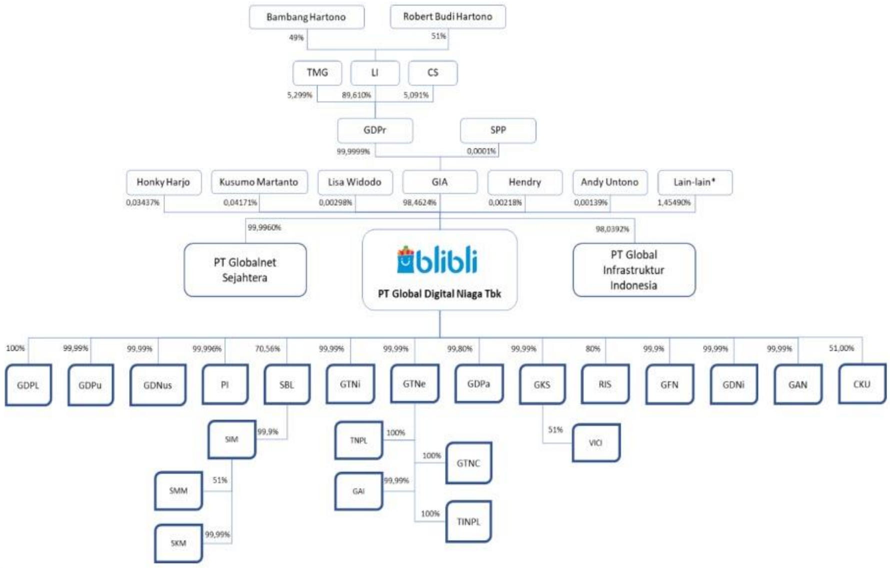
	2021A	2022A	2023E	2024E	2025E
BLIBLI					
TPV total	32,403	61,396	78,235	91,079	96,806
GPBD	1,239	2,582	4,039	5,105	5,633
Blended take rate (%)	3.82	4.21	5.16	5.61	5.82
1P retail					
TPV	7,515	9,940	11,928	14,075	16,327
GPBD	382	366	835	1,042	1,241
Take rate (%)	3.95	3.55	3.80	4.20	4.30
3P retail (Blibli, Tiket.com)					
TPV	15,746	37,050	55,860	65,685	68,850
Transacting annual users	3.2	5.4	7.6	8.7	9.0
AOV	774.1	1,110.8	1,724.1	1,990.5	2,086.4
GPBD	622	1,314	2,123	2,759	2,961
Take rate (%)	3.95	3.55	3.80	4.20	4.30
Institution					
TPV	8,154	10,433	5,640	5,655	5,365
Number of clients	153.1	165.2	141.0	145.0	145.0
TPV/Clients	53.27	63.14	40.00	39.00	37.00
GPBD	42	130	144	184	188
Take rate (%)	0.51	1.25	2.55	3.25	3.50
Phyical stores					
TPV	988	3,973	4,807	5,664	6,264
# stores (electronics, supermarket)	122	196	221	241	261
Sales/ Physical store	8.1	20.3	21.8	23.5	24.0
Take rate (%)	19.6	19.4	19.5	19.8	19.9

Source: Company, KBVS Research

Company Profile & Business Outlook

Global Digital Commerce was established in 2011, initially operating a business-to-consumer (B2C) platform Blibli.com. The company's operational breaks down into several segments 1P Retail, where it purchases products and manages inventories and directly resells them to customers. Furthermore, the company also bridges customers and sellers (3P) to make transaction, while it charges commission fees to the sellers based on each transaction. In addition to Blibli.com, the company's 3P segment also facilitates through Tiket.com that was acquired in 2017, to diversify its product offerings to lifestyle and travel. Tiket.com has built solid awareness as the second most popular apps for lifestyle and travel. Institution segment is characterized as B2B, facilitating 1P and 3P products that offered to institutional customers, either private or public institutions.

Exhibit 10: Structure of companies



Source: Company

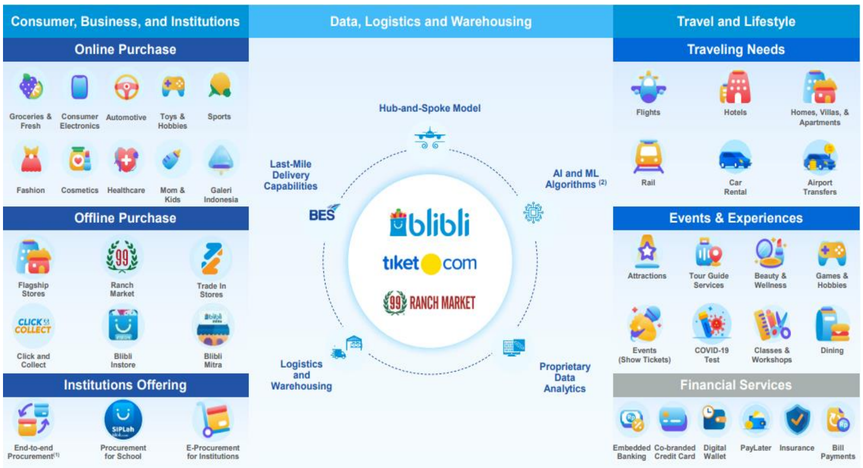
The company provides an integrated consumer experience both online and offline through physical stores for official partners with leading brands, including Samsung, Vivo, and Oppo, as well as a grocery supermarket operated by Global Digital Niaga's subsidiary Ranch Market, under physical stores segment. Physical stores comprises of 69 monobrand stores, 33 multibrand and supermarket stores and as many as 70 supermarket outlets following acquisition of 77% of stakes of Supra Boga Lestari (SBL) in October 2021, a franchisee of Ranch Market in a move to sharpen its focus on fresh market products. As part of its omnichannel proposition, **Blibli's physical stores are integrated into mobile apps, providing customers' channel of choice to shop**, which has become integral part of Blibli's omnichannel strategy.

Blibli.com has a unique preposition to its positioning as both B2C and B2B platform while also enforce strong physical presence. Among other e-commerce or marketplace players, Blibli.com has very distinctive key of strengths particularly synergies between offline-online.

According to Frost & Sullivan survey, Blibli.com is ranked on the top of fresh food category and 1P consumer electronics in Omni channel B2C, and ranked No. 2 in automotive and B2B, based on Omni channel sales among leading e-commerce players in Indonesia.

Blibli is largely backed by Djarum Group through Global Investama Andalan that holds c. 83.7% of the company's stakes. Strong support from the group is supposed to bring integral synergy for Blibli and some sort of stability for price movement.

Exhibit 11: Blibli business scope

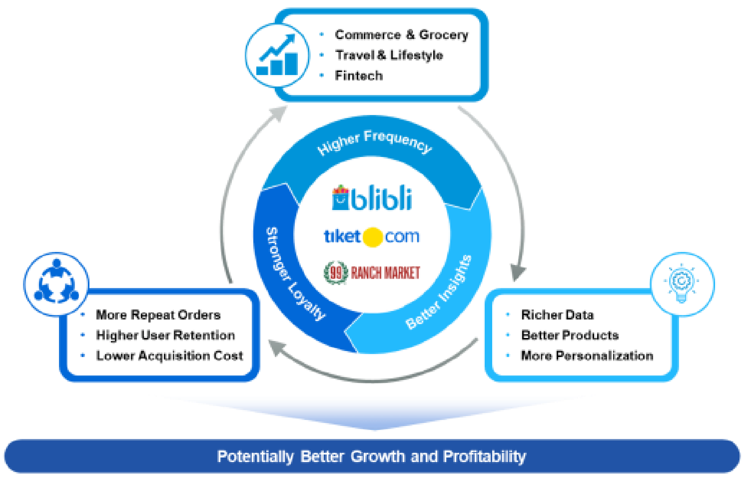


Source: Company

With its strong emphasis on omnichannel presence, BELI is aiming to optimize synergies between online and offline stores, which is propped up by its reliable supply chain infrastructures that supported by fulfillment center, focusing on first tier cities across the Indonesian archipelago, warehouse and delivery services.

Fulfillment center is the core to strengthen its position especially in fresh product market. Holistic synergy between Blibli.com, Tiket.com and Ranch Market is shown through single sign-on, allowing customers to browse or shop with a single app. Furthermore, customers are also able to redeem loyalty points for shopping on Blibli.com, Tiket.com or Ranch Market Group. **Enabled synergies out of flywheel should enable it to be more efficient in customer retention and acquisition** compared to others.

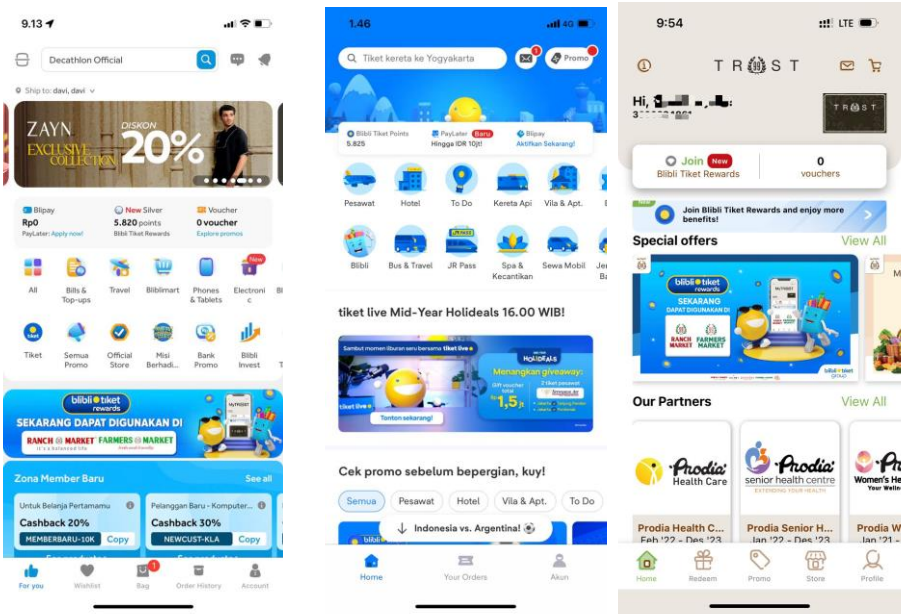
Exhibit 12: Omnichannel synergies within ecosystem



Source: Company

BELI's warehousing and logistics network covers an area of approximately 130,000 m2 as of March 31, 2022, and is supported by Global Digital Niaga's subsidiary first-party logistics services (1PL), Blibli Express Services that provides last mile delivery, and third-party logistics service partners (3PL).

Exhibit 13: Blibli, Tiket and Ranch Market apps interfaces

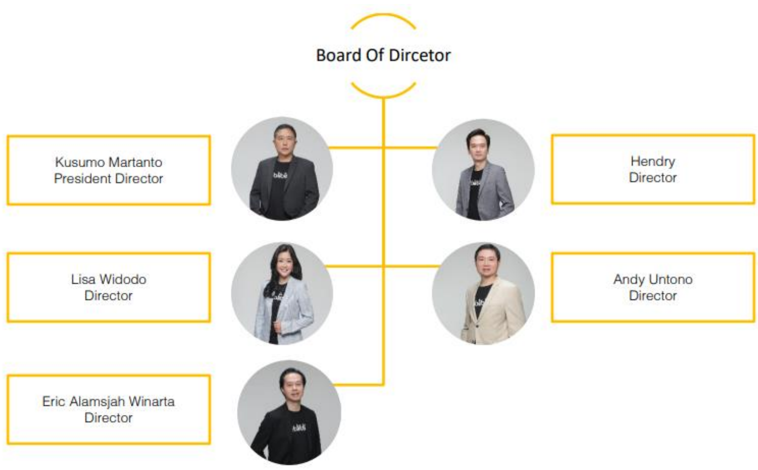


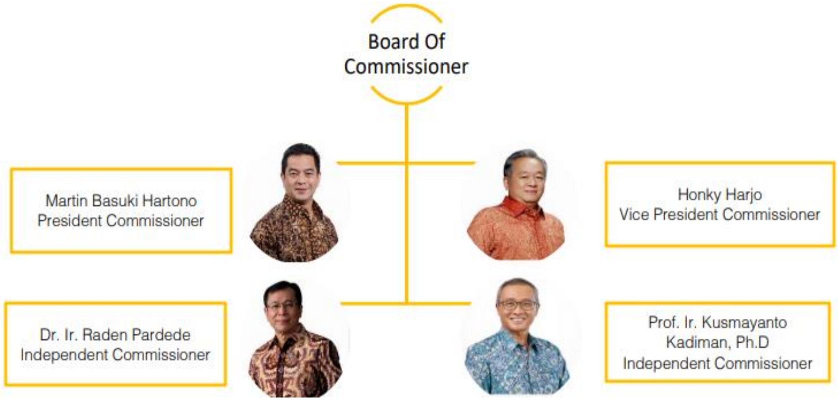
Source: Company, KBVS Research

BELI technology development focuses on consistently providing consumers and institutions with a personalized and seamless online and offline experience, through smartphone apps with diverse and easy-to-use content. BELI also offers a variety of convenient payment options, including the company's buy-now-pay-later (BNPL) platform, Blibli PayLater, launched through BELI's associated entities such as Cermati Fintech Group, as well as banking services, Blu, provided by Bank Digital BCA, a subsidiary of Global Digital Niaga's affiliate, Bank Central Asia (BBCA; HOLD, TP IDR9,000), as the largest private bank in Indonesia.

Additionally, it also presents B2C business through Tiket.com platform, which offers one stop OTA whose services ranging from transportation ticket, accommodation reservations, as well lifestyle products such as tour packages, events to other health services. To meet growing needs for simplicity while optimizing volume of transactions, **the company is aspired to optimize cross selling between Blibli.com and Tiket.com app, enabled through single sign-on on these platforms**. This also applies for loyalty status that can be exchanged for any products on any of the company's platforms including Ranch Market app.

Exhibit 14: Company board of director



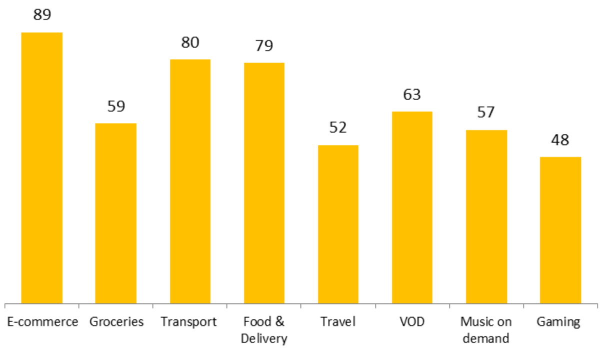


Source: Company

Unearth huge potential from synergies

The pandemic has proven to accelerate digitalization in almost all aspects, in particular resulting in ballooning digital economy with a study by Google, Bain & Temasek expect it to grow at 22% YoY CAGR in 2022 that estimated at USD77 bn. That figure is expected to further expand to USD130 bn or 19% YoY CAGR in 2025. Growing size of digital economy is supported by high digital adoption especially across urban population with e-commerce topping the chart at 89%.

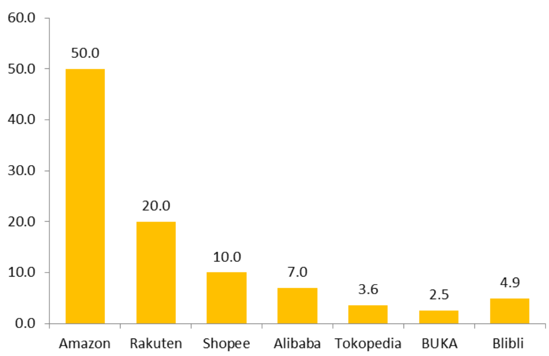
Exhibit 15 : Adoption across urban digital users (%)



Source: Google, Bain & Temasek, KBVS Research

The rise of digital economy was first witnessed in developed countries dating back to internet booming in 1990's, where global e-commerce players have gained strong footings especially, such as Amazon (AMZN) that is deemed to be the most profitable e-commerce company.

Exhibit 16: Peers comparison on take rate (%)



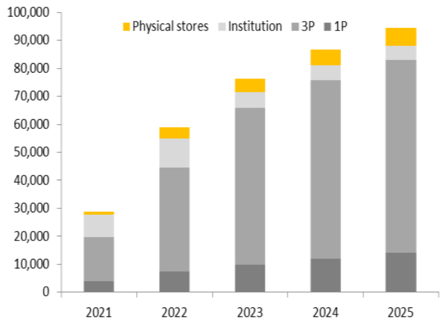
Source: Companies, KBVS Research

Among seven players we compiled, it is obvious that AMZN has the highest take rate of all with up to 50%. As we cited from various studies, AMZN's take rate comprises of 8-15% of referral fee, 20-35% of fulfillment and another 15% for ads and promotion. We also found that AMZN and Alibaba are most likely comparable companies to BELI as the three are pursuing omnichannel approach. Alibaba (BABA) meanwhile has been aggressive in expanding offline stores since 2017, in which BELI's management is focused on to create harmonious integration between two modes. Nevertheless, we acknowledge that take rate could be varied between companies, depending on strategy, market segmentation and each country's state of economy.

While we do not necessarily expect such a high take rate of AMZN would be applicable in Indonesia due to difference in market condition and purchasing power, it is highlighting however potential upside for BELI's take rate going forward. The company's blended take rate is particularly higher than other domestic players, attributable to its ability to reach out customers with high propensity of spending by capitalizing its omnichannel approach.

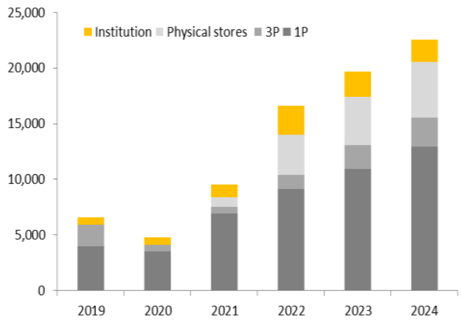
On TPV, the 3P segment dominates overall TPV mix with 62.8% in 2022, mostly contributed by transactions made through Tiket.com. However, 1P segment made up most of the company's revenue that stood at 54.8% in 2022, followed by physical stores at 21.6%.

Exhibit 17: TPV mix



Source: Company, KBVS Research

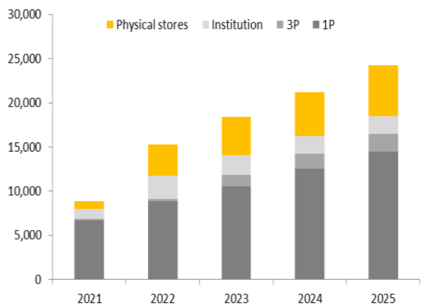
Exhibit 18: Gross Revenue mix



Source: Company, KBVS Research

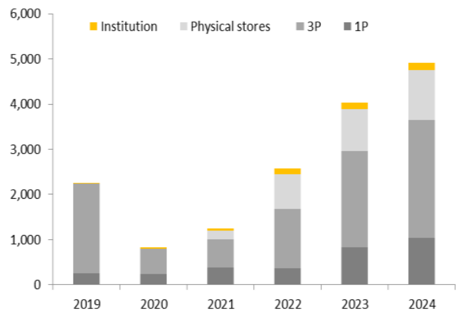
Despite smaller contribution in TPV mix, 1P segment made up the most of the company's revenue with 58.3% of contribution, in contrast to 3P's revenue that contributed 1.3% to Blibli's overall revenue as of 2022, indicating lower take rate than other segments' due to higher expenses for discount and promotion for the segment (8% of 3P's TPV). Aside from 1P, physical stores represented 23.3% of the company's revenue in 2022.

Exhibit 19: Revenue mix



Source: Company, KBVS Research

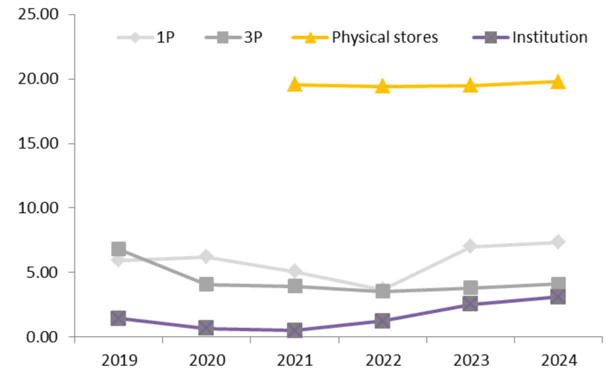
Exhibit 20: GPBD per segment



Source: Company, KBVS Research

Although Physical stores left less significant contribution for overall gross profit before discount (GPBD) compared to 3P and 1P, its take rate is the highest among the four, reaching at c. 19%.

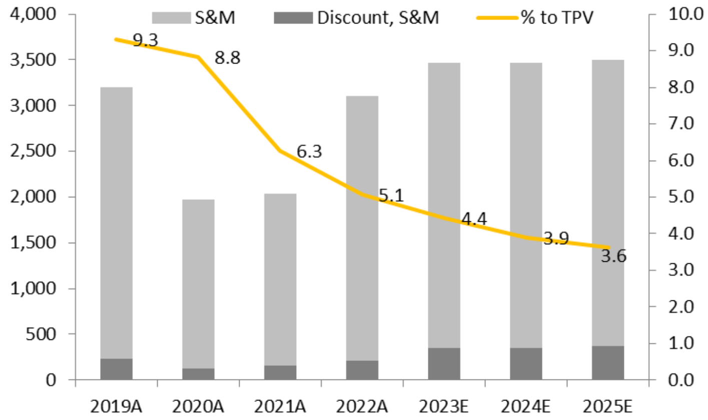
Exhibit 21: Take rate per segment



Source: Company, KBVS Research

In a startup business, it has become normalized to see discount and sales & marketing being the largest of among other cost components, especially for the early stages of business. Likewise, BELI's discount and S&M took out 9.3% of its TPV in 2019, yet as it started to improve its business scale and efficiency, the company has consistently shown improvement for its discount and S&M expenses.

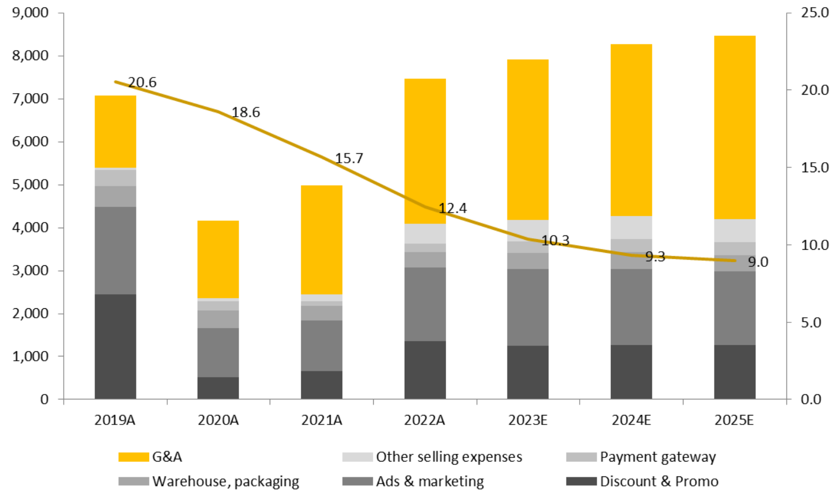
Exhibit 22: Discount, S&M to TPV



Source: Company, KBVS Research

Amid quite challenging economy post-pandemic, we believe management to stick with its prudent cost policy and thus, we are optimistic to these costs to continue trending down. Improving efficiency is already evident in 1Q23 where discount, S&M contributed only 3.1% of TPV, yet we conservatively estimate the ratio could be at 4.4% in 2023 and should continuously come down.

Exhibit 23: Blibli's opex and discount & promotion to TPV



Source: Company, KBVS Research

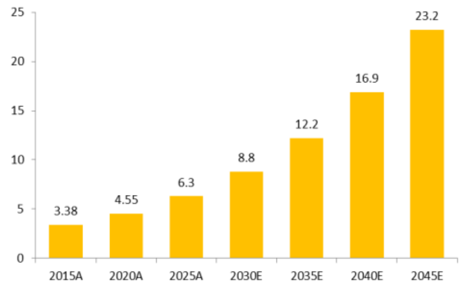
Omni channel retail – One of a kind

Indonesia's fast-growing middle income bolstered by significant segment of productive age has propped up growth in retail business, especially online-based. Especially, in post-pandemic, it attracts more retail players to go online and vice versa. Therefore, it is important to adapt to change in customer behavior, thus should be catalyst for the rise of omnichannel.

Exhibit 24: Middle income proportion

Source: Bappenas, Kompas, KBVS Research

Exhibit 25: GDP per Capita (in USD thousands)



Source: Bappenas, Kompas, KBVS Research

We perceive **BELI's strongest point comes from its omnichannel approach that allows it to seamlessly integrate its online-offline**. This kind of strategy enables it to ensure customer satisfaction, loyalty through better shopping experience, making customer acquisition cost to be more efficient. Through omnichannel approach, the company is aspired to serve retail customers as well as institutions. The company's omnichannel mostly offers grocery and fresh products, electronic items, fashion items, housing and furniture automotive related products.

Furthermore, BELI is to constantly improve its online shopping experience on website and mobile apps as well as provide payment flexibility, including buy-now-pay-later (BNPL) provided by its affiliated company, Cermati Fintech Group, embedded banking service through Blu Digital banking and BCA.

BELI's strategy to cater mid-to-high income users has yielded high AOV per customer, mostly sourced from its strategy to offer higher-valued SKUs, in addition to its authenticity guarantee policy to spur consumer confidence. Furthermore, BELI also offers trade-in scheme for smartphone with certain eligibility, which we expect it should bring good margins to the company.

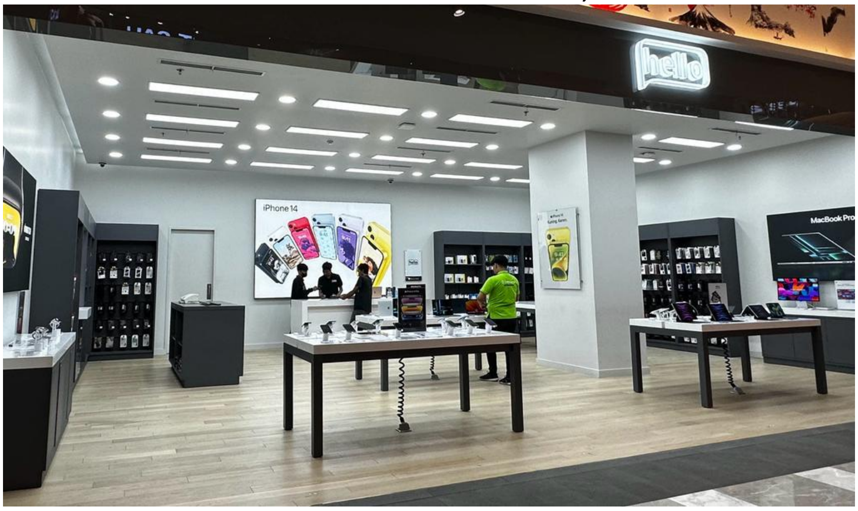
Exhibit 26: Multibrand stores

Source: KBVS Research

The company operates 69 mono brand and 33 multi brand stores, comprising of electronics, automotive, software to FMCG, in addition to over 28,000 locations of Click and Collect and Blibli in Store. Furthermore, the company runs 70 supermarket outlets.

To improve customer satisfaction, **the company aimed to expand touch points by rolling out physical stores for customer electronics** that initiated since March 2021. The acquisition of Ranch Market by the company has led to significant increase in monthly fresh product sales by Ranch Market on Blibli.com to 16x in eight months.

Exhibit 27: Blibli monobrand store, Hello



Source: KBVS Research

Moreover, **the company also attempts to fully utilize data analytics capability and machine learning to enhance more customized and accurate customer's behavior based on customer characteristics, purchase history and search history**. In addition to enhanced physical presence, the company also launched "click and collect" feature, that is available in over 28,000 locations, in partnership with other leading retailers such as Alfamart Group, providing choices for customers to collect the items in physical stores at flexible times. Blibli also forges non-exclusive partnerships with prominent brands including Samsung, Vivo, Oppo and recently Apple to operate a total of 52 experience stores.

To strengthen fresh product line offerings, BELI is aspired to continue expanding supermarket networks that currently stand at 70 stores as well as strengthened infrastructure to ensure smooth integration with online through any of Blibli's companies app including Blibli.com, Tiket.com and myTRUST apps, a standalone apps fro Ranch Market. Blibli's mobile platforms, physical presence is also supported by 15 warehouses comprising of 6 located in Jabodetabek, 5 warehouses scattered in Java and 4 warehouses located in ex- Java. The company eyes to add a 100,000+ sqm warehouse located in Marunda Center, Bekasi that will become the largest. The new warehouse is slated to be operational in 2024.

Exhibit 28: The Gourmet by Ranch Market, Ashta Mall

Source: KBVS Research

To cater various market segments, Ranch Market supermarket segment comprises of five brands. The Gourmet, for example, is aimed to accommodate high income and expatriate customers, providing fine quality fresh as well as imported items. Moreover, Ranch Market is targeted for mid to high income customers with store locations scattered in affluent residential areas such in all over Jakarta. Meanwhile, Farmers Market is expected to serve middle income customers.

Exhibit 29: Ranch Market, Senayan Park

Source: KBVS Research

In addition, Day2Day by Farmers Market is built as a small retail concept located in close proximity to apartments and office compounds as well as Farmers Family supermarket is tailored to appeal to middle segments.

Exhibit 30: Farmer's Family, Bintaro

Source: KBVS Research

We are of the view that **strong integration between online and offline is imperative for fresh products supply chain amidst growing trend of buy-online-pickup-in-store (BOPS)**. The onset of pandemic has changed customer habits to be time efficient and flexible as well as leading to shift in consumer preference that tends to avoid contacts with others. Also, customers nowadays are more willing to pick up or shop closer to home while at the same time also use their smartphone to window shop more often. We foresee e-grocery still continues to gain tractions particularly in Jakarta and Greater

Jakarta areas despite ease in pandemic restrictions since last year. Moreover, it is expected that such trend will be spread out to other metropolitan cities such as Surabaya and Medan, as it has proven to be more hassle-free, time efficient, safe and a venue to avoid impulse shopping as well as emission reduction.

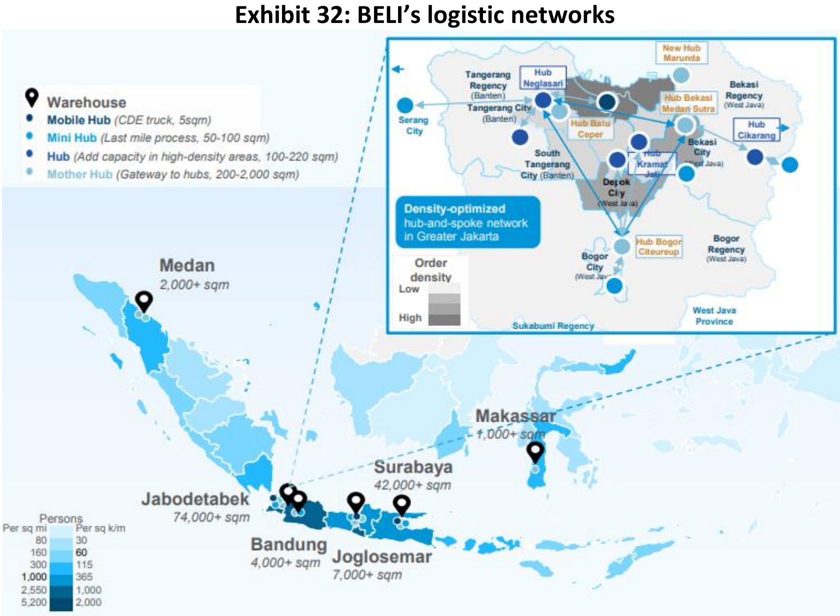
Exhibit 31: Farmers Market, Bintaro Exchange

Source: KBVS research

On the other hand, moves toward the end of pandemic status have resulted in upward trend of offline shopping. **With its omnipresence, we see that BELI will be able to capitalize momentum both from rising popularity of online shopping and normalization in offline shopping.** We have seen that efforts to strengthen digital presence are also being pursued by other offline retailers and otherwise for e-commerce competitors. Meanwhile, tightening interest policy across the globe has also led e-commerce competitors to rationalize costs especially promotion costs, reducing incentives and appeal for online shopping.

With strong offline networks for primarily groceries and electronic items, **BELI is positioned to appeal to middle-to-high income with high propensity of spending**. These customers tend to be prioritizing excellent shopping experience and getting best quality of products. Middle to high customer tends to be less-price sensitive, putting more emphasis on shopping experience and more loyal to certain brands than customers in lower income bracket.

Exhibit 32: BELI's logistic networks

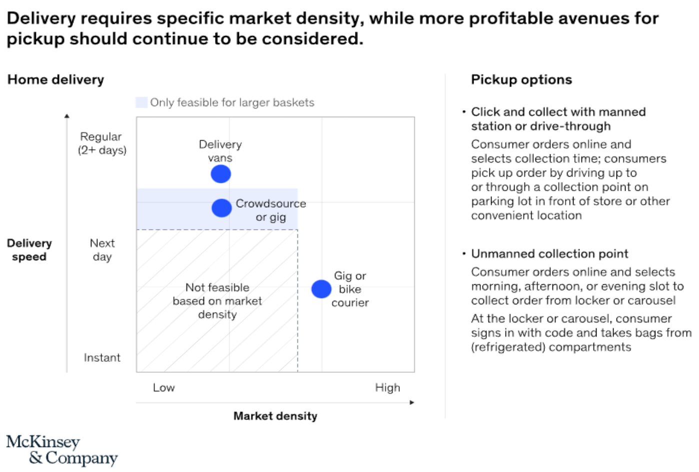


Source: Company

To ensure smoothness of strategy execution, **BELI is also supported by infrastructure in the forms of fulfillment centers that concentrated in high density areas, including satellite cities across Indonesia, as well as warehouses and logistic through 1PL, and**

cooperation with other 3PL logistic partners. BELI's warehousing and logistics network covers an area of approximately 130,000 m2 as of March 31, 2022, and is supported by Global Digital Niaga's subsidiary first-party logistics services (1PL), Blibli Express Services (BES), and third-party logistics service partners (3PL). BES operates in-house logistic infrastructure and warehouses equipped with hub-and-spoke system with 15 warehouses in addition to 30 additional hubs and 5 mobile hubs.

Exhibit 33: Application of delivery service



Source: McKinsey & Co

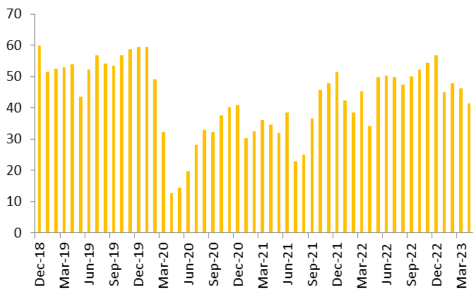
The logistic service also covers for last mile delivery especially in high density areas. In addition, the company also provides two-hour delivery program in 34 cities in collaboration with other 3PLs, mostly aimed at serving fresh product delivery. We deem instant delivery remains the key to align with customers' increasing preference for convenience. Also, **BELI's instant delivery that limits in Greater Jakarta areas may enable it to be more cost efficient** in logistics.

Travel and Lifestyle – Riding tourism recovery

A lift of covid-19 restrictions have prompted normalization of outdoor activities, including tourism sector recovery, which is reflected by an influx of inbound tourists, transportation passengers and surging hotel occupations. Based on Indonesian National Air Carriers Association (INACA), passenger figures have reached 80% of pre-pandemic level. Meanwhile, Statistics Indonesia (BPS) also recorded a surge in domestic air passenger by 74.8% yoy to 52.6 mn in 2022.

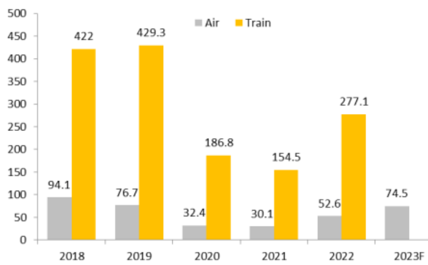
This was also followed by improvement of hotel occupation rate to 56.9% in 2022, compared to the previous year of 51.6%. In addition, other crowd-pulling activities such as attractions and conventions are back in business started in mid-2022, accompanied by a score of gigs of both domestic and international musicians in the country.

Exhibit 34: Hotel occupancy rate



Source: BPS, KBVS Research

Exhibit 35: Number of passengers

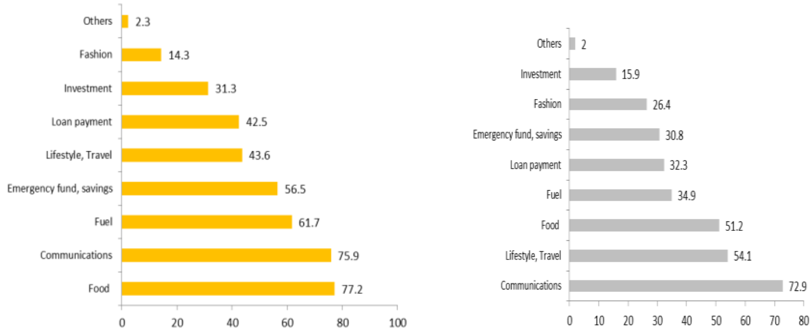


Source: BPS, KBVS Research

Government also makes tourism sector as one of the most prioritized sector in an effort to prop up economy under a designated program of The 10 New Bali comprising of Toba Lake in North Sumatra, Borobudur Temple in Central Java, Labuan Bajo in East Nusa Tenggara and Mandalika in West Nusa Tenggara that first launched in 2018 with the aim to accelerate development of new tourist destinations. The initiative is also accompanied by government's push to improve connectivity infrastructures such as airports, seaport, toll road and railway transportations that make up the largest portion on government's list of national strategic project (PSN).

On the other hand, **recovery in tourism sector also coincides with shifting in consumer's behavior among millennial and gen-Z population that are inclined to travel more and prioritize leisure spending**. Based on Katadata Insight survey, it is evident that lifestyle and travel is ranked on the top five of spending priorities for population in both generations.

Exhibit 36: Spending allocation of millennial (left) and Gen-Z population



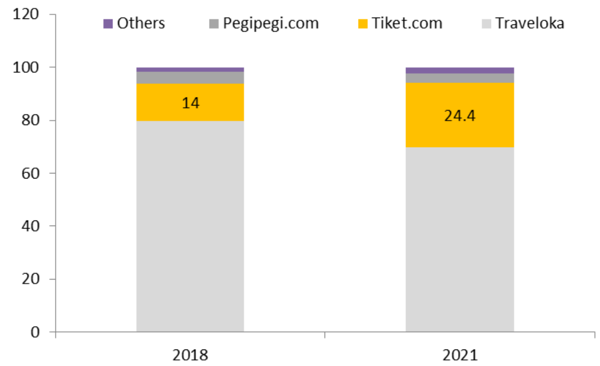
Source: Katadata Insight Center, KBVS

Improvement in mobility and tourism sector also prompt expansion in air carries. Lion Air Group becomes a case in point, as it is planning to enlarge its operations by adding 80 new fleets and open new routes for both domestic and international routes in 2023. The group holds approximately 60% of domestic air market. Likewise, national flag carrier, Garuda Indonesia (GIAA; non-rated) and low-cost carrier, Air Asia (CMNP; non-rated) also eye to increase flight frequencies for in-bound routes and are planning to open new routes this year. This is in line with a forecast of International Civil Aviation Organization (ICAO) that the global airline industry will recover to pre-pandemic level by 2023.

Tiket.com, a lifestyle and traveling app that established in 2011, has gained solid footing in domestic market, partnering with over 85 of airline carriers, 210 land transportation partners and offering 3.1 mn accommodations and hotels in 244 countries. Tiket.com is aspired to tap into large potential of domestic online travel with an estimate of total addressable market (TAM) standing at USD41 bn by 2025, based on Euromonitor research.

Thanks to synergies between ecosystem and growing preference for traveling, Tiket.com saw an accelerating growth in market share from 14% in 2018 to 24.4% in 2021. To capture growing momentum in tourism economy, Tiket.com has forged cooperation with Tourism Ministry as official partner of Wonderful Indonesia campaign.

Exhibit 37: Online travel apps market share



Sources: Euromonitor, Company, KBVS Research

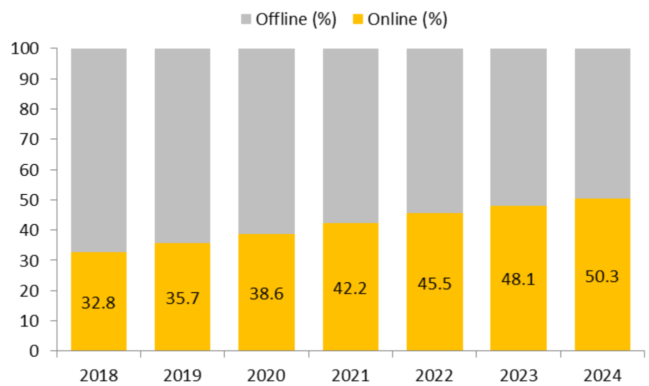
Beside various transportation modes and hotel booking, Tiket.com also provides non-hotel lodging and accommodation such as short-term apartment rental and housing, as well as other value-added service such as travel insurance, covid-19 insurance, online and offline event as well as restaurant bookings.

We believe that **the mobility normalization that is seen to be near the pre-pandemic level along with higher consumer confidence will become the major catalyst for online travel, in particular Tiket.com**. During latest Eid holiday, government's data pointed to significant number of people on the move of approximately 134 mn with major airport, Soekarno Hatta reporting passenger mobilization reaching the same level as in 2019. Thus, we are sanguine to see similar trend to occur in 4Q23 especially during year-end holiday particularly following transition into endemic. **We expect recovery period to continue in 2024 onwards, during three holiday cycles**, namely early of the year or 1Q23 coinciding with Chinese New Year and followed by Eid holiday (1Q-2Q), middle of the year during school year holiday or in 3Q and end of year holiday in 4Q. Although, we estimate a pick-up in traveling may relatively be flattish due to waning low base effect.

Not only from revival in tourism, **Tiket.com is expected to enjoy solid momentum from consumer behavior shift from offline booking to online booking, especially among productive population.** This is attributable to its better convenience on the back of higher penetration of smartphone and more personalized search optimization as well as streamlined transaction.

According to Euromonitor, online booking mode is expected to start exceeding physical reservations by 2024. Improvement in the industry, increasing size of middle class, willingness for leisure spending as well as rapid social media penetration all bring upside for online travel with Google, Bain & Temasek projecting market size to reach USD10 bn in 2025 from USD3 bn or CAGR 45%.

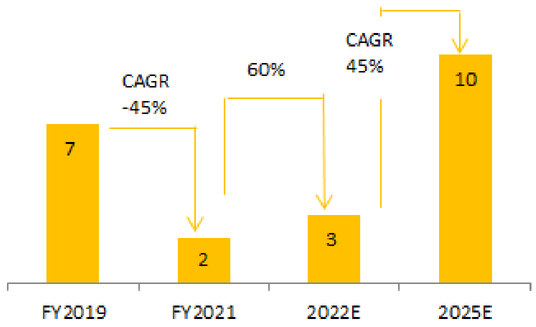
Exhibit 38: Share of online-offline booking modes for traveling



Sources: Euromonitor, Company, KBVS Research

Despite strong recovery, uncertainty surrounding commodity prices especially oil pertaining to unstable geopolitics and challenging global economy that may impact domestic economy and thus, consumer spending.

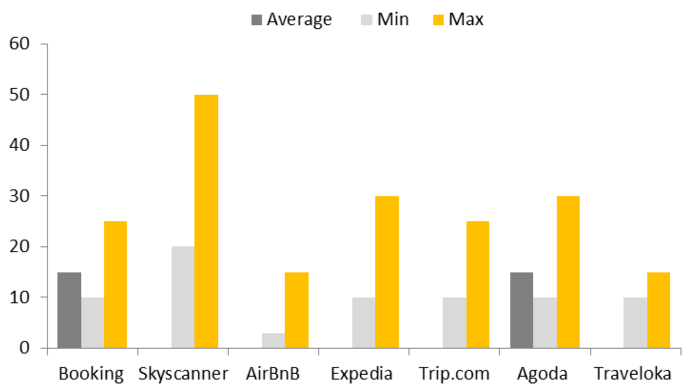
Exhibit 39: Online travel market size (in USD bn)



Sources: Google, Bain & Temasek, KBVS Research

Compared to other e-commerce, **online travel seems to have relatively equal take rates between players, ranging between 10-15%** roughly for each reservation. Hotel reservation for international travel is inclined to have higher take rate compared to those for flight booking with land transportation modes especially domestic train is among the lowest take rate. As we believe that online travel in Indonesia is still emerging, reflected by lower take rate compared to global peers, it is supposed to bring sizeable room for more increment going forward.

Exhibit 40: Comparison in take rate



Sources: Various sources, companies, KBVS Research

Operating segment

1P Retail

1P retail segment is a B2C (business-to-customer) platform, in which the company owns and manages its inventories and sell to end-users. BELI provides wide array of products especially electronics & home appliances, general merchandise in addition groceries & fresh products, which accounts to over 96,000 SKUs as of 2021.

The 1P items that mostly showcased through Blibli app, is labeled as *'Disediakan oleh Blibli'* (fulfilled by Blibli) with guarantee of authenticity and for electronics, even provided with aftersales service. The 1P TPV is mostly contributed by consumer electronics that stood at 43% in 1Q23, followed by digital products such as utilities payment, top-up tokens, and etc.

Exhibit 41: 1P retail forecast

	FY2021	FY2022	2023E	2024E
TPV	7,515	9,940	11,928	14,075
Gross revenue (IDR bn)	6,894	9,113	10,936	12,904
Net revenue (IDR bn)	6,741	8,902	10,586	12,556
GPBD (IDR bn)	382	366	835	1,042
Take rate (%)	5.08	3.68	7.00	7.40

Source: Companies, KBVS Research

Exhibit 42: 1P retail forecast

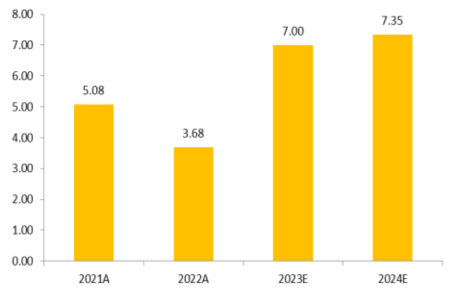


Exhibit 43: TPV mix category for 1P

Source: Companies, KBVS Research

Improvement of 1P take rate seen in 1Q23 compared to previous year could have been spurred by higher contribution of consumer electronics, in our view, with better margins, especially from trade-in features for smartphone. We expect 1Ps take rate to continue improving, boosted by higher demand on durable goods and trend in e-groceries post normalization, coupled with expansion of offline stores.

Meanwhile, we may see some moderation in 1P TPV growth which is in-line with current trend across domestic e-commerce. However, as we expect the company to further reduce promotions, it should result in a bump in 1P take rate this year.

3P Segment

The company has been bridging transactions of 3P sellers since 2011 with specific emphasis on trusted seller, durable goods especially electronics and appliances to sport apparel and fashion items through Blibli.com as well as lifestyle offerings through Tiket.com. As of March 2022, BELI houses 300,000 registered 3P sellers. To support the segment, the company also offers support for digital marketing and fulfillment by Blibli (FBB) consignment services to cater the needs for efficient inventory management and logistics, aiming for ensuring customers satisfaction.

Exhibit 44: 3P forecast

	FY2021	FY2022	2023E	2024E
TPV	15,746	37,050	55,860	65,685
AOV	774,117	1,110,780	1,724,074	1,990,455
Number of orders (in mn)	20.3	33.4	32.4	33.0
Gross revenue (IDR bn)	622	1,314	2,123	2,759
Net revenue (IDR bn)	122	199	1,274	1,876
GPBD (IDR bn)	622	1,314	2,123	2,759
Take rate (%)	3.95	3.55	3.80	4.20

Source: Company, KBVS Research

Exhibit 45: 3P take rate

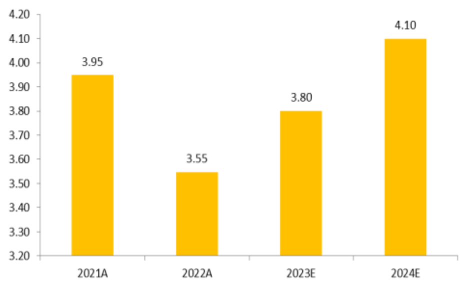
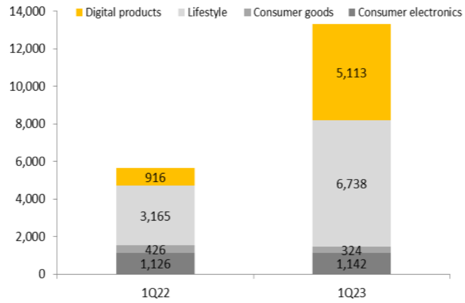


Exhibit 46: TPV category mix for 3P



Source: Company, KBVS Research

Nevertheless, lifestyle category took significant contribution for 3P TPV in 1Q23 by 51%, followed by digital products. The lifestyle category mostly came from Tiket.com, which has become primary beneficiary of normalized activities, which seemed to be reflected in take rate improvement.

Meanwhile, consumer electronics and goods contributed 11% combined total 3P TPV in 1Q23. On Blibli platform, the company's commission ranges between 2.5% and 8% depending on product category with higher-valued items such as electronics including camera items whose the lowest take rate at 2.5-4%, while Blibli takes 8% for fashion items.

Compared to other segments, the 3P is the segment that considered to be less monetized, reflected by lower take rate on the back of discount and promotion that takes 2-4% of total 3P TPV. The company has been attempting to increase items by attracting trusted sellers and global brands in all over product categories especially electronics, appliances and fashion as it focuses on customer loyalty and quality. We observe that the company has stricter policy in product screening, while also provides sellers a fulfillment service, which have become its key advantage.

Nevertheless, we notice that competition for this particular segment is relatively tighter than others, especially for physical products although we have seen competitors are willing to gradually slash promotions. We expect the company's ability to expand partnerships with high quality brands will be significant to improve its TPV and profitability. However, with its infrastructure supports, better customer loyalty, good perception towards Blibli's brand line-up, it should attract more brands to market their products on the platforms, which we perceive to be the key to nurture the 3Ps.

<u>Institution</u>

The company provides 1P and 3P items for institutional clients, both public and private, including through Blibli.com or Blibli Siplah (education procurement platform for public sector) and Blibli for Business that were rolled out in 2019 and 2021, respectively. The platforms are aiming to target both public and private institutions in goods procurement, which we deem to be a niche market despite potential size of transactions.

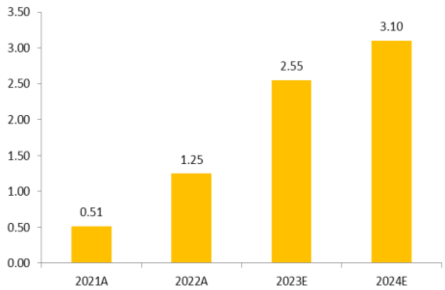
To accommodate institution demand, the company also capitalizes synergies between online and offline platforms through its omnichanel approach.

Exhibit 47: Institution performance and forecast

	FY2021	FY2022	2023E	2024E
TPV	8,154	10,433	5,640	5,655
Number of clients	153,057	165,232	141,000	145,000
TPV/Clients	53.3	63.1	40.0	39.0
Gross revenue (IDR bn)	1,102	2,615	2,256	2,545
Net revenue (IDR bn)	122	199	1,274	1,876
GPBD (IDR bn)	42	130	144	184
Take rate (%)	0.51	1.25	2.55	3.25

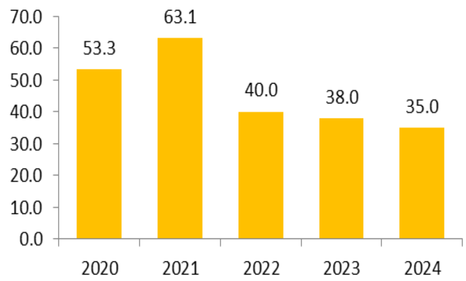
Source: Company, KBVS Research

Exhibit 48: Institution take rate



Source: Company, KBVS Research

Exhibit 49: TPV/ clients



Source: Company, KBVS Research

As the company strives to improve the segment's profitability, BELI has halted commission-free rate for institution segment and thus, it began to see substantial increment for take rate ever since although it might have impacted to the its institution client base. The company’s take rate stood at 2.3% in 1Q23 as TPV/clients lowered. We expect an improvement in take rate to continue amid flattish TPV.

Going forward, the growth in institution segment will be supported by economic recovery and government's efforts to push transparency through digitalization in public institutions and in Indonesia’s private sector.

<u>Physical Store</u>

The Company's Physical Store segment was launched in March 2021 through a non-exclusive cooperation and distribution agreement for the establishment and operation of branded stores for Samsung, followed by acquisition of SBL in late September 2021. Blibli’s Physical Store segment is aimed to integrate with its online infrastructure based on data-driven customer experience.

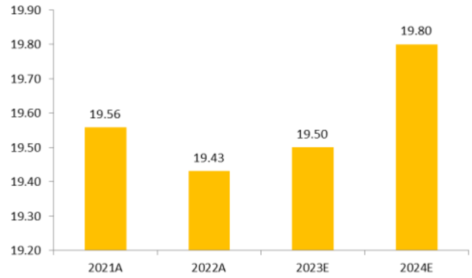
Physical stores is promoted with real experience for offline customers, to provide each customer with a personalized and seamless Omni channel shopping experience, especially after adoption of Click and Collect feature on its online platforms.

Exhibit 50: Physical stores performance and forecast

	FY2021	FY2022	2023E	2024E
TPV	988	3,973	4,807	5,664
Number of stores	122	196	221	241
TPV/ store	8,101	20,270	21,750	23,500
Gross revenue (IDR bn)	898	3,587	4,340	5,664
Net revenue (IDR bn)	892	3,553	4,296	5,635
GPBD (IDR bn)	193	772	937	1,121
Take rate (%)	19.56	19.43	19.50	19.80

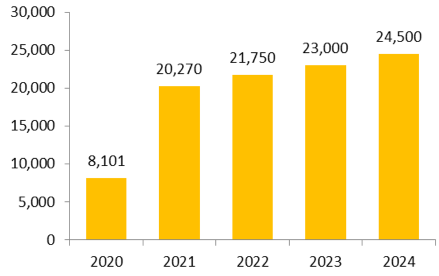
Source: Company, KBVS Research

Exhibit 51: Physical take-rate



Source: Company, KBVS Research

Exhibit 52: TPV/ stores



Source: Company, KBVS Research

The Company's physical stores offer a variety of Omni channel initiatives to meet customers' surging demand for a wide range of products and services and increase engagement with consumers and institutions through various online and offline channels. We believe that the company is well-positioned to leverage offline-online synergies between traditional retailers, e-commerce and lifestyle ecosystem through omni channel in order to provide personalized and seamless shopping experience.

On performance, physical store is become the most profitable of all with c. 19% take rate capitalizing on expanding physical stores comprising of monobrand by partnering with electronic giants such as Samsung and Apple, multibrand through Blibli Stores and Tukar Tambah Store by Blibli, as well as supermarket networks through Ranch Market Group. Going forward, the company is eyeing to expand more physical stores, which thus positively impact to TPV. The selection of partnering brands is targeted to fit into mid to high income brackets that tend to be more resilient against economic backdrop.

Yet, challenges are here too

While online shopping has started to gain more grounds in domestic market, we observe that **customers, in general, still tend to be more promotion-driven**, thus making it to be a heavy lifting effort for e-commerce or marketplace players to significantly slash their discount and promotion costs, while retaining market share. Although, Blibli is positioning itself as omnichannel player, it is also no foreign for such circumstance, in our view, especially when online-offline shopping integration is still relatively a new shopping concept, yet it might need incentives to attract new customers. Meanwhile, SKUs and number of partnership on its marketplace may be the area that Blibli should also be focused on to improve its performance.

In addition, amid customer's growing demand for more reliable and seamless experience for online-offline shopping, it may be reasonable for omnichannel players to spend **significant investment to enhance infrastructures** both for online and offline especially in the area of logistic infrastructures, and IT supports such as real-time stock inventories for to realize coherent synergies.

Although digital shopping is to remain popular especially in bigger cities despite normalized activities, it still leaves huge untapped market in Indonesia given unequal digitalization, large production of productive population and relatively low penetration of digitalized commerce compared to comparable SEA counterparts. Consequently, the attractiveness of Indonesia market is being followed by **emergence of competitors**, including from ‘quick e-commerce’ players with some offering within minutes delivery, that includes Astro, Bananas and Allo Fresh, initiated partly by Bukalapak (BUKA, non-rated) being among the competitors. Not to mention competition from non e-commerce digital players such as Tiktok shop, and also Youtube attempting to presence hybrid kind of shopping experience, in addition to growing adoption of omnichannel strategy by offline retailers and other e-commerce.

As Indonesia moving into endemic phase, we expect popularity of online shopping could also spread into tier-2 and tier-3 cities, while **tier-1 cities, where Blibli's market are mostly concentrated**, may see a more flattish growth trend of e-commerce use. This is confirmed by a survey carried out by Katadata Insight- Kredivo that found an increase of contribution of e-commerce transaction from tier-2 and tier-3 cities to 43% in 2022 from 36% in 2021. While expanding in e-commerce transaction in tier-2 and tier-3 is an opportunity that other players are pursuing, bringing omnichannel concept to those areas may need more substantial investment for Blibli.

Valuation Overview

Blibli is built with distinct and unique positioning, integrating online and offline shopping experience while also incorporating lifestyle segment into its ecosystem. We believe such combination will enable it to fill in market gap left by other competitors that heavily focused on e-commerce and transports. Furthermore, we are of the view that IT capability enhancement and strengthening offline networks as well as infrastructures to create seamless experience are the very key for better monetization and optimize customer acquisition costs as we perceive Blibli's core strength lies on its integration between online and offline. Meanwhile, 1P retail, which has made up the largest contribution for Blibli's gross revenue and becomes the core for its omnichannel strategy.

We obtain Blibli's consolidated enterprise valuation by using a forward multiple 2024F of price/gross revenue, assuming it to be arrived in-line with revenue on the back of the company's emphasis on reducing discount and promotions. The multiple is also relatively in-line with current valuation, that is also traded at 2.3x for 2024 P/gross revenue, as we put more conservative estimate on our gross revenue forecast on the basis of moderate TPV growth.

In addition, we also include a scarcity premium of 15% given more limited free-float compared to domestic peers. Additionally, we believe that the company's implementation of sustainability programs (ESG), comprising of recycle management and waste, restoration and education to be worth including into valuation premium of 10%.

Exhibit 53: Consolidated valuation

Blibli's consolidated valuation	
P/ Gross revenue	**2.3**
2024F Gross revenue	23,871,198
Equity value	**55,381,179**
Net cash/debt	-2,106,874
Minority	-297,516
	52,976,789
15% scarcity premium	7,946,518
10% ESG implementation	5,297,679
Enterprise value	**66,220,986**
Enterprise value/ share	558.9
Target price (rounded)	**559.0**

Source: Bloomberg, Company, KBVS Research

Our relative valuation has arrived to Blibli's enterprise valuation at IDR66.22 tn. Thus, we initiate with BUY at target price at IDR559/share. Note that at this price target, it implies 2024F P/TPV at 0.7x and and P/gross profit at 13.0x.

Exhibit 54: Current multiples

Blibli's current multiple valuations					
	2021	2022	2023E	2024E	2025E
TPV	32,403	61,396	78,235	91,079	96,806
Gross revenue	9,517	16,629	19,654	23,871	26,608
Net revenue	8,858	15,269	18,412	22,612	25,344
Gross profit ex. Discount (GPBD)	1,239	2,582	4,039	5,105	5,633
Gross profit	580	1,222	2,989	5,087	7,367
P/TPV	1.7	0.9	0.7	0.6	0.6
P/Gross revenue	5.7	3.2	2.7	2.3	2.0
P/Net revenue	6.1	3.5	2.9	2.4	2.1
P/GPBD	43.6	20.9	13.4	10.6	9.6
P/Gross profit	93.2	44.2	18.1	10.6	7.3
EV/TPV	1.7	0.9	0.7	0.6	0.6
EV/Gross revenue	5.7	3.2	2.7	2.3	2.0
EV/Net revenue	6.1	3.5	2.9	2.4	2.1
EV/GPBD	43.6	20.9	13.4	10.6	9.6
EV/Gross profit	93.2	44.2	18.1	10.6	7.3

Source: Bloomberg, Company, KBVS Research

In addition to using mutiple-based valuation, we also run SOP-based valuation as an alternative based on our estimate in evaluating each business operations that comprise of omnichannel retail, travel & lifestyle, and marketplace.

While we acknowledge that our method of segment re-grouping may not fully represent Blibli's unique omnichannel approach, we argue it may still be reasonable to use benchmarking to gauge value of each segment with comparable peers.

Exhibit 55: Benchmark of valuation

Omnichannel retailers for consumer electronic and groceries								
Companies	**Ticker**	**Market**	**Country of operations**	**Market Cap (USD bn)**	**Revenue (USD bn)**	**P/Revenue 2023**	**2024**	**2025**
Amazon	AMZN	US	US	1,290	514	2.5	2.3	2.1
Rakuten	RKUNY	US	US, E. Asia	1,154	1900	0.6	0.4	0.3
Walmart	WMT	US	US	401	611	0.7	0.6	0.5
Target.com	TGT	US	US	70	109	0.6	0.5	0.4
Best Buy	BBY	US	US	15	46	0.3	0.2	0.2
Alibaba	BABA	US	China, Asia	223	127	1.8	1.7	1.6
Average						**1.1**	**1.0**	**0.9**
Median						**0.6**	**0.6**	**0.5**
Travel and lifestyle companies								
Companies	**Ticker**	**Market**	**Country of operations**	**Market Cap (USD bn)**	**Revenue (USD bn)**	**P/Revenue 2023**	**2024**	**2025**
Booking.com	BKNG	US	Europe	102.13	17.09	6.0	5.8	5.7
Air BnB	ABNB	US	US, China, Europe	69.301	8.4	8.3	8.1	8.0
Make My Trip	MMYT	US	India, US, Middle East	2.74	0.593	4.6	4.5	4.4
Average						**6.3**	**6.1**	**6.0**
Median						**6.0**	**5.8**	**5.7**
E-commerce (B2C, C2C)								
Companies	**Ticker**	**Market**	**Country of operations**	**Market Cap (USD bn)**	**Revenue (USD bn)**	**Revenue 2023**	**2024**	**2025**
SEA/Shopee	SE	US	Asia, Latin America	39.217	12.46	3.1	2.7	2.5
GOTO	GOTO	Indonesia	Indonesia	135.03	11.35	11.9	9.6	7.3
Bukalapak	BUKA	Indonesia	Indonesia	20.612	3.7	5.6	5.4	5.2
eBay	EBAY	US	US, Europe	23.25	9.7	2.4	2.3	2.1
Mercardo Libre	MELI	US	Latin America	65.816	10.54	6.2	6.0	5.8
Average						**5.9**	**5.2**	**4.6**
Median						**5.6**	**5.4**	**5.2**

Source: Bloomberg, Company, KBVS Research

We put together companies with various countries of operations, both domestically and globally and separate them into three groups, assembling Blibli's business segment. As for omnichannel retail, 2024F P/revenue of peers is ranging between 0.2x and 2.3x. We derive Blibli's 2024F P/revenue at 1.6x, or lower than other omnichannel giants Amazon (AMZN) and Alibaba (BABA) that holds largest market shares and considered to be omnichannel pioneers in respective countries. P/revenue-based multiples of AMZN and BABA stand at 2.3x and 1.7x of 2024F P/ revenue.

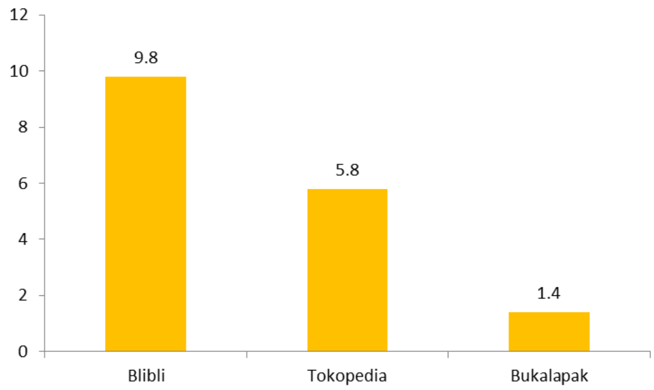
Furthermore, we assume Blibli's travel and lifestyle segment that is primarily represented by Tiket.com at 2024F P/revenue at 6.1x, placed in the middle between P/revenue of Booking.com (BKNG) and Air BnB (ABNB) 2024 P/revenue at 5.8x and 8.1x, respectively. However, it is in-line with peers' average multiple.

Exhibit 57: SOP-based valuation

Blibli's SOTP valuation							
Segments	**Basis**	**multiple**	**base value**	**value**	**Per share**	**% SOTP**	**Remarks**
Omnichannel retail	24F P/Revenue	1.6	19,463,323	31,141,316	262.9	47.0%	Higher than peer average, yet lower than AMZN, BABA
Travel and lifestyle	24F P/Revenue	6.1	1,313,175	8,010,365	67.6	12.1%	Lower than peers' average, incld. BKNG's
Marketplace	24F P/Revenue	6.6	1,835,164	12,020,325	101.5	18.2%	Higher than peers' average and BUKA, yet below GOTO
Net debt	Rolling forward			2,106,874	17.8		
Minority interest				-297,516	-2.5		
SOTP-based valuation/sh					**447.2**		
15% scarcity premium					67.1		
10% ESG application					44.7		
Target price					**559.0**		

Source: Company, KBVS Research

Exhibit 58: OPEX and incentives to TPV (%)



Source: Company, KBVS Research

Meanwhile, we derive 2024F P/revenue at 7.4x for Blibli's e-commerce segment, which puts it within premium range compared to average valuation of peers. However, if we eliminate global peers, leaving only domestic competitors, Blibli's multiple sits in the middle, or higher than BUKA at 5.4x 2024F, yet lower than GOTO's at 9.6x as we underline Blibli's better take rate compared to domestic peers. Though it is worth mentioning that Blibli's higher opex costs including incentive relative to peers might have justified its lower P/revenue multiple compared to GOTO's (BUY, TP:IDR150), in our view. **Our SOP-based valuation is in-line with consolidated relative valuation at IDR559/share**.

Global Digital Niaga (BELI)

FINANCIAL TABLES

Exhibit 59: Profit & loss summary

Year End Dec (IDR bn)	2021A	2022A	2023F	2024F	2025F
Net revenue	**8,858**	**15,269**	**18,412**	**22,612**	**25,344**
Cost of revenue	(8,278)	(14,047)	(15,423)	(17,524)	(17,977)
Gross profit	580	1,222	2,989	5,088	7,367
Operating profit	(3,785)	(5,007)	(3,853)	(2,088)	2
EBITDA	**(3,677)**	**(4,869)**	**(3,682)**	**(1,950)**	**134**
Net other income/expenses	(52)	(180)	(8)	(153)	(151)
Pretax profit	**(3,887)**	**(5,229)**	**(3,873)**	**(2,287)**	**(200)**
Income tax/ benefit	(70)	(307)	(217)	(128)	(11)
After tax profit	**(3,357)**	**(5,536)**	**(4,090)**	**(2,415)**	**(211)**
Non-controlling shareholders	**(22)**	**(33)**	**(25)**	**(14)**	**(1)**
Attributable profit	**(3,334)**	**(5,503)**	**(4,065)**	**(2,400)**	**(210)**

Source: Company, KBVS Research

Exhibit 60: Balance sheet

Year End Dec (IDR bn)	2021A	2022A	2023F	2024F	2025F
Current assets					
Cash and cash equivalents	4,999	3,071	3,021	1,893	2,524
Trade receivables	444	992	1,066	989	821
Other current assets	2,304	2,494	3,077	2,756	2,523
Total current assets	**7,747**	**6,557**	**7,165**	**5,639**	**5,868**
Non-current assets					
Fixed assets	1,805	1,776	1,765	1,800	1,818
Investments	4,817	1,973	1,977	1,681	1,597
Other non-current assets	4,021	3,770	3,791	3,768	3,756
Total non-current assets	**10,643**	**7,520**	**7,532**	**7,248**	**7,171**
Total assets	**18,389**	**14,077**	**14,697**	**12,887**	**13,038**
Current liabilities					
Trade payables	1,231	1,522	1,880	2,274	2,035
Accruals	308	300	274	350	360
Short term debts	5,060	85	4,489	4,000	4,489
Other current liabilities	592	816	766	1,146	1,128
Total current liabilities	**7,191**	**2,724**	**7,408**	**7,770**	**8,012**
Non-current liabilities					
Long-term debts	0	0	0	0	0
Other non-current liabilities	1,113	871	873	1,101	1,220
Total non-current liabilities	**1,113**	**871**	**873**	**1,101**	**1,220**
Minority interests	333	298	298	298	298
Shareholders' equity	**9,752**	**10,184**	**6,119**	**3,719**	**3,509**
Total liabilities and equity	**18,389**	**14,077**	**14,697**	**12,887**	**13,038**

Source: Company, KBVS Research

Global Digital Niaga (BELI)

Exhibit 61: Cash flow

Year End Dec (IDR bn)	2021A	2022A	2023F	2024F	2025F
Net profit	(3,334)	(5,503)	(4,065)	(2,400)	(210)
Depreciation & amortization	233	405	410	409	410
Changes in working capital	(622)	(234)	(406)	1,031	109
CF from operating activities	**(3,723)**	**(5,333)**	**(4,061)**	**(960)**	**309**
Investment in fixed assets	(643)	(185)	(202)	(252)	(237)
Investment	(1,630)	2,844	(4)	297	84
Others	(2,604)	59	(217)	(170)	(179)
CF from investing activities	**(4,877)**	**2,718**	**(422)**	**(125)**	**(332)**
Net change in debt	5,060	(4,975)	4,404	(489)	489
Net change in equity	10,841	5,900	0	0	0
Others	(3,615)	(238)	29	446	165
CF from financing activities	**12,285**	**687**	**4,433**	**(43)**	**654**
Change in cash flow	**3,685**	**(1,928)**	**(50)**	**(1,128)**	**631**
Cash and cash equivalents, beginning	**1,314**	**4,999**	**3,071**	**3,021**	**1,893**
Cash and cash equivalents, ending	**4,999**	**3,071**	**3,021**	**1,893**	**2,524**

Source: Company, KBVS Research

Exhibit 62: Ratio analysis

Year End Dec	2021A	2022A	2023F	2024F	2025F
Gross profit (%)	7.3	6.5	8.0	16.2	22.5
Operating profit margin (%)	-42.7	-32.8	-20.9	-9.2	0.0
EBITDA margin (%)	-41.5	-31.9	-20.0	-8.6	0.5
Net profit margin (%)	-37.6	-36.0	-22.1	-10.6	-0.8
Receivables turnover (x)	22.07	21.28	17.89	22.00	28.00
Inventory turnover (x)	10.4	10.7	9.4	9.4	11.0
Payable turnover (x)	9.2	9.8	9.1	8.5	8.5
ROAA (%)	-18.1	-39.1	-27.7	-18.6	-1.6
ROAE (%)	-52.7	-53.5	-48.1	-46.0	-5.4
Debt/ Equity (x)	50.2	0.8	70.0	99.6	117.9
Net debt/Equity (x)	0.0	-0.3	0.2	0.5	0.5
Net debt/ EBITDA (x)	0.0	0.6	-0.4	-1.1	14.7
Sales/Asset turnover (x)	0.48	1.08	1.25	1.75	1.94
Interest coverage (x)	-27.8	-17.6	-40.2	-8.1	0.5
EPS (IDR)	-28.15	-46.45	-34.31	-20.26	-1.77
BV/Share (IDR)	5.4	5.2	8.4	13.4	14.2
Dividend yield	0.0	0.0	0.0	0.0	0.0

Source: Company, KBVS Research

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