

PT BLUE BIRD TBK. (BIRD)

Riding The Wave!

PT Blue Bird Tbk. (BIRD) recorded revenue growth of 7.1% year-on-year in the first quarter of 2024 to IDR 1.12 trillion. However, the company's net profit in this period fell 6.8% YoY to IDR 117.3 billion. Despite the decline and the impact of royalty fees, the company was still able to achieve a net profit margin above 10%. The ARPV (Average Revenue Per Vehicle) per day for Regular Taxi in this period reached IDR 666K, with an operating fleet of 12,060 units (+4.9% YoY).

Cooling down in Q1

- The company's net profit for the first quarter grew 23.8% QoQ, but declined by 6.8% YoY to 117.3 billion. This decline was due to the OpEx, it grew by 28.9% YoY in 1Q24, but managed to book a lower OpEx of 11.9% QoQ. This resulted in quarter-on-quarter operating profit falling by just 1.3%, amidst a 6.1% QoQ decline in revenue. As such, 1Q23 profit after tax was recorded at IDR 117 billion, down 6.8% YoY.

Strengthening happens in company's segments

- Taxi segment revenue showed y/y growth of 4.6% to reach IDR828 billion, equivalent to 73.9% contribution to consolidated revenue. In the taxi segment, the utilization rate of regular taxis was maintained at 79%, in line with last year. Overall, the number of fleet in the taxi segment grew 2% YoY, but the operational fleet grew much more with 5.8% YoY demonstrating the company's commitment to further optimize assets. In the Regular Taxi category, the contribution from non-Greater Jakarta increased from 13% in Q1-23 to 14% in Q1-24. Furthermore, the non-taxi segment showed higher growth than the taxi segment, with an annualized increase of 14.7% to Rp255 billion. Making the contribution of the non-taxi segment accounted for approximately 26.1% of total revenue.

Upcoming Strategy

- To compete and increase growth, the company continues to innovate by implementing the 3M strategy (multi-channel, multi-payment, and multi-product). It now offers MyBluebird Subscription on the MyBluebird app, which is the company's attempt to attract and acquire more clients through bundling on its platform. The company continues to look for new portfolios to reach out to the cities it currently operates in a bid to increase scalability, expand the submarket sector and improve mass transportation.

ESG Initiatives & CAPEX

- In 2024, the Company has allocated a higher capex compared to 2023, amounting to Rp2.0-Rp2.4 trillion. This capex is mostly for fleet rejuvenation and expansion. The Company is targeting more than 7,000 units with a net addition of around 3,000 units for all segments. The addition of this fleet is to fulfill the growing demand, increase ARPV and penetration of the expansion of new segments in the company's business ecosystem.
- To reduce 50% emissions and waste by 2030 as per the company's target, the company successfully increased its EV fleet from 193 units as of Dec-23 to 225 units by the end of March 24. Collectively, the company has recorded 174 thousand tons of carbon emission reduction from 2018 to 1Q24 supported by the implementation of CNG vehicles, EVs, and solar panels.

Buy Initiation with TP at IDR 1,800 (+18.81% Upside Potential)

- We recommend Overweight with a target price of IDR 1800, which implies a P/E ratio of 8.5x, which is equivalent to -0.18 Standard Deviation of 2 Year Forward PE. We believe that this target price is quiet conservative, given the company's strong GCG & Brand Presence as well as considering future earning potential, with stable business growth in 2024.
- Risks of this recommendation: 1) domestic regulation changes & counterproductive to business 2) Macro volatility, fuel prices, and local economic downturn that may reduce purchasing power, thereby lowering operating income per segment.

Blue Bird Tbk | Summary (IDR bn)

in IDR bn	2023A	2024F	2025F	2026F
Revenue	4,422	4,725	5,359	5,895
Revenue growth	23.2%	6.8%	13.4%	10.0%
Net profit	453	533	461	525
EPS (IDR)	181	213	184	210
Net Profit growth	26.4%	48.7%	-13.5%	13.9%
NPM	10.0%	11.3%	8.6%	8.9%
ROE	8.4%	9.4%	7.5%	8.0%
ROA	6.4%	7.0%	5.4%	5.8%
P/E	9.9x	8.5x	9.8x	8.6x
P/BV	0.8x	0.8x	0.7x	0.7x
EV/EBITDA	4.3x	5.1x	4.8x	4.3x

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer



Initiation Report | May 15 - 2024

Buy

Target Price (IDR)	1,800
Consensus	2,227
TP to Consensus Price	-19.16%
vs Last Price	18.81%

Shares data

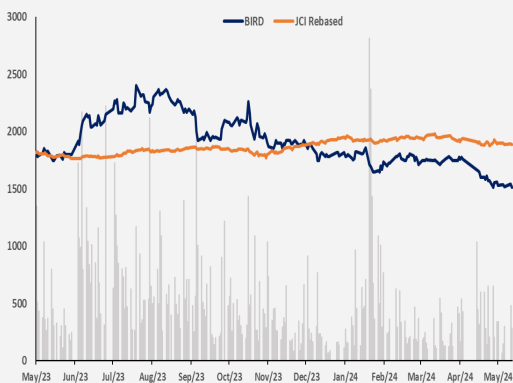
Last Price (IDR)	1,515
Price date as of	14-May-24
52 wk range (High/Low)	2430/1500
Free float (%)	28.95
Outstanding shares (mn)	2,502
Market Cap (IDR bn)	3,803
Market Cap (USD mn)	237
Avg Trading Vol - 3M (mn)	236.69
Avg Trading Val - 3M (IDR bn)	2.08
Foreign Ownership (%)	7.25

Transportation

Transit Services

Bloomberg	BIRD IJ
Reuters	BIRD JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-16.8%	-13.9%	-14.9%	-17.2%
Rel. Ret.	-13.5%	-11.1%	-13.1%	-22.8%

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Sector Overview

After going through the pandemic and geopolitical conflicts, amidst the global economic slowdown and falling commodity prices, Indonesia can still record GDP growth of 5.05% YoY in 2023. In which, from the production side, the highest growth for 2 years occurred in the Transportation and Warehousing business field by 13.96 percent in 2023.

Indonesia's logistics and transportation trends in 2024 are supported by several key factors:

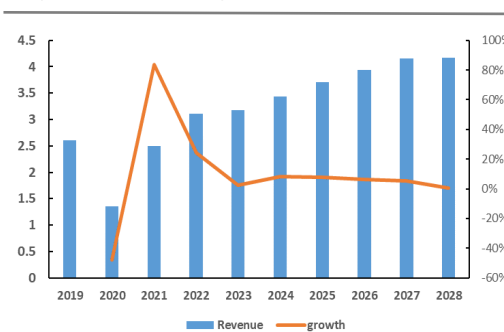
-Infrastructure Investment: The Indonesian government continues to invest heavily in transportation infrastructure, such as the Trans-Java Toll Road, new airports and ports, and the construction of a new capital city, IKN in Kalimantan. This improved infrastructure will streamline logistics networks and reduce costs. Also, reducing infrastructure gaps will increase foreign direct investment (FDI).

-Digitalization: IoT & AI digital technologies will improve process optimization, supply chain visibility, and facilitate data-driven decision making. From the logistics side, for example, the technologies help track the movement of goods in real time, and choosing the best route for transport.

-Increasing community mobility: this can be seen from the recent increase in community activity after two years of the COVID-19 pandemic. Based on Google Mobility data processed by BPS, public mobility in the first three months of 2022 was the best since the beginning of the pandemic. Taxi segment revenue in some companies has even returned to pre-COVID-19 levels, the industry is also predicted to reach more than 4 Billion USD in revenue.

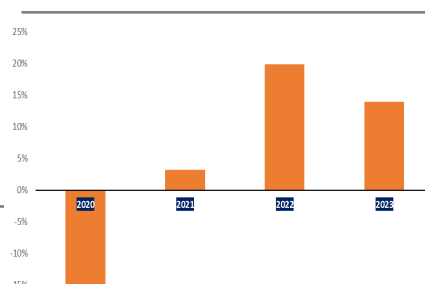
-Efficiency in online taxis: Reduced discounts in ride-hailing services have increased fares, positively impacting taxi services to compete. Ride-hailing companies, such as Gojek (GoTo) are now focusing on profitability by increasing fares and reducing discounts and incentives. This provides an opportunity for taxi services, such as BIRD, to offer a more premium experience at a less differentiated price.

Image 1. Revenue ride-hailing & taxi market in Indonesia 2019 - 2028



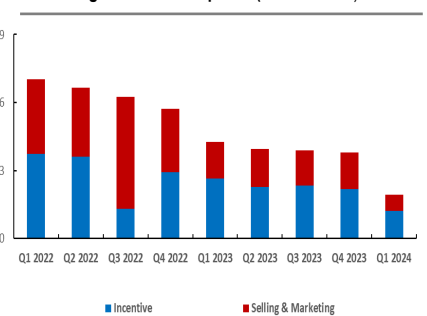
Source: Statista, NHKSI Research

Image 2. Transportation & Warehousing Growth (%)



Source: BPS, HKSI Research

Image 3. GoTo's Expense (In Trillion IDR)



Source: GoTo, HKSI Research

Year of Uncertainty, amidst high hopes for a successful economic recovery in 2024, there are also a number of challenges that must be anticipated, such as:

-Global Macro Disruptions & Uncertainty: From democratic elections of leaders almost all over the world & the continuation of wars that cause restrictions on access to supply chains, the result is an increase in energy, logistics and commodity prices, making the prospects for economic recovery highly dependent on the duration of the war, global political stability, and the ability to overcome disruptions in commodity flows.

-Rising Energy Prices: Global supply chain disruptions have driven up commodity prices, especially oil, causing high inflation in many countries. As the main driver of the transportation business, world oil prices have risen 4x since covid first hit in February 2020 and the effects of war have also pushed world oil prices to more than 80\$ / per barrel. Also supported by OPEC reducing its oil production volume.

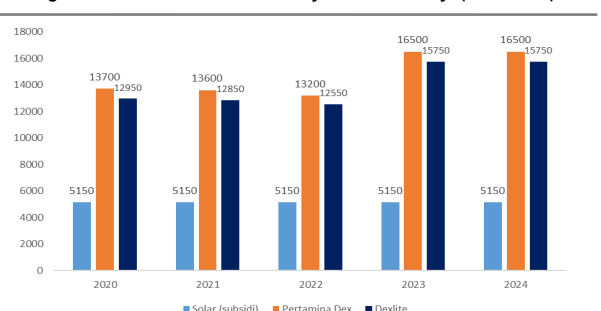
-Regulatory Environment: With the new government, the allocation policy of the state budget and **fuel subsidies** will play a crucial role, where the allocation is used for infrastructure development and other state work programs that will impact the company's operational burden in the logistics sector. Pertamina also projects that fuel will increase by **more than 2% CAGR until 2030**,

Image 4. Crude Oil WTI Price Monthly (2020-2024)



Source: Bloomberg, HKSI Research

Image 5. Indonesia BBM Price every 1st of January (2020-2024)

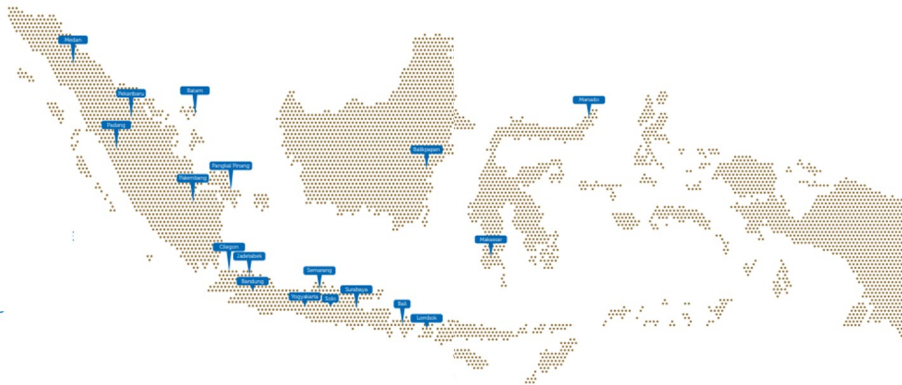


Source: Pertamina, NHKSI Research

Business Overview

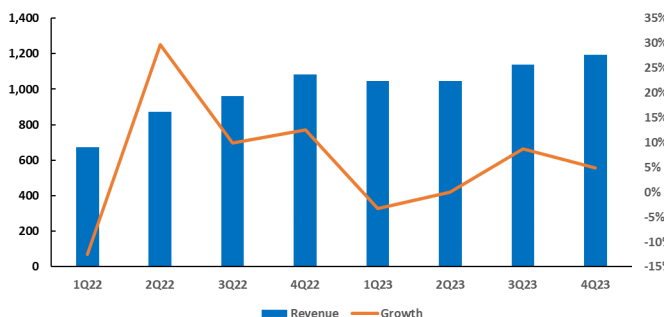
PT Blue Bird Tbk (doing business as Bluebird) is a transportation company known as the leading taxi service company in Indonesia with its official headquarters in West Jakarta and operational headquarters in South Jakarta. To support its business activities, by the end of 2021, the company has more than 20,000 fleets and 23,000 employees operating in 48 pools throughout 18 cities. In addition to operating Blue Bird taxis, the company also operates other businesses, such as Silver Bird (executive taxi), Golden Bird (Rental Services), Big Bird (Bus Service), Caready (Car Auction), Delivery Services and the latest from the company, Bird Mobil (Used Car Buying and Selling Services).

Image 6. BIRD Operational Network Area



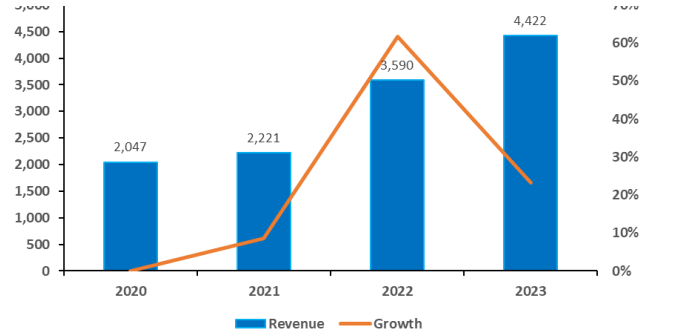
Source: BIRD

Image 7. BIRD Revenue QoQ in Billion IDR



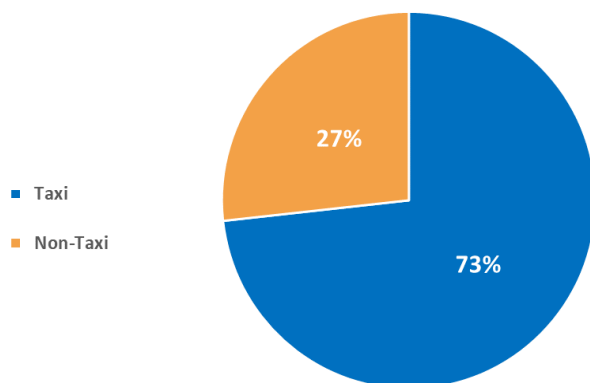
Source: BIRD, NHKSI Research

Image 8. BIRD Revenue (YoY) in Billion IDR



Source: BIRD, NHKSI Research

Image 9. BIRD Revenue Breakdown 2023



Source: BIRD, NHKSI Research

Image 10. BIRD Business Ecosystem



Source: BIRD

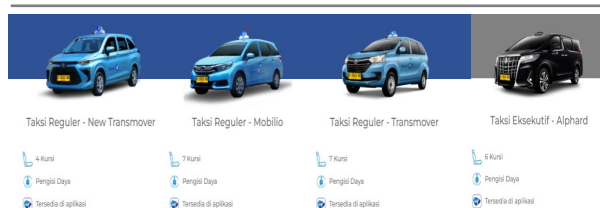
Taxi

The taxi operation segment is the core segment of the Company's business that provides taxi services:

- The company provides regular taxi service under the "Bluebird" and "Pusaka" brands in various locations in Indonesia, including Jakarta, Depok, Tangerang, Bekasi, Bandung, Cilegon, Batam, Semarang, Manado, Medan, Padang, Palembang, Pekanbaru, Surabaya, Makassar, Bangka Belitung, Yogyakarta, Bali, and Lombok. With fleet types ranging from Sedans, MPVs, to electric vehicles.
- Executive Taxi: The company operates executive taxis under the brand "Silverbird" in Jakarta. Silverbird is a lineup of premium vehicles, ranging from minivans to electric cars. These premium taxis are known for their black color, and coziness, with a comfortable and spacious interior.

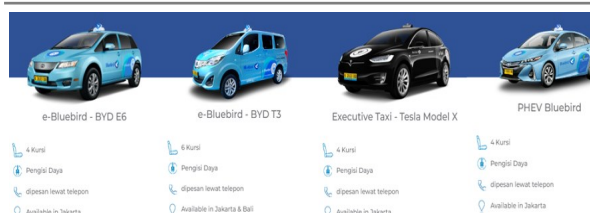
Until the end of 2023, the regular taxi fleet amounted to 15,351 units, an increase of 960 units or 6.67% from 2022 which amounted to 14,391 units. Meanwhile, the executive taxi fleet amounted to 882 units, an increase of 147 units or 20.00% from 2022's 735 units.

Image 11. Regular & Executive Taxi Types



Source: BIRD

Image 12. Electric Vehicle (EV) Taxi Types



Source: BIRD

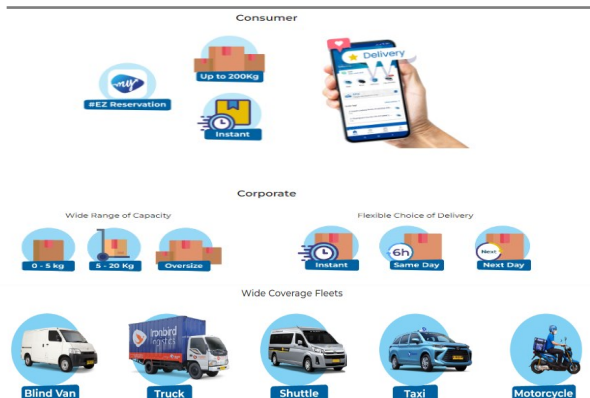
Logistics Service

Bluebird Kirim

In 2020, Bluebird inaugurated its logistics service as a continuation of the Chat, Order, Delivery (COD) program which aims to be a solution to fulfill needs amid mobility restrictions. The Bluebird Kirim service offers convenience and efficiency in terms of the speed of logistics services within the city through loading transportation facilities of up to 750 liters or 200 Kilograms in one trip.

The Company launched the Bluebird Kirim service which is a logistics delivery service using the Bluebird fleet spread across 16 regions. Users can choose the Delivery service and enjoy the fixed price feature to get certainty of delivery rates in the MyBluebird application.

Image 13. Bluebird Kirim

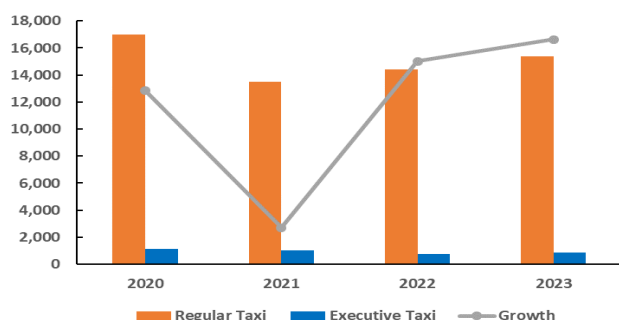


Source: BIRD

The total revenue earned by the Company from the taxi operation segment during 2023 amounted to Rp3.28 trillion, an increase of 17.82% or Rp496.73 billion from 2022 which amounted to Rp2.79 trillion. This reflects the Company's ability to cope with the increase in volume on demand again mainly due to the transition period from the end of the COVID-19 pandemic. Where this can be a momentum for the Company because community activities and mobility are slowly returning to normal, so that business activities and the frequency of people traveling are bustling again.

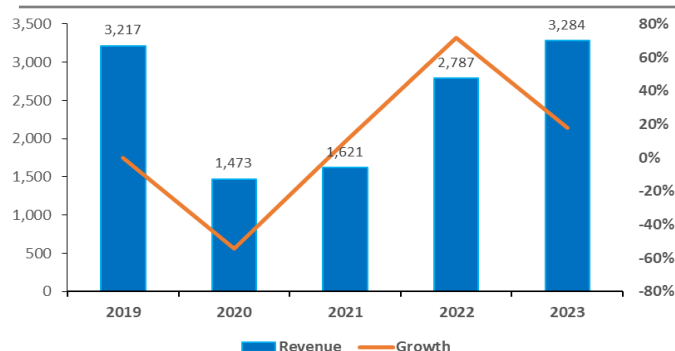
Bluebird Taxi segment revenue for the full-year 2023 has exceeded 2019 (Rp 3.21 trillion), which was the pre-pandemic period.

Image 14. Number of Fleet Taxi



Source: BIRD, NHKSI Research

Image 15. Taxi Revenue (in Billion) IDR



Source: BIRD, NHKSI Research

Non—Taxi

Through the Non-Taxi segment, the following services are offered by BIRD:

- A) **Limousine and Car Rental:** through PT Pusaka Prima Transport, provides vehicle rental services tailored to customer needs, namely short-term rental (hourly, daily, drop-off and pick-up) and long-term contract rental, spread across 20 locations in Indonesia, namely Medan, Pekanbaru, Padang, Palembang, Bangka Belitung, Batam, Jabodetabek, Cilegon, Bandung, Yogyakarta, Solo, Semarang, Surabaya, Bali, Lombok, Balikpapan, Pontianak, Banjarmasin, Makassar, and Manado.
- B) **Bus Rental:** The Company, through PT Big Bird Pusaka, operates bus rental services in 8 locations in Indonesia, namely Jakarta, Surabaya, Bandung, Bali, Medan, Palembang, Padang and Yogyakarta. The services are aimed at individual customers as well as domestic and international corporations, including international schools, multinational companies, as well as the general public.
- C) **Shuttle:** The Company, through PT Trans Antar Nusabird, provides inter-city passenger land transportation services under the brand "Cititrans". This service is currently available in Jakarta, Tangerang, Soekarno Hatta Airport, Bandung, Semarang, Solo, Yogyakarta, Surabaya, and Malang. This service is present to meet the needs of the general public, domestic and international tourists, as well as corporate customers.
- D) **Auction:** Balai Caready Auction Center is a joint venture between PT Blue Bird Tbk, Mitsubishi HC Capital Inc, and PT Takari Kokoh Sejahtera. Caready Auction Hall always develops by realizing innovations in conducting auctions. Currently the auction is not only vehicle units, but also various types of e-commerce goods that can reach a wider customer segment. So that there are various units auctioned at Caready Auction Hall, ranging from motorcycles, cars, small / large trucks, heavy equipment, and various goods. Currently, Caready Auction Center has 3 main branches, namely in Bekasi, Surabaya and Palembang.

Image 16. BIRD Car Rental Type



Source: BIRD

Image 17. Shuttle Bird Type



Source: BIRD

Image 18. BIRD Car Rental Type



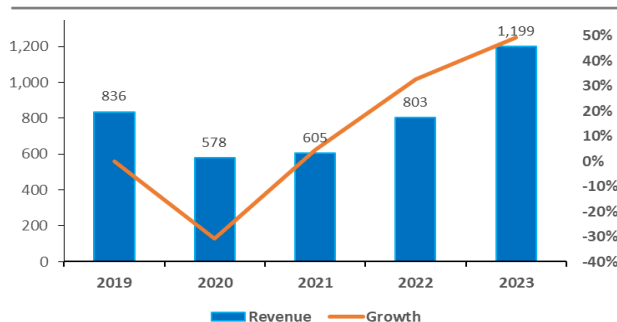
Source: BIRD

Image 19. Bird Caready Auction



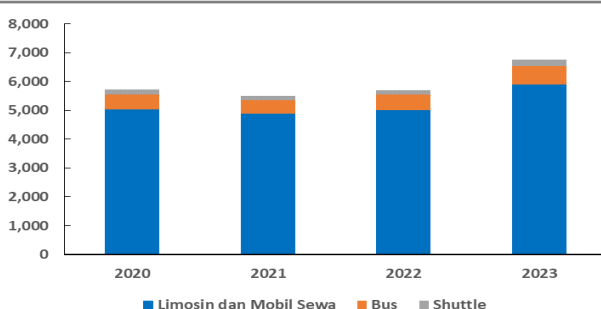
Source: BIRD

Image 20. BIRD Non-Taxi Segment Revenue



Source: BIRD, NHKSI Research

Image 21. Numbers of Fleet Non Taxi



Source: BIRD, NHKSI Research

The total revenue earned by the Company from the Non-Taxi segment (vehicle rental, buses, shuttles, and auctions) during 2023 amounted to Rp1.20 trillion, an increase of Rp395.77 billion or 49.29% from the previous year which amounted to Rp0.80 trillion. The revenue achieved by the company has also exceeded the company's revenue in the pre-pandemic period in 2019.

This segment also expanded, by continuing to penetrate the car rental market, adding outlets for shuttle and auction services, expanding bus service planning to cover mBIRD public transportation, and launching new businesses to complement the Company's ecosystem.

Given its strong foundation, the vehicle and bus rental operating segment has a total fleet of 5,903 units, of which 5,006 units are vehicle rental fleets. This number increased by 897 units or 17.92% compared to 2022. Meanwhile, the number of bus fleets reached 623 units, an increase of 95 units and up 17.99% from the previous year which amounted to 528 units. The shuttle fleet has also increased, from 170 units in 2022 to 239 units in 2023, or an increase of 69 units.

Image 22. Solar Panel Inauguration



Source: BIRD

ESG

The company is committed to supporting environmental sustainability by implementing the use of new renewable energy. One month after the groundbreaking, on Tuesday, June 13, 2023 PT Blue Bird Tbk together with SUN Energy is ready to optimize smart solar panels with a power of 215.6 kWp which is projected to reduce more than 200 tons of carbon emissions per year, in accordance with Bluebird's Sustainability Vision on the BlueSky pillar with the main agenda of 50:30 or reducing emissions by **50 percent by 2030**.

Bluebird has also built 24 electric vehicle charging points (electric vehicle charging stations) and purchased 192 electric vehicles, consisting of 84 taxis and 108 rental fleets. Bluebird aspires to gradually increase the number of electric vehicles to **10% of the number of operating cars by 2030**.

Digital Innovation

MyBluebird provides customer mobility solutions through three pillars: Multi-Channel to increase accessibility, Multi-Payment to provide convenience and comfort in transactions, and Multi-Product, to provide service options that can be tailored to needs. In addition, Bluebird has also collaborated with several e-Commerce & banks as an alternative digital payment tool. Bluebird also launched the EZPay feature on MyBluebird for fast cashless payments.

Image 26. PT Blue Bird Tbk Wins Top Digital Innovation

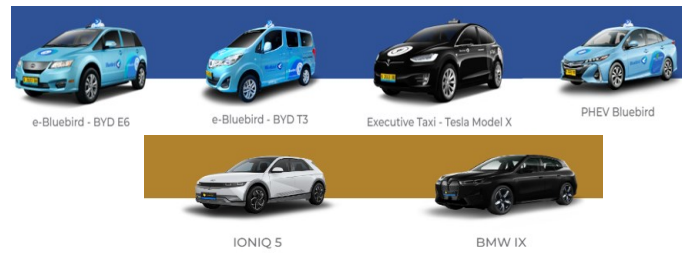


Source: BIRD

Internet of Things (IoT)

The Bluebird fleet is equipped with an Internet of Things (IoT) device that functions as a digital taximeter, Global Positioning System (GPS), communication system with the central operator, cashless payment system and information system that provides the latest data related to fleet conditions, including speed limit alarms.

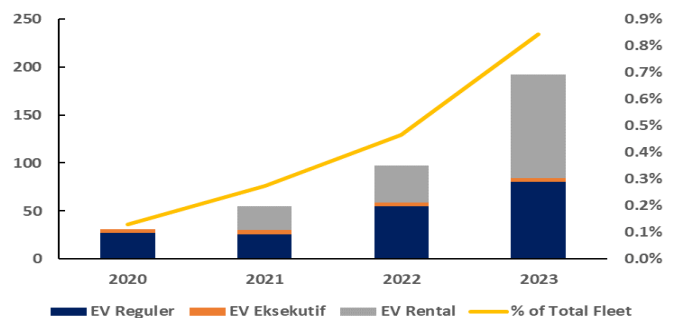
Image 23. Types of All Electric Vehicles



Source: BIRD.

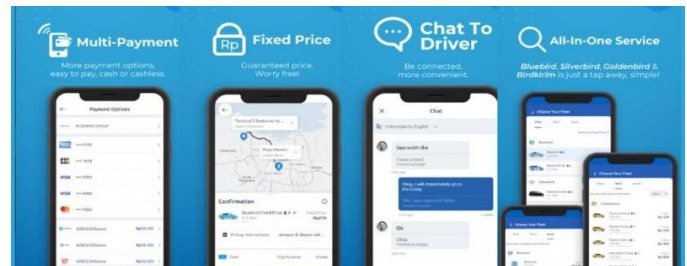
NHKSI

Image 24. Total EV YoY



Source: BIRD, NHKSI Research

Image 25. My Bluebird Application



Source: BIRD

Image 27. Bni X Bluebird



Source: BIRD

Image 28. PT Blue Bird Tbk IoT



Source: BIRD

Management Profile

Board of Directors



Ir. Adrianto Djokosoetono, MBA

President Director

Indonesian citizen. He obtained his Industrial Engineering degree from Institut Teknologi Bandung (ITB), Master of Business Administration from Bentley University, and Owner/President Management from Harvard Business School.

Previous Experience:

- Since 2015, Andre has served as Chairman of the Central Executive Board (DPP) of the Organization of Land Transportation (Organda) and Chairman of the Land Transportation Standing Committee at the Indonesian Chamber of Commerce and Industry (Kadin).
- In 2018, Andre was appointed as Chairman of the Land & Rail Committee at the Indonesian Employers Association (APINDO).
- In 2019, Andre became Vice Chairman of Land Transportation at the DPP of the Indonesian Logistics and Forwarder Association (ALFI/ILFA).
- Andre also serves as a member of the Board of Directors and Board of Commissioners in several subsidiaries/ companies affiliated with PT Blue Bird Tbk.

Source: BIRD



Ir. Sigit Priawan Djokosoetono, MBA

Vice President Director

Indonesian citizen. Sigit graduated with a Bachelor of Mechanical Engineering degree from Trisakti University in 1993 and a Master of Business Administration degree from Simon School of Business, University of Rochester, New York, United States in 1997.

Previous Experience:

- During his career at PT Blue Bird Tbk (2021-2023), Sigit demonstrated impressive leadership, including as former President Director.
- At Bluebird, Sigit has held important positions such as Senior Operation Manager and Vice President of Central Operations.
- In addition to his corporate roles, Sigit has also served in several other positions, including as President Commissioner of PT Pusaka Andalan Perkasa and Hermis Consulting.
- Sigit also serves as Commissioner and President Director in various subsidiaries affiliated with Bluebird Group, including:
 - PT Pusaka Prima Transport (since 2001)
 - PT Prima Sarijati Agung (since 2002)
 - PT Silver Bird (since 2003)
 - PT Pusaka Buana Utama (since 2010)
 - PT Pusaka Niaga Indonesia (since 2010)
 - PT Pusaka Bumi Transport (since 2012)
 - PT Pusaka Nuri Utama (since 1997)

Source: BIRD



Irawaty Salim, SE

Director

Indonesian citizen. obtained his Bachelor of Accounting degree from Trisakti University in 1995 and studied Accounting Profession at Trisakti University in the period 2009-2010.

Previous Experience:

- Started her career in 1995 -2012 at Public Accounting Firm Purwanto, Suherman & Surja, which is part of Ernst & Young.
- In 2013, joining PT Blue Bird Tbk, Irawaty Salim served as General Manager Accounting until 2018.
- Then, thanks to her expertise, Irawaty Salim was trusted to serve as Vice President Accounting and Corporate Banking of PT Blue Bird Tbk in 2018.
- In 2022, she was trusted to carry out her duties as Independent Director.

Source: BIRD

Management Profile

Board of Commissioners



Bayu Priawan Djokosoetono, SE., MBM

President Commissioner

Indonesian citizen. He earned his Economics Management degree from Pancasila University in 2002 and his Master of Business Management degree from Monash University in Australia in 2005.

Previous Experience:

- Joined the company in 2005 as a Management Trainee in the Financial Administration Department.
- Promoted to Financial Administration Manager (2005-2006), Perigi Pool Operations Manager (2006-2007), and Halim Pool General Manager (2007-2009).
- Chief Commissioner of PT Pusaka Citra Djokosoetono (since 2013).
- Commissioner of PT Blue Bird Pusaka, PT Luhur Satria Sejati Kencana (since 2012), PT Pusaka Thrifty (since 2001), PT Pusaka Integrasi Mandiri (since 2008), PT Global Pusaka Solutions (since 2009), PT Lintas Buana Sakti, PT Golden Bird Metro, and PT Morante Jaya (since 2013).
- Director of several companies, including PT Pusaka Bumi Mutiara (since 2010), PT Pusaka Satria Utama, PT Big Bird Pusaka, PT Cendrawasih Pertiwijaya, and PT Pusaka Andalan Perkasa (since 2012).
- Member of HIPMI as General Treasurer (2011-2014).
- Vice General Treasurer of DPP KNPI (2011-2014).
- Vice Chairman of the Standing Committee on Transportation/Transportation and ASDP of Kadin Indonesia (2011-2014).

Source: BIRD



dr. Sri Adriyani Lestari

Commissioner

Indonesian citizen. She graduated from University of Indonesia Medical School in 1999.

Previous Experience:

- Joined the company as Assistant Director in 2001-2004.
- Served as General Manager of Garuda Pool from 2001-2004.
- Vice President of Regulatory Affairs from 2006-2013.
- Currently, member of the Board of Commissioners in several branches, including:
 - PT Pusaka Satria Utama (since 2000)
 - PT Big Bird Pusaka (since 2000)
 - PT Morante Jaya and PT Silver Bird (since 2003)
 - PT Pusaka Bumi Mutiara (since 2010)
 - PT Irdawan Multitrans (since 2011)
 - PT Cendrawasih Pertiwijaya (since 2012)
 - PT Pusaka Nuri Utama and PT Lintas Buana Taksi (since 2013)

Source: BIRD



Ir. Kresna Priawan Djokosoetono, MBM

Commissioner

Indonesian citizen. He graduated from the University of Indonesia in 1990 with a degree in mechanical engineering, and graduated from Asia Institute of Management, Philippines, in 1996 with a Master of Business Management.

Previous Experiences:

- Started his career as General Manager at PT Iron Bird from 1996-2000.
- Served as Vice President of Audit at Blue Bird Group from 2000-2012.
- As Vice Chairman of the special port force of Organda DKI Jakarta from 1998-2003.
- Currently, he also holds positions as President Commissioner in several branches of Blue Bird Group, among others: PT Pusaka Satria Utama (since 2000), PT Central Naga Europindo (since 2001), PT Golden Bird Bali (since 2002), PT Morante Jaya (since 2003), PT Cendrawasih Pertiwijaya (since 2008), PT Irdawan Multitrans (since 2011).
- Other positions undertaken: President Director of PT Pusaka Prima Transport (since 2001) Director of PT Iron Bird (since 2002), Director of PT Angkutan Kontenindo Antarmoda (since 2004), Director of PT Lombok Taksi Utama (since 2008).
- Member of the Supervisory Board of ASPERKINDO since 2008.

Source: BIRD

Management Profile

Board of Commissioners

Drs. Gunawan Surjo Wibowo

Commissioner

Indonesian citizen. Graduated from Tarumanegara University in 1986 with a degree in Economic Management.

Previous Experience:

- Vice Treasurer of DPP Organda DKI Jakarta from 1990-1995.
- Director of PT Silverinda Nusabird from 1993-2003.
- Treasurer of DPP Organda DKI Jakarta from 1995-1998.
- Director of PT Morante Jaya from 1995-2013.
- Senior Advisor of the company from 2001-2003.



Source: BIRD, NHKSI Research

Irjen Pol. (Purn.) Drs. Budi Setiyadi, SH, M.Si

Commissioner

Indonesian citizen. graduated from the Police Academy in 1985, Police Academic College in 1993, Police Staff and Leadership School in 2000, SESPATI in 2008 and Lemhannas in 2012. He also obtained his bachelor's degree in 1991 and master's degree in 1993.

Previous Experience:

- Dirlantas Polda Maluku
- Dirlantas Polda Riau
- Dirlantas Polda South Sulawesi
- Head of Renmin of Korlantas Polri
- Head of General Bureau of Lemhannas
- Expert Analyst for Science and Technology of Lemhannas
- Director General of Land Transportation Ministry of Transportation (since 2017)



Source: BIRD

Rinaldi Firmansyah, MBA

Independent Commissioner

Indonesian citizen. He was appointed as Temporary Financial Analyst of AIMR, Charlottesville in 1998. He completed his education at Bandung Institute of Technology in 1985 and obtained an Electrical Engineering degree, and obtained a Master of Business Management degree from IPMI, Jakarta, in 1988.

Previous Experiences:

- Product Manager at Citibank from 1988-1991.
- Vice President of PT Tirtamas Comexindo from 1991-1997.
- Joined PT Bahana Securities from 1997-2003.
- Served at PT Telekomunikasi Indonesia Tbk from 2004-2012, with the last position as President Director.
- Commissioner and Chairman of the Audit Committee at PT Semen Padang from 2003-2004.



Source: BIRD

Management Profile

Board of Commissioners



Komjen Pol. (Purn.) Drs. Setyo Wasisto, SH

Independent Commissioner

Indonesian citizen. He graduated from the Indonesian Police Academy (AKPOL) in 1984, holds a Bachelor of Police Science from PTIK Jakarta in 1988, and a Bachelor of Law from UKI Tomohon, North Sulawesi in 1995, graduated from the Police Staff and Leadership School in 1998, obtained a Post Graduate Certificate in Criminal Justice & Police Management from Leicester University, United Kingdom in 1999, and graduated from the National Defense Institute (Lemhannas) Indonesia in 2010.

Previous Experience:

- Senior Police Human Resources Officer (assigned to LEMHANNAS RI) (2015)
- Chief of the Legal Division of the Indonesian National Police (2016)
- Deputy Chief of the Intelligence and Security Agency of the Indonesian Police (2016)
- Chief of the Public Relations Division of the Indonesian Police (2017)
- Inspector General of the Ministry of Industry (2018-2019)

Source: BIRD



Alamanda Shantika, S. Kom, S. Si

Independent Commissioner

Indonesian citizen. She graduated with a Bachelor of Computer and Bachelor of Science from Bina Nusantara University.

Previous Experience:

- Founder and CEO of Binar Academy, a non-formal institution to produce competent talents in the digital field.
- Since 2019 until now, serving as an Independent Commissioner at PT Mandiri Capital Indonesia.
- Member of Human Resources and Digital Economy Study Team, Presidential Advisory Council.
- Previously, served as Vice President of People and Culture, Vice President of Product, and Technology Product Consultant at Gojek (now GoTo).
- Prior to that, she was the Head of Product Development Engineering at Kartuku.
- Achieved several awards, including Inspiring Woman of the Year 2018 at Elle Style Awards 2018, Woman of the Year 2017 by Her World magazine, 4.0 under 40 by Marketeers magazine, and Woman in Technology 2017 at Habibie Festival in 2017.

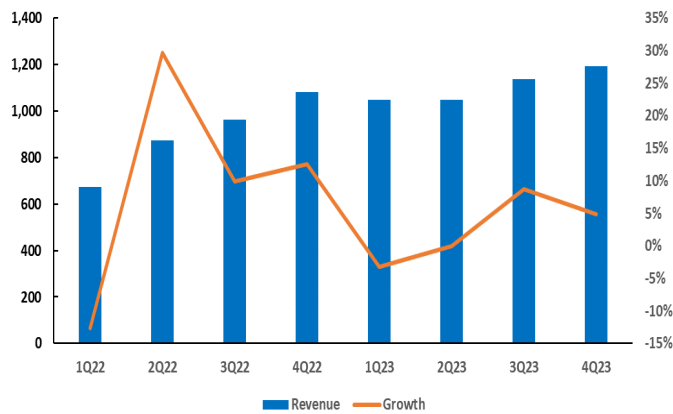
Source: BIRD

Source: BIRD

Outlook

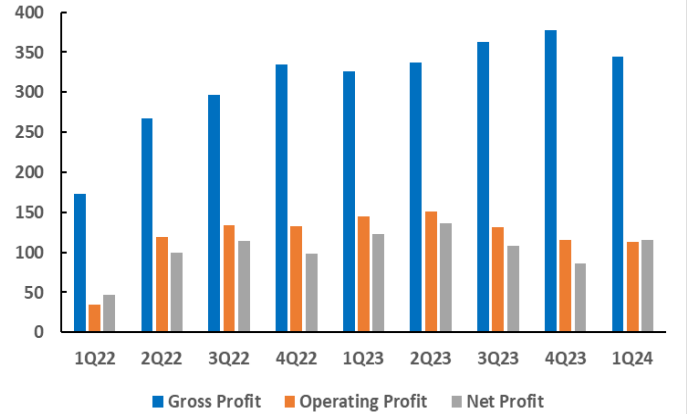
Financial Results Q1 2024

BIRD's Revenue Growth (IDR Bn)



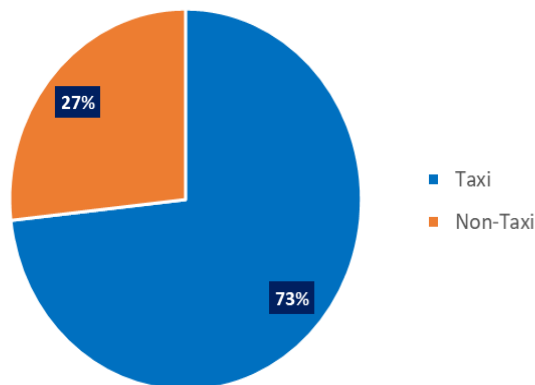
Source: BIRD, NHKSI Research

BIRD's Profitability (IDR Bn)



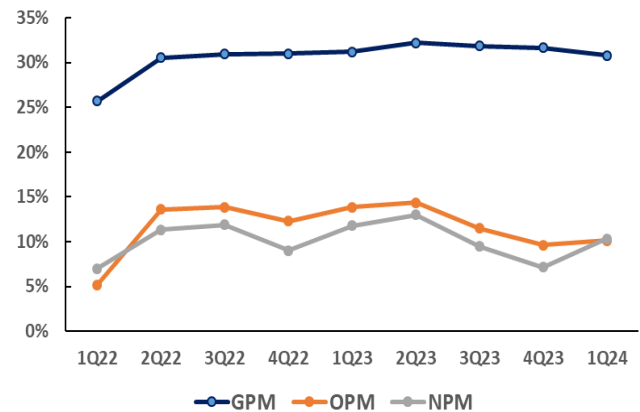
Source: BIRD, NHKSI Research

BIRD's Revenue Breakdown per Segment (1Q24)



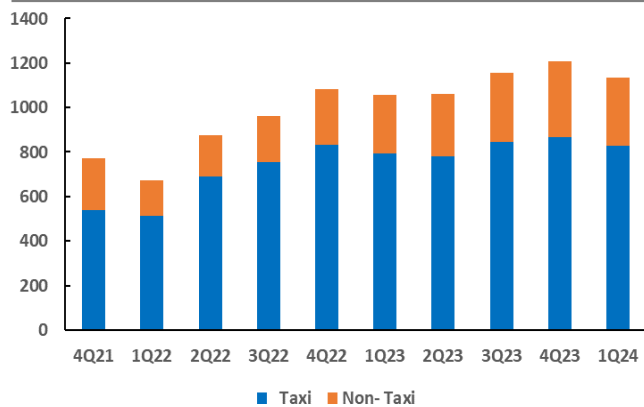
Source: BIRD, NHKSI Research

BIRD's Margin Ratio



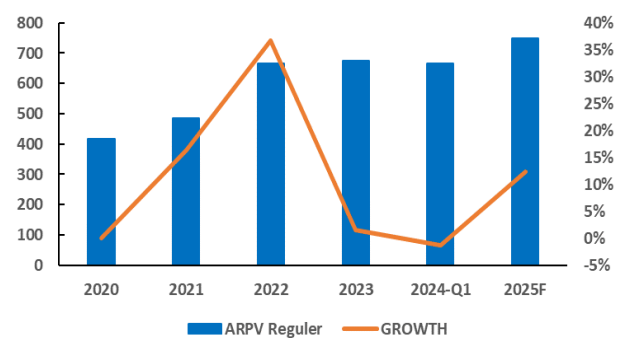
Source: BIRD, NHKSI Research

BIRD's Revenue Breakdown per Segment (QoQ)



Source: BIRD, NHKSI Research

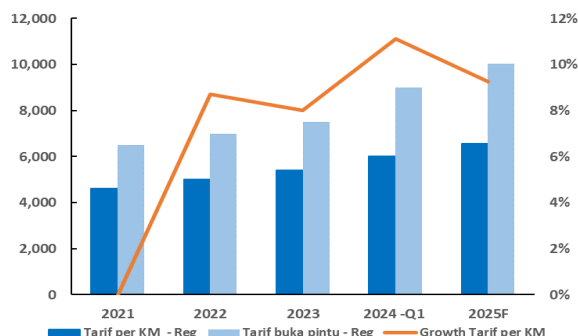
ARPV/Day Regular Taxi BIRD (Forecast)



Source: BIRD, NHKSI Research

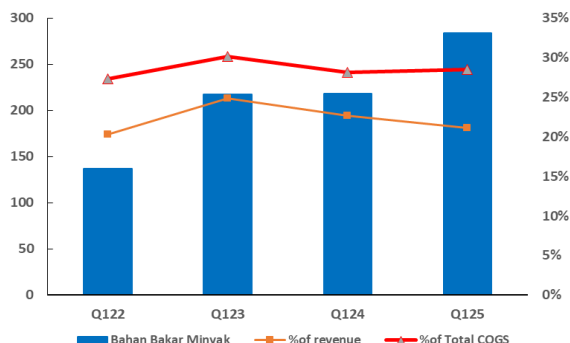
Valuation & Recommendation

Tarif Per KM BIRD (Forecast)



Source: BIRD, NHKSI Research

Fuel Cost BIRD (Forecast)



Source: BIRD, NHKSI Research

For 2025, we expect a +30% increase in fuel prices, based on the elimination of pertalite (thus using alternatives such as the more expensive pertamax), and also assuming a fuel subsidy budget cut in the new government which could increase fuel prices.

Fuel expenses account for more than 20% of BIRD's total revenue, with the majority of fuel used being Pertalite. An increase in fuel prices of around +30% will result in an increase in BIRD's fuel expenses of around 7-8% of revenue. Therefore, we expect BIRD taxi fares to increase by around 9.3% in 2025 to cover the increase in fuel cost. However, the fare increase could be counterproductive as it could weaken the company's gross profit margin as our society is very price-sensitive, therefore the fare increase must be accompanied by an increase in purchasing power.

Moreover, the effect of royalty payments will affect the company's net profit. This can be a major consideration for investors as it will cut net profit which affects the profitability and dividend payments. As for information, according to the company's initial prospectus released in 2013, the company must pay royalty fees to PT Pusaka Citra Djokoetono (PCD) for the Blue Bird, Silver Bird, Big Bird and Golden Bird brands starting November 2023. The royalty fee rate is 2% of the company's total revenue.

For 2024, we see that both Top-Line and Bottom-line growth for BIRD will be quite good, supported by post COVID-19 recovery where FY23 revenue has returned to Pre-COVID level, then supported by reduced discounts on ride-hailing apps and high level of innovation and strong brand-presence. It can also be seen as of Q1-24 in the Regular Taxi segment, that revenue contribution from non-Jabodetabek increased from 13% in 1Q23 to 14% in 1Q24 this can increase BIRD's penetration further outside Jabodetabek.

To face the competition, the Company will remain focused on implementing the 3M strategy (MultiChannel, Multi-Payment, and Multi-Product) to create sustainable growth. With an estimated CapEx level of Rp2.0-Rp2.4 trillion, with a net addition target of around 3,000 fleet units for all segments, this fleet addition makes the company ready to expand and increase the level of ARPV (Average Revenue Per Vehicle).

BIRD Vs Peers (Global & Local)

Name	Ticker	Mkt Cap (IDR) Trillion	Net Sales T12M (IDR) Trillion	P/E	ROE LF	P/B	Dvd Ind Yld (%)	NI T12M (IDR) Trillion	PM LF	GM LF
BLUE BIRD TBK PT	BIRD IJ Equity	3.79	4.50	8.52	8.41	0.67	4.75	0.40	10.34	31.65
COMFORTDELGRO CORP LTD	CD SP Equity	37.17	44.02	17.29	6.99	1.20	4.63	1.99	5.05	0.00
TAIWAN TAXI CO LTD	2640 TT Equity	3.60	1.43	17.09	22.80	3.81	4.92	0.22	14.28	48.38
WEHA TRANSPORTASI INDONESIA	WEHA IJ Equity	25.47	0.28	5.11	14.95	0.69	0.00	0.03	6.34	41.78
Average		17.51	12.56	12.00	13.29	1.59	3.57	0.66	9.00	30.45

Source: Bloomberg, NHKSI Research

We recommend Buy with a target price of IDR 1800, which implies a P/E ratio of 8.5x, which is equivalent to -0.18 Standard Deviation of 2 Year Forward PE. We believe that this target price is quite conservative, given the company's strong GCG, Brand Presence and considering future earnings potential with solid business growth. In Relative Valuation, BIRD is now trading below the average valuation of its peers such as Comfort Del Gro from Singapore, the cheap valuation is supported from the low PE Ratio level, and also Price to Book Value.

The biggest risks of this recommendation are: 1) changing & counterproductive domestic regulations that affect business 2) Macro volatility, fuel price, and local economic downturn which may reduce purchasing power and reduce operating income per segment.

BIRD Forward PE | 2 Years



Source: Bloomberg, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2023/12A	2024/12F	2025/12F	2026/12F
Revenue	4,422	4,725	5,359	5,895
Growth	23.2%	6.8%	13.4%	10.0%
COGS	2,518	3,341	3,973	4,384
Gross Profit	1,403	1,383	1,386	1,511
Gross Margin	29.9%	29.3%	25.9%	25.6%
Operating Expenses	(653)	(876)	(911)	(943)
EBIT	420	507	475	568
EBIT Margin	11.7%	10.7%	8.9%	9.6%
Depreciation	448	551	578	607
EBITDA	868	1,058	1,054	1,175
EBITDA Margin	24.2%	22.4%	19.7%	19.9%
EBT	484	591	514	605
Income Tax	120	55	50	77
Minority Interest	6	3	3	3
Net Profit	453	533	461	525
Growth	26.4%	48.7%	-13.5%	13.9%
Net Profit Margin	10.0%	11.3%	8.6%	8.9%

BALANCE SHEET

(IDR bn)	2023/12A	2024/12F	2025/12F	2026/12F
Cash	1,003	719	815	942
Receivables	244	275	364	373
Inventories	21	21	24	27
Total Current Assets	1,497	1,277	1,477	1,629
Net Fixed Assets	5,855	6,915	7,115	7,449
Other Non Current Assets	228	227	215	248
Total Assets	7,580	8,418	8,808	9,326
Payables	165	181	205	226
ST Debt	419	503	543	569
LT Debt	603	990	735	778
Total Liabilities	1,949	2,445	2,421	2,591
Capital Stock	250	250	250	250
Retained Earnings	2,757	3,090	3,503	3,824
Shareholders' Equity	5,631	5,973	6,387	6,735

CASH FLOW STATEMENT

(IDR bn)	2023/12A	2024/12F	2025/12F	2026/12F
Operating Cash Flow	1,035	1,058	1,006	1,119
Investing Cash Flow	(1,093)	(1,612)	(554)	(910)
Financing Cash Flow	150	351	(357)	(81)
Net Changes in Cash	92	(204)	95	127

Source: Company Data, Bloomberg, NHKSI Research

PROFITABILITY & STABILITY

	2023/12A	2024/12F	2025/12F	2026/12F
ROE	8.4%	9.4%	7.5%	8.0%
ROA	6.4%	7.0%	5.4%	5.8%
Inventory Turnover	140.59	220.26	220.26	220.26
Days Inventory Outstanding	2.60	1.66	1.66	1.66
Receivables Turnover	18.14	19.48	14.71	15.81
Account Receivable Days	20.12	18.74	24.81	23.08
Dividend Yield (%)	4%	3%	3%	3%
Payout Ratio (%)	40%	23%	30%	29%
DER	18%	25%	20%	20%
Current Ratio	1.71	1.29	1.24	1.30
Quick Ratio	1.17	0.75	0.70	0.77
DAR	0.13	0.18	0.15	0.14
Total Shares (mn)	2502	2502	2502	2502
Share Price (IDR)	1790	1800	1800	1800
Market Cap (IDR tn)	4.48	4.50	4.50	4.50

VALUATION INDEX

	2023/12A	2024/12F	2025/12F	2026/12F
Price/Earnings	9.9x	8.5x	9.8x	8.6x
Price/Book Value	0.8x	0.8x	0.7x	0.7x
EV/EBITDA	4.3x	5.1x	4.8x	4.3x
EV (IDR bn)	4,609	5,398	5,087	5,057
BVPS (IDR)	2,251	2,387	2,552	2,692
Basic EPS (IDR)	181	213	184	210

TOP OWNERSHIP

Shareholders	%
PT PUSAKA CITRA DJOKOSOETONO	28.37
PURNOMO PRAWIRO	11.65
KRESNA PRIAWAN DJOKOSOETONO	6.18
SIGIT PRIAWAN DJOKOSOETONO	6.13
DJOKOSOETONO INDRA PRIAWAN	5.82

By Geography	
Unknown	59.72
Indonesia	38.22
United States	0.72

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
2. Rating system based on a stock's potential upside from the date of publication
 - Buy : Greater than +15%
 - Overweight : +5% to 15%
 - Hold : -5% to +5%
 - Underweight : -5% to -15%
 - Sell : Less than -15%

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