

Gojek Tokopedia Tbk (GOTO IJ)

On Target, On Track to Profit

Solid results in Q1 2024, where GOTO managed to reduced its net loss, which shrink by 78% YoY to -IDR 862 billion as of 1Q24, from -IDR 3.8 trillion. The company also recorded a solid growth in its Top Line. Net revenues grew 22% YoY to IDR 4.08 trillion, up 22% from net revenues in the first quarter of 2023, which amounted to IDR 3.33 trillion.

Year-on Year Operational Metrics Growth

- On a Pro Forma basis (exclude Tokopedia and Logistics), the Group's gross transaction value (GTV) for the quarter grew 20% YoY to reach IDR 116.5 trillion from IDR 97 trillion. Meanwhile, the Group's core GTV, which excludes merchant payment gateway, grew 32% YoY to IDR 54.6 trillion from IDR 41.3 trillion.
- Moreover, on a Pro Forma basis as well, Gross Revenue grew 18% YoY to IDR 4.2 trillion from IDR 3.5 trillion. Contribution Margin increased +56% YoY to IDR 800 billion from IDR 500 billion. Group Adjusted EBITDA also improved by +89% YoY to -IDR102 billion from IDR -898 billion.

Skyrocketing FinTech Segment

- FinTech becomes the growth champion for the company, with +21% YoY GTV growth to IDR 111 trillion, from IDR 91.5 trillion. Its Contribution Margin also increased by +905 YoY to IDR 200 billion from IDR 20 billion, buoyed by rising consumer lending with loan disbursements of IDR 2.7 trillion in this quarter, which grew +43% from the previous quarter.
- In this segment, adjusted EBITDA is on its way to a positive level, with 52% YoY growth at IDR -248 billion from -IDR 516 billion in the first quarter of 2023. Another supporting factor is the growth of Gopay app users, with more than 20 million downloads in cumulative.
- A big opportunity in 2024 as the BNPL (Buy Now Pay Later) integration process with Shop | Tokopedia can increase further penetration of outstanding loans in the consumer lending segment.

Profitability Grows in On Demand Services Segment

- Despite a stagnant GTV of IDR 13.9 trillion, its Contribution Margin grew +56% YoY to IDR 815 billion from 524 billion. Adjusted EBITDA managed to reach a positive level at IDR 166 billion from -IDR 246 billion.
- This segment contributed as much as 56% of the company's total revenue with a take rate that continues to increase to 24% in the first quarter of 2024.

On Track to 2024 Target

- The company's target to achieve positive Adjusted EBITDA in 2024 can be realized by looking at each segment's achievements that are heading to positive levels, especially in the Fin-Tech and ODS segment, which managed to gain a positive figure earlier.
- To achieve profitability, Cost Efficiency is the management's main agenda, with Incentive costs declining by -54% YoY to IDR 1.2 trillion from IDR 2.6 trillion in 1Q23, and Operating Expenses (OPEX) declining by -48% YoY to IDR 3.1 trillion from IDR 6 trillion, resulting net loss to shrink by 78% YoY to -IDR 862 billion from -IDR 3.8 trillion.

Maintain BUY Recommendation with a TP of IDR 81

- We remain to recommend Buy for GOTO, with a target price of IDR 81/share. This TP implies EV/Sales of 4.06x. The risks of our recommendation are: counterproductive domestic regulation and strategy execution errors in integration between ecosystems.
- We see this target as a quite conservative considering there are a lot of opportunities, especially in GoTo Financial with its integration to Shop Tokopedia, and improved profitability and cost efficiency.

PT Gojek Tokopedia Tbk. | Summary (IDR Bn)

in IDR bn	2022/12A	2023/12A	2024/12F	2025/12F
Group GTV	613,362	606,509	701,176	744,548
Gross Revenue	22,927	24,260	28,033	33,505
Net Revenue	11,349	14,785	18,072	24,106
Contribution Margin	(6,390)	4,433	7,423	11,651
EBITDA	(27,417)	(7,608)	(430)	1,922
Net profit	(39,571)	(90,396)	(2,217)	(265)
EPS (IDR)	-35	-75	-2	-0.2
BVPS (IDR)	107	30	35	43
GPM	51.7%	65.6%	67.5%	70.0%
ROE	-30.2%	-114.1%	-5.7%	-0.6%
ROA	-26.9%	-93.5%	-3.8%	-0.4%
P/BV	0.85	2.89	2.33	1.89
P/S	9.23	6.99	5.38	4.04
EV (IDR bn)	77,889	79,898	73,347	62,391
EV/Sales	6.86	5.40	4.06	2.59

Source: Company Data, Bloomberg, NHKSI Research
Please consider the rating criteria & important disclaimer

Company Report | Apr 30, 2024

BUY

Price Target (IDR)	81
Consensus Price (IDR)	95
TP to Consensus Price	-15.2%
Potential Upside	27.9%

Shares data

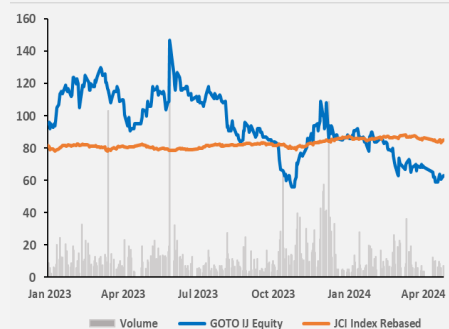
Last Price (IDR)	63
Price Date as of	Apr 29, 2023
52 wk Range (Hi/Lo)	147/54
Free Float (%)	66.03
Outstanding sh.(mn)	1,201,409
Market Cap (IDR bn)	75,689
Market Cap (USD mn)	4,659
Avg. Trd Vol - 3M (mn)	3,331.74
Avg. Trd Val - 3M (bn)	246.51
Foreign Ownership (%)	75.76%

Technology

Internet Media & Services

Bloomberg	GOTO IJ
Reuters	GOTO.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-27.6%	-8.7%	-19.2%	-45.7%
Rel. Ret.	-26.9%	-6.9%	-19.2%	-50.3%

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Recent Update of GOTO

Shop Tokopedia complies with regulations

As of March 27, 2024, Tokopedia has completed and fulfilled all provisions set by the Ministry of Trade, as required in the transition period. All e-commerce activities on Shop | Tokopedia, including payments, ordering activities, and transactions, have been fully implemented in Tokopedia's electronic system.

Social media accounts are separated and distinct from e-commerce accounts in the TikTok app, complete with privacy setting options according to user preferences. Thus, the company has complied with Minister of Trade Regulation 31/2023.

Penyesuaian Biaya Merchant

Cluster	Before 00:00, May 1, 2024, Indonesia time (GMT+7)	From 00:00, May 1, 2024, Indonesia time (GMT+7)
Fashion	1.90% - 4.30%	4.00% - 6.50%
Electronics	1.90% - 4.30%	1.00% - 6.50%
FMCG	2.70% - 4.30%	4.00% - 6.50%
Lifestyle	2.70% - 3.60%	4.00% - 6.50%

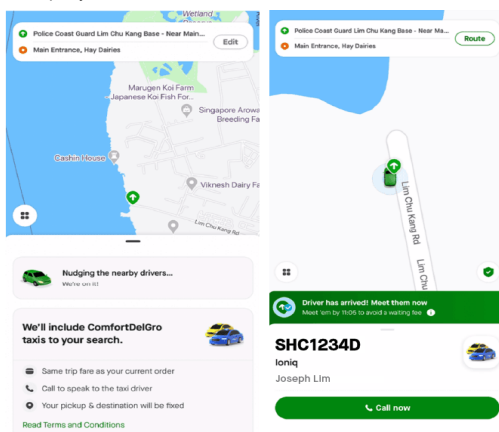
Source: Company Data, NHKSI Research

Tokopedia has just announced the adjustment of commission fees for each category of goods to be sold by merchants which will be effective as of May 1, 2024. This merchant rate increase is a positive development for the company to increase revenue with the growth of sellers on the application. If properly executed, Shop | Tokopedia can maintain a balance between growth and profitability.

Gojek Singapore New Partnership



Source: Company



Source: Company

Starting April 23 ComfortDelGro Taxi and Gojek Singapore announced an official partnership with a cross model scheme (where orders that are not fulfilled on one platform will be transferred to another platform).

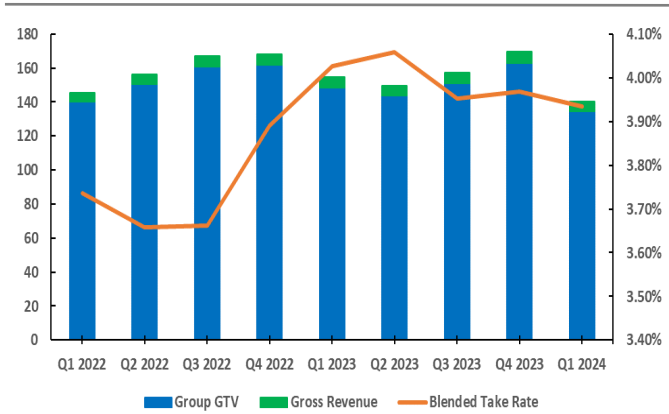
CDG is a leading taxi operator company that offers a wide range of transportation services. Such as taxis, buses, vehicle rental, vehicle maintenance, and vehicle inspection in Singapore. It was established in 2003 with a global network of about 40,000 vehicles in more than 12 countries. As of February 2024, the Land Transport Authority of Singapore recorded CDG's fleet size at 8,724 units.

The first phase of this cooperation will begin on April 29, 2024. If a Gojek driver does not pick up an order after a certain waiting time, the order will be transferred to CDG.

This cooperation will be mutually beneficial and strengthen the ecosystem of both companies in competing with other competitors in the highly competitive Ride-Hailing market.

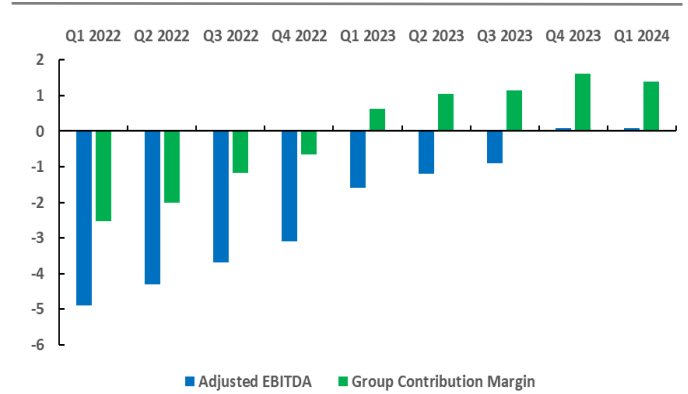
Key Operating Metrics

GOTO's Group GTV as Reported (IDR Tn)



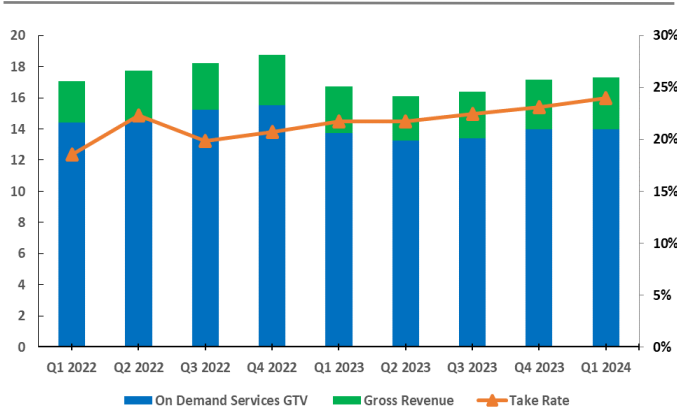
Source: Company Data, NHKSI Research

GOTO's Contribution Margin & Adjusted EBITDA (IDR Tn)



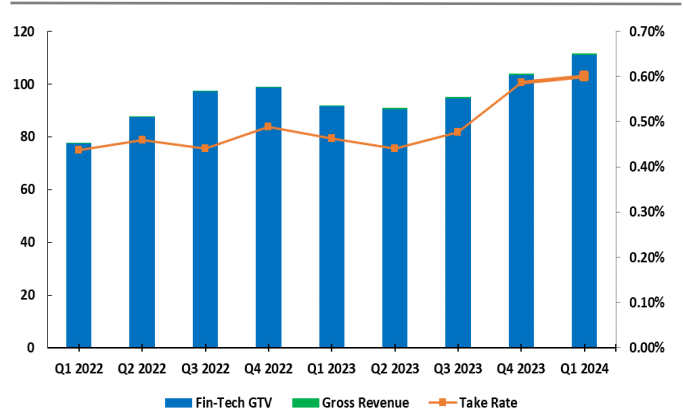
Source: Company Data, NHKSI Research

GOTO's On Demand Services GTV (IDR Tn)



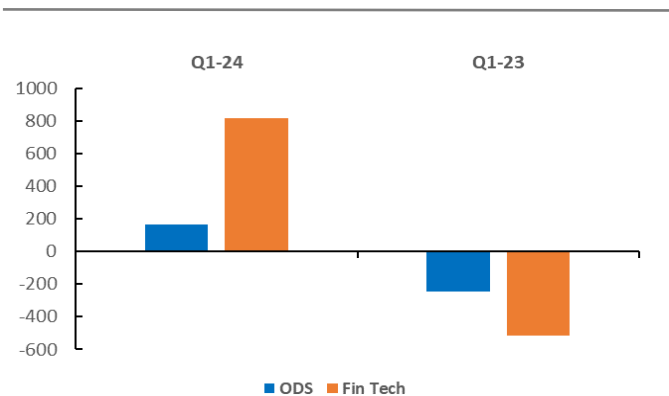
Source: Company Data, NHKSI Research

GOTO's Financial Technology GTV (IDR Tn)



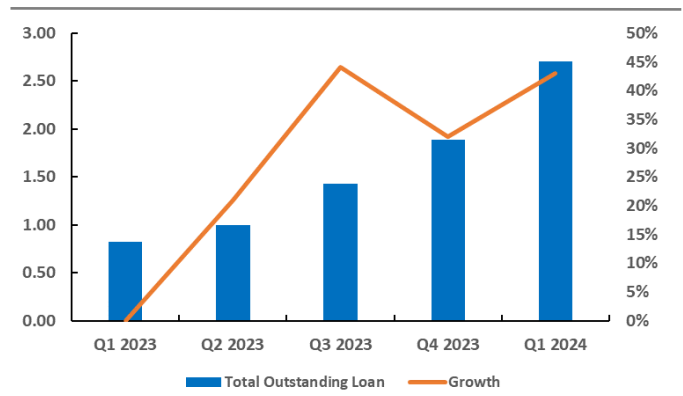
Source: Company Data, NHKSI Research

GOTO's Segment Adjusted EBITDA YoY (IDR Bn)



Source: Company Data, NHKSI Research

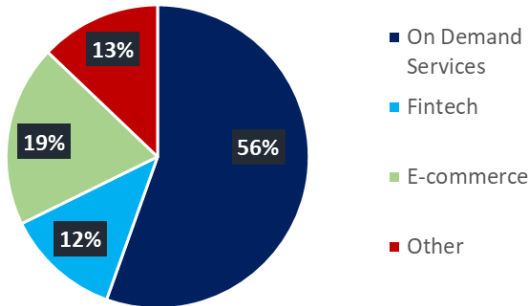
GOTO Financial Loan Growth (IDR Tn)



Source: Company Data, NHKSI Research

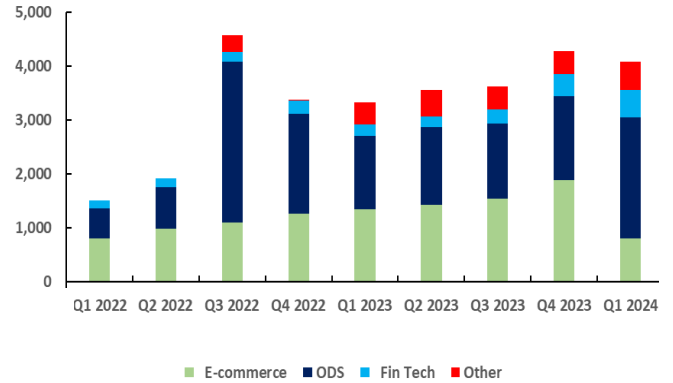
Performance Highlights

GOTO's Revenue Breakdown (1Q24)



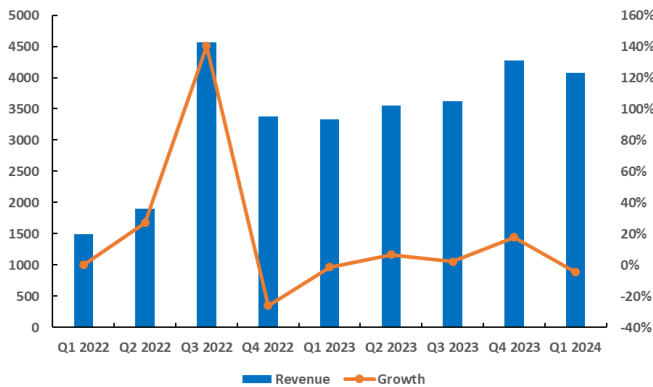
Source: Company Data, NHKSI Research

GOTO's Revenue by Segment (IDR Bn)



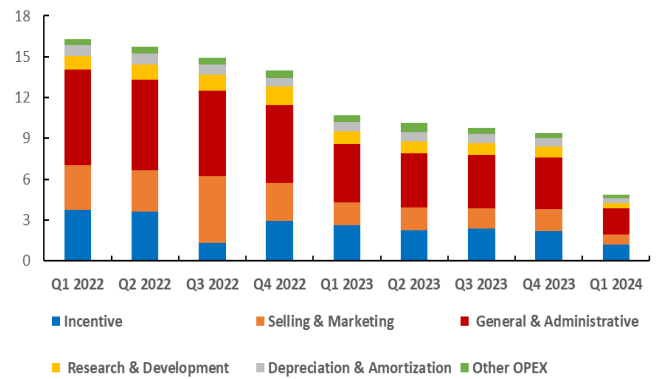
Source: Company Data, NHKSI Research

GOTO's Revenue Growth



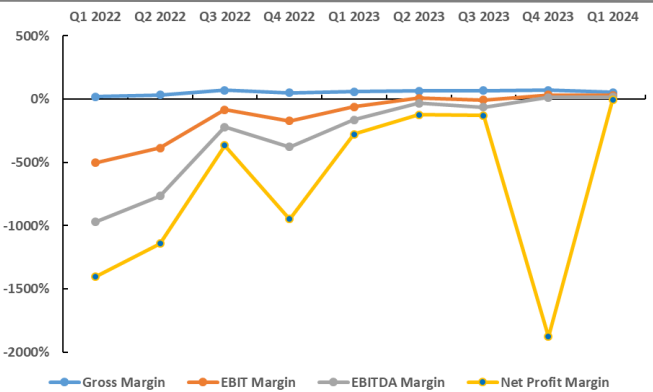
Source: Company Data, NHKSI Research

GOTO's OPEX & Incentives (IDR Tn)



Source: Company Data, NHKSI Research

GOTO's Margin Ratio



Source: Company Data, NHKSI Research

GOTO's EV/Sales | Last 1-Year



Source: Company Data, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2022/12A	2023/12A	2024/12F	2025/12F
Group GTV	613,362	606,509	701,176	744,548
Gross Revenue	22,927	24,260	28,033	33,505
Sales	11,349	14,785	18,072	24,106
<i>Growth</i>		30.3%	22.2%	33.4%
COGS	5,480	5,093	5,873	7,232
Gross Profit	5,869	9,692	12,200	16,874
<i>Gross Margin</i>	51.7%	65.6%	67.5%	70.0%
Operating Expenses	34,185	18,047	13,324	15,973
EBIT	(30,330)	(10,279)	(2,639)	(786)
<i>EBIT Margin</i>	-267.2%	-69.5%	-14.6%	-3.3%
Depreciation	2,913	2,671	2,209	2,708
EBITDA	(27,417)	(7,608)	(430)	1,922
Interest Expenses	(193)	(358)	(113)	(18)
EBT	(40,545)	(90,634)	(2,373)	(281)
Income Tax	136	116	80	8
Minority Interest	837	123	77	8
Net Profit	(39,571)	(90,396)	(2,217)	(265)
<i>Growth</i>	85.0%	128.4%	97.5%	88.1%
<i>Net Profit Margin</i>	-348.7%	-611.4%	-12.3%	-1.1%

PROFITABILITY & STABILITY

	2022/12A	2023/12A	2024/12F	2025/12F
ROE	-30.2%	-114.1%	-5.7%	-0.6%
ROA	-26.9%	-93.5%	-3.8%	-0.4%
Inventory Turnover	76.9x	71.3x	83.0x	83.0x
Receivable Turnover	18.1x	13.4x	12.4x	14.2x
Payable Turnover	0.5x	0.5x	0.4x	0.5x
DER	2.0%	12.1%	11.1%	8.4%
DAR	1.8%	8.0%	7.5%	6.0%
Current Ratio	2.81x	2.62x	2.82x	3.16x
Quick Ratio	2.80x	2.62x	2.82x	3.16x
Total Shares (bn)	1151	1201	1201	1201
Share Price (IDR)	91	86	81	81
Market Cap (IDR tn)	105	103	97	97

BALANCE SHEET

(IDR bn)	2022/12A	2023/12A	2024/12F	2025/12F
Cash	29,275	27,758	32,525	39,245
Receivables	627	1,106	1,130	1,693
Inventories	71	71	82	87
Total Current Assets	34,180	33,617	38,964	46,570
Net Fixed Assets	1,457	1,039	1,227	1,143
Other Non Current Asset	103,579	19,441	21,362	24,106
Total Non Current Asset	105,036	20,480	22,589	25,250
Total Assets	139,217	54,097	61,553	71,820
Payables	10,881	11,151	12,063	12,824
ST Bank Loan	615	903	964	963
Total Current Liabilities	12,162	12,823	13,799	14,727
LT Debt	1,826	3,433	3,666	3,359
Total Liabilities	16,493	18,377	19,819	20,413
Capital Stock + APIC	244,864	251,005	259,086	269,024
Retained Earnings	(118,481)	(208,929)	(211,146)	(211,410)
Shareholders' Equity	122,723	35,720	41,734	51,407

VALUATION INDEX

	2022/12A	2023/12A	2024/12F	2025/12F
Price/Book Value	0.9x	2.9x	2.3x	1.9x
Price/Sales	9.2x	7.0x	5.4x	4.0x
Price/GTV	0.2x	0.2x	0.1x	0.1x
EV/Sales	6.9x	5.4x	4.06x	2.6x
EV/EBITDA	-2.8x	-10.5x	-170.7x	32.5x
EV (IDR bn)	77,889	79,898	73,347	62,391
Basic EPS (IDR)	(35)	(75)	(2)	(0.2)
BVPS (IDR)	107	30	35	43
Sales/RPS	9.86	12.31	15.04	20.07

CASH FLOW STATEMENT

(IDR bn)	2022/12A	2023/12A	2024/12F	2025/12F
Operating Cash Flow	(17,170)	(4,300)	4,666	6,921
Investing Cash Flow	1,098	(1,498)	(113)	(45)
Financing Cash Flow	13,374	1,746	202	(313)
Net Changes in Cash	(2,142)	(4,051)	4,767	6,720

TOP OWNERSHIP

Shareholders	%
ALIBABA GROUP HOLDING LTD	9.1
SVF GT SUBC PTE	7.9
GOTO PEOPLEVERSE FUND	6.3
REPUBLIC OF SINGAPORE	5.7
By Geography	%
Unknown	44.5
Hong Kong	21.5
Singapore	13.3
United States	11.9

Source: Company Data, NHKSI Research

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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