GoTo Gojek Tokopedia

Bloomberg: GOTO.IJ | Reuters: GOTO.JK

Technology Sector

2 November 2023

SAMUEL SEKURITAS INDONESIA
Your Lifelong Investment Partner

JCI Index 6,642

HOLD (From BUY)

Target Price (IDR)	**69 (from 130)**
Potential Upside (%)	**11.3**

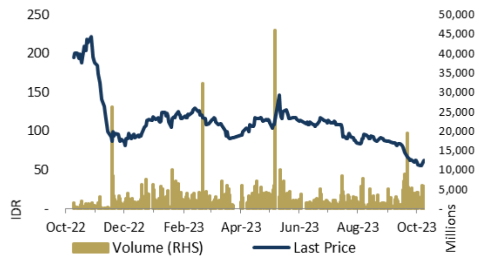
Price Comparison	
Cons. Target Price (IDR)	104
SSI vs. Cons. (%)	66.1

Stock Information	
Last Price (IDR)	62
Shares Issued (Mn)	1,150,838
Market Cap. (IDR Bn)	82,897
52-Weeks High/Low (IDR)	226/54
3M Avg. Daily Value (IDR Bn)	263.5
Free Float (%)	64.0
Shareholder Structure:	
GOTO Peopleverse Fund (%)	6.85
Public (%)	63.29
Taobao China Holding Ltd (%)	8.84

Stock Performance

(%)	YTD	1M	3M	12M
Absolute	(24.2)	(18.8)	(36.7)	(64.6)
JCI Return	(1.4)	(2.9)	(1.4)	(3.7)
Relative	(22.8)	(15.9)	(35.3)	(60.9)

Stock Price & Volumes, 12M



Company Background

GoTo Group adalah ekosistem digital terbesar di Indonesia. Misi GoTo adalah untuk mendorong kemajuan dengan menawarkan infrastruktur teknologi dan solusi bagi semua orang untuk mengakses dan berkembang dalam ekonomi digital. Ekosistem GoTo terdiri dari layanan transportasi ondemand, e-commerce, pengiriman makanan, logistik, serta layanan keuangan dan pembayaran melalui platform Gojek, Tokopedia, dan GoTo Financial.

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Wishful Thinking

Rugi bersih terus menurun. GOTO mencatatkan GTV sebesar IDR 151.3tn di 3Q23 (+5.2% qoq, -6% yoy); pertumbuhan qoq tersebut terutama didorong oleh pergeseran fokus perseroan ke basis pengguna dengan pengeluaran yang lebih kecil (budget-conscious). GOTO menyesuaikan net take ratenya menjadi 3.95% (-0.1 bps qoq, +0.1 bps yoy), terutama disebabkan oleh penurunan biaya layanan Tokopedia (dari IDR 2 ribu menjadi IDR 1 ribu). GOTO berhasil membukukan margin kontribusi (CM) sebesar IDR 1.1tn di 3Q23 (+8.6% qoq, 3Q22: -IDR 1.1tn), dengan adjusted EBITDA sebesar -IDR 942 miliar di 3Q23 (2Q23: -IDR 1.2tn, 3Q22 : -IDR 3.7tn) dan -IDR 3.7tn di 9M23, sejalan dengan guidance EBITDA FY23 perseroan (–IDR 4.5tn hingga –IDR 3.8tn). Manajemen GOTO tetap optimistis mampu mencapai guidancenya. Secara kumulatif, GOTO membukukan pendapatan sebesar IDR 10.5tn di 9M23 (+31.9% yoy), mengalahkan proyeksi kami (SSI: 82.8%) namun di bawah konsensus (67.2%), dengan net take rate sebesar 2.4% (0 bps), net take rate sebesar 2.4% (0 bps) dan net loss sebesar -IDR 9.6 triliun (vs -IDR 20.3 triliun di 9M22).

Apakah adjusted EBITDA positif mungkin tercapai? Manajemen menekankan bahwa guidance adjusted EBITDA positif di 4Q23 masih mungkin dicapai dengan langkah-langkah efisiensi biaya dan penawaran produk baru seperti GoNego, yang akan meningkatkan GTV dan pendapatan. Manajemen juga mengisyaratkan bahwa penawaran produk baru tidak akan mengganggu bisnisnya saat ini. Namun, kami mencatat bahwa take rate GOTO mungkin akan semakin menurun pada 4Q23 karena berbagai promosi dan diskon yang ditawarkan kepada pelanggan, sehingga hampir tidak mungkin untuk membukukan adjusted EBITDA positif pada 4Q23. Proyeksi kami tetap sama; GOTO akan membukukan angka tersebut paling cepat pada 2Q24, didukung oleh langkah-langkah efisiensi dan stabilisasi take rate.

Runway makin pendek? GOTO telah melakukan beberapa kesepakatan yang memungkinkan perseroan memperpanjang runwaynya. Namun, ini juga menjadi tanda bahaya, karena ini menunjukkan bahwa GOTO mungkin memiliki runway yang lebih pendek dari yang diperkirakan sebelumnya. Dengan perkiraan rugian bersih sebesar IDR -11.4 triliun di FY23F dan dengan saldo kas hanya sebesar IDR 24.6 triliun pada 9M23, Kami memperkirakan bahwa jika tidak ada peningkatan pendapatan atau penggalangan dana lebih lanjut, runway GOTO mungkin hanya akan bertahan 2-3 tahun, dibandingkan perkiraan sebelumnya yaitu 4-5 tahun. Hal ini menimbulkan risiko bagi GOTO karena efisiensi biaya bukanlah satu-satunya solusi. Kami berpendapat GOTO harus mencari opsi lain untuk mengembangkan bisnis GTF dengan berkolaborasi lebih lanjut dengan Bank Jago dan perantara keuangan lainnya.

Downgrade, TP IDR 69. Mengingat beberapa faktor, termasuk fakta bahwa publik kini menjadi pemegang saham mayoritas GOTO (yang berpotensi meningkatkan volatilitas), hilangnya beberapa personel kunci perseroan, dan potensi risiko lainnya, kami memutuskan untuk menurunkan rating GOTO ke HOLD dengan TP berbasis SOTP sebesar IDR 69, yang menyiratkan EV/Sales FY24F sebesar 3.1x. Sebelumnya kami menempatkan premium untuk semua bisnis GOTO, namun karena kurangnya skalabilitas, kami memutuskan untuk menempatkan diskon 20% untuk bisnis ODS dan diskon 30% untuk GTF. **Risiko Utama:** take rate lebih rendah dari perkiraan, kerugian bersih lebih lanjut.

Forecast and Valuations (@ IDR 62 per share)

Y/E Dec	21A	22A	23F	24F	25F
Revenue (IDR Bn)	4,536	11,349	12,691	19,188	28,266
EBITDA (IDR Bn)	(21,623)	(27,784)	(9,403)	58	9,869
EV/GTV (x)	0.1	0.1	0.1	0.1	0.0
Net Profit (IDR Bn)	(21,391)	(39,571)	(11,427)	(2,472)	6,996
EPS (IDR)	(159)	(294)	(85)	(18)	52
EPS Growth (%)	na	na	na	na	na
P/Sales (x)	16.2	6.5	5.8	3.8	2.6
BVPS (IDR)	117	104	100	103	114
P/BV Ratio (x)	0.5	0.6	0.6	0.6	0.5
P/GTV (x)	0.2	0.1	0.1	0.1	0.1
EV/Sales	9.8	4.1	4.1	2.5	1.3
ROAE(%)	(27)	(30)	(9)	(2)	5
ROAA (%)	(23)	(27)	(8)	(2)	5
EV/EBITDA	(2)	(2)	(6)	830	4
Net Gearing (x)	-	-	-	-	-

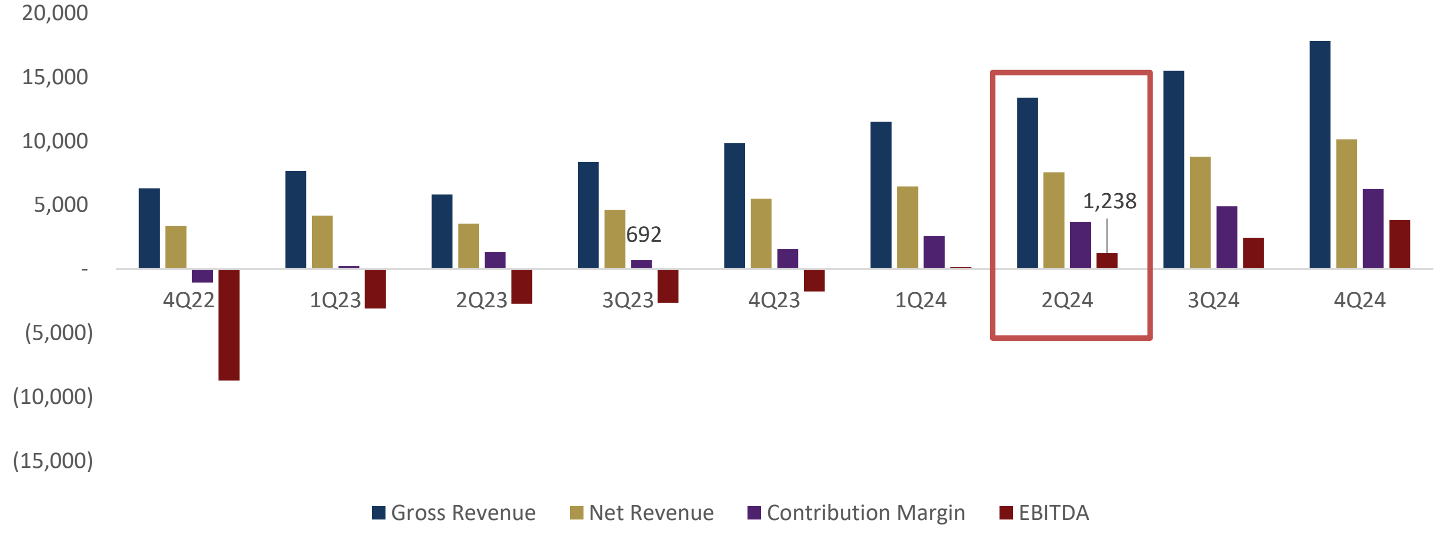
Figure 1. 3Q23 Results

PT GoTo Gojek Tokopedia Tbk. (GOTO IJ) (IDR billions)	3Q22	2Q23	3Q23	QoQ (%)	YoY (%)	9M22	9M23	YoY (%)
GTV	160,941	143,739	151,250	5.2%	-6.0%	451,476	443,527	-1.8%
Gross Revenue	5,892	5,833	5,977	2.5%	1.4%	16,630	1,791	-89.2%
Net Revenue	4,569	3,522	3,627	3.0%	-20.6%	7,969	10,511	31.9%
Contribution Margin	(1,186)	1,045	1,135	8.6%	N/A	(5,746)	2,816	N/A
EBITDA	(6,189)	(2,709)	(1,837)	N/A	N/A	(19,072)	(8,068)	N/A
Adjusted EBITDA	(3,693)	(1,208)	(942)	N/A	N/A	(12,875)	(3,747)	N/A
Gross Take Rate (%)	3.66%	4.06%	3.95%	-0.1 bps	0.1 bps	3.7%	0.4%	-3 bps
Net Take Rate (%)	2.84%	2.45%	2.40%	-0.1 bps	-0.2 bps	1.8%	2.4%	0 bps
Contribution Margin (%)	-0.74%	0.73%	0.75%	0.0 bps	-2.0 bps	-1.3%	0.6%	-1 bps

Source: SSI Research, Company

Source: Company, SSI Research

Figure 2. Quarterly GTV, Revenue, and Contribution Margin Trend



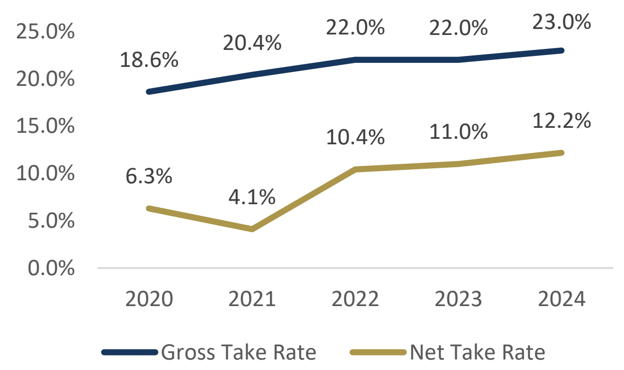
Source: Company, SSI Research

Figure 3. Valuation Method

Business	Method	Multiple (x)	2024 Sales (IDRbn)	Valuations (IDRbn)	Stake	Value to GOTO (IDRbn)
E-commerce	EV/Sales	1.7	7,968	13,392	100.00%	13,392
On-Demand	EV/Sales	3.4	8,303	27,841	100.00%	27,841
Fintech	EV/Sales	2.9	4,650	13,465	100.00%	13,465
ARTO	Enterprise Value			21,261	21.40%	4,550
		Enterprise Value				**59,248**
		(-) Debt				(2,142)
		(+) Cash				27,332
		(-) Minority Interest				(2,182)
		Equity Value				**82,256**
		Shares Outstanding				1,184
		Value per Share				**69**

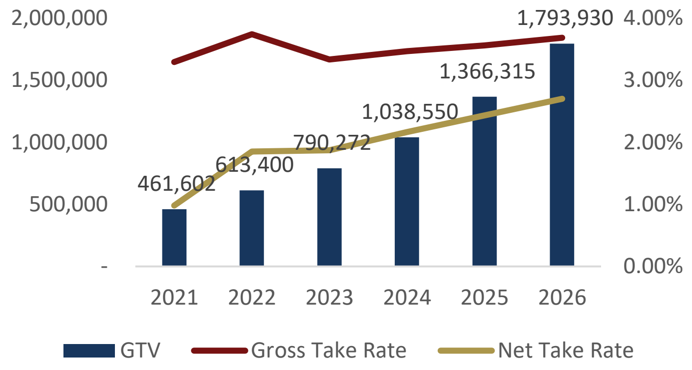
Source: SSI Research

Figure 4. On-Demand Gross and Net Take Rate



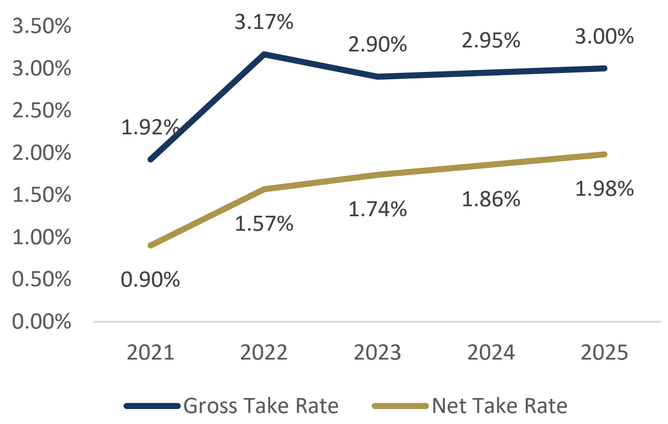
Source: Company. SSI Research

Figure 5. GTV and Take Rates Growth



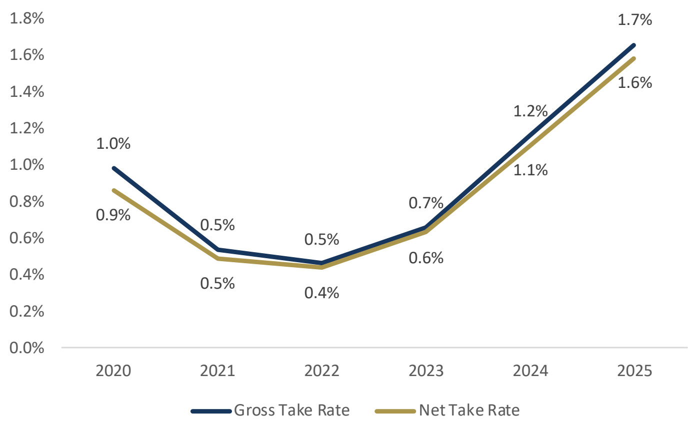
Source: Company. SSI Research

Figure 6. E-commerce Gross and Net Take Rate



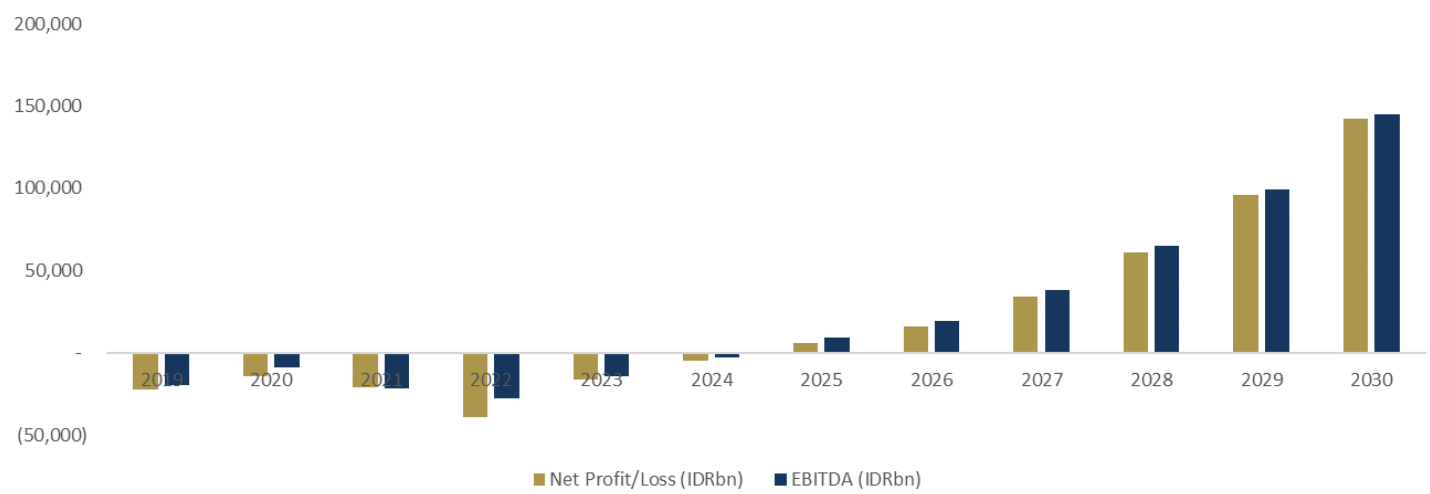
Source: Company. SSI Research

Figure 7. Fintech Gross and Net Take Rates



Source: Company. SSI Research

Figure 7. Net Profit and EBITDA forecast



Source: Company, SSI Research

Key Financial Figures

Profit and Loss					
Y/E Dec (IDR Bn)	**21A**	**22A**	**23F**	**24F**	**25F**
Revenues	4,536	11,349	12,691	19,188	28,266
Cost of Revenues	(3,776)	(5,480)	(5,185)	(6,003)	(6,833)
Gross Profit/Loss	**760**	**5,869**	**7,505**	**13,186**	**21,433**
SGA Expense	(23,145)	(36,199)	(19,695)	(16,177)	(14,903)
Operating Profit/Loss	**(22,385)**	**(30,330)**	**(12,189)**	**(2,992)**	**6,530**
EBITDA	**(21,623)**	**(27,784)**	**(9,403)**	**58**	**9,869**
Finance Income	323	618	575	472	542
Finance Expenses	(264)	(233)	(219)	(204)	(188)
Pre-tax Profit/Loss	**(22,211)**	**(40,545)**	**(11,707)**	**(2,532)**	**7,167**
Income Tax	(218)	136	37	8	(23)
Profit/Loss for Period	**(22,429)**	**(40,408)**	**(11,669)**	**(2,524)**	**7,144**
Minority Interest	(1,038)	(837)	(242)	(52)	148
Net Profit	**(21,391)**	**(39,571)**	**(11,427)**	**(2,472)**	**6,996**

Cash Flow					
Y/E Dec (IDR Bn)	**21A**	**22A**	**23F**	**24F**	**25F**
Net Profit	(21,391)	(39,571)	(11,427)	(2,472)	6,996
D&A	2,235	2,545	2,786	3,050	3,339
Changes in Working Capital	4,915	600	(1,620)	(735)	(1,458)
Operating Cash Flow	**(14,691)**	**(17,206)**	**(10,262)**	**(157)**	**8,876**
Capital Expenditure	(12,814)	(218)	(1,895)	(2,080)	(2,283)
Others	(78,437)	1,352	-	-	-
Investing Cash Flow	**(91,251)**	**1,134**	**(1,895)**	**(2,080)**	**(2,283)**
Net - Borrowing	(131)	60	(143)	(156)	(170)
Other Financing	121,662	13,315	7,078	5,938	5,771
Financing Cash Flow	**121,531**	**13,374**	**6,935**	**5,782**	**5,601**
Net - Cash Flow	15,588	(2,698)	(5,222)	3,545	12,195
Cash at beginning	15,319	31,151	29,009	23,787	27,332
Cash at ending	31,151	29,009	23,787	27,332	39,527

Balance Sheet					
Y/E Dec (IDR Bn)	**21A**	**22A**	**23F**	**24F**	**25F**
Cash & equivalents	31,151	29,009	23,787	27,332	39,527
Receivables	2,937	2,461	2,801	4,181	6,080
Others	1,976	2,711	2,707	2,717	2,728
Total Current Assets	**36,064**	**34,180**	**29,295**	**34,231**	**48,335**
Net Fixed Asset	1,470	1,497	1,526	1,560	1,598
Other Non-Current Asset	117,603	103,540	102,619	101,616	100,522
Total Assets	**155,137**	**139,217**	**133,440**	**137,406**	**150,454**
ST. Bank loan	1,606	615	579	540	497
Payables	9,688	10,660	9,377	10,033	10,484
Other current Liabilities	1,000	887	887	887	887
Total Current Liabilities	**12,294**	**12,162**	**10,843**	**11,460**	**11,868**
LT.Debt	776	1,826	1,719	1,602	1,475
Other LT Liabilities	414	236	236	236	236
Total Liabilities	**16,113**	**16,493**	**15,066**	**15,567**	**15,847**
Minority Interest	(1,292)	(2,198)	(2,120)	(2,182)	(2,411)
Total Equity	**139,024**	**122,723**	**118,374**	**121,840**	**134,607**

Key Ratios					
Y/E Dec (IDR Bn)	**21A**	**22A**	**23F**	**24F**	**25F**
Gross Profit Margin (%)	16.8	51.7	59.1	68.7	75.8
Operating Margin (%)	(493.5)	(267.2)	(96.1)	(15.6)	23.1
EBITDA Margin (%)	(476.7)	(244.8)	(74.1)	0.3	34.9
Pre-Tax Margin (%)	(489.7)	(357.2)	(92.2)	(13.2)	25.4
Net Profit Margin (%)	(471.6)	(348.7)	(90.0)	(12.9)	24.8
Debt to Equity (%)	-	-	-	-	-
Net Gearing (%)	-	-	-	-	-

Major Assumptions					
	21A	**22A**	**23F**	**24F**	**25F**
Blended GTV Growth	39.8%	32.9%	0.2%	31.3%	31.5%
Blended Gross Take Rate	3.3%	3.7%	3.8%	3.9%	4.0%
Blended Net Take Rate Rate	1.0%	1.9%	2.1%	2.4%	2.7%
E-commerce GTV Growth	46%	18%	-5%	30%	33%
On-Demand GTV Growth	25%	22%	-3%	14%	13%
Fintech Service GTV Growth	80%	68%	5%	35%	33%

Peers Comparison

Company	Market Cap (mn)	EV(USD mn)	P/GMV		EV/GMV		EV/Sales		P/S		Sales Growth	
			2023F	2024F	2023F	2024F	2023F	2024F	2023F	2024F	2023F	2024F
On-demand	**71,812**	**74,985**	**0.6**	**0.5**	**0.6**	**0.5**	**2.3**	**2.0**	**2.4**	**2.0**	**23%**	**19%**
Mobility												
Uber	89,568	94,681	0.6	0.5	0.63	0.53	2.6	2.2	2.4	2.0	18%	17%
Lyft	3,542	3,029	0.2	0.2	0.20	0.18	0.7	0.6	0.8	0.7	6%	12%
Grab	11,907	8,448	0.8	0.6	0.57	0.43	3.5	2.9	5.1	4.2	62%	22%
Delivery												
Meituan	86,124	88,975	0.7	0.6	0.72	0.62	2.1	1.7	2.3	1.9	26%	21%
Deliveroo	2,635	1,465	0.3	0.2	0.15	0.13	0.7	0.6	1.1	1.0	4%	9%
Delivery Hero	6,993	15,749	0.2	0.1	0.37	0.32	1.0	0.9	0.7	0.6	19%	15%
DoorDash	29,851	26,678	0.8	0.7	0.71	0.63	3.1	2.7	3.5	3.0	29%	17%
E-commerce	**133,343**	**99,663**	**0.8**	**0.7**	**0.7**	**0.6**	**2.2**	**1.9**	**2.4**	**2.1**	**14%**	**13%**
MercadoLibre	65,121	63,772	0.8	0.7	0.78	0.69	4.7	3.8	4.7	3.8	32%	23%
Sea	22,920	29,171	0.8	0.7	1.02	0.89	1.7	1.5	1.8	1.6	3%	11%
eBay	20,600	27,563	0.8	0.7	1.07	0.94	2.4	2.3	2.0	2.0	4%	4%
Alibaba	209,782	145,430	0.8	0.7	0.55	0.49	1.1	1.0	1.6	1.5	11%	10%
Bukalapak	1,313	- 53	0.8	0.7	- 0.03	- 0.03	-	-	4.5	3.6	27%	24%
Global Digital Ni	3,392	3,416	0.8	0.7	0.81	0.70	2.7	2.1	2.8	2.2	16%	27%
Fintech	**48,129**	**62,817**	**0.5**	**0.4**	**0.6**	**0.5**	**4.8**	**4.2**	**5.1**	**2.8**	**3%**	**17%**
Wallets												
Pay pal	56,725	62,230	0.1	0.1	0.11	0.11	1.9	1.7	1.9	2.8	8%	9%
Payment Gateway												
Block	24,989	39,118	0.2	0.2	0.31	0.31	1.1	1.0	1.2	2.8	24%	14%
Fiserv	68,979	90,772	0.9	0.8	1.25	1.09	5.1	4.7	3.8	2.8	2%	8%
Square	24,989	39,118	0.4	0.4	0.69	0.60	1.1	1.0	1.2	2.8	24%	14%
Nu Holding	39,364	15,541	1.8	1.6	0.71	0.62	4.9	3.6	5.6	2.8	45%	36%
Adyen	21,318	46,880	0.1	0.1	0.22	0.22	8.6	7.0	12.5	2.8	-82%	23%
StoneCo	1,986	5,860	0.1	0.1	0.30	0.30	3.8	3.7	1.2	2.8	-23%	2%
BNPL												
Humm	71	282	0.0	0.0	0.03	0.03	1.3	0.7	0.4	2.8	-	-
Zip	189	2,077	0.0	0.0	0.32	0.27	3.9	3.5	0.4	2.8	15%	11%
Enabler / SaaS												
Shopify	62,739	79,357	0.5	0.4	0.63	0.51	8.5	7.1	9.0	2.8	24%	30%

Source: Company, SSI Research

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