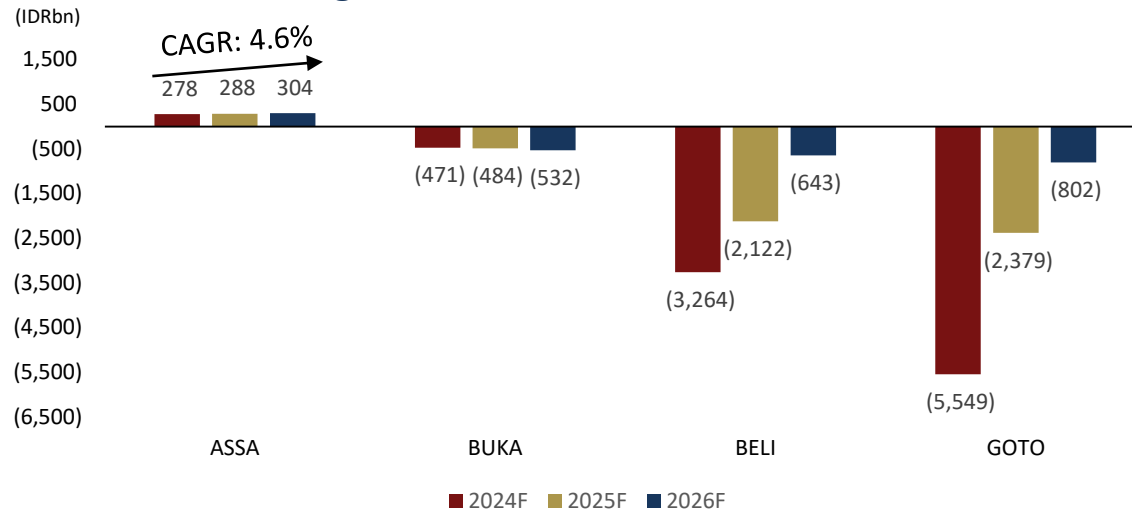


Tech: Underweight with ASSA as Top-Pick

Tech Sector Earnings Outlook



SWOT Analysis of 2025 Outlook

Strength

The shift in consumer behavior from being incentive-oriented to function-inclined (shown by historical trends) will help improve tech players' profitability, bringing take rate to 3.08% in 2025 (+17.5 bps YoY) and retain contribution margins

Weakness

Earnings may remain in the red for the next two years, as weaker purchasing power is expected to hinder tech players from significantly cutting customer incentives and S&M expenses

Opportunity

Future expansion efforts and lower 'cash burn' rate should improve profitability; potential lower interest rates ahead may improve sentiment on the sector and help support share price performances

Threat

Lower customer incentives and S&M costs to dampen GTV and TPV growth, which could be exacerbated by weak purchasing power amid strong USD; eFisheries debacle could worsen sentiment on the sector resulting in continued market underperformance

Peer Comparables

Company	Market		Last Price	Target Price	2025F				
	Cap	Rating	Price	Price	Sales Growth	P/Sales	EV/Sales	Net Take Rate	ROE
Ticker	(IDR Tn)		(IDR)	(IDR)	(%)	(x)	(x)	(%)	(%)
GOTO IJ	100.1	HOLD	86	90	33.0	4.1	3.5	3.4	(7.8)
BELI IJ	59.0	N.R	450	N.R	(9.8)	3.2	3.3	N.A	(42.8)
BUKA IJ	12.3	SELL	118	110	(14.6)	3.0	N.A	2.7	(1.9)
ASSA IJ	2.4	BUY	655	1,000	7.7	0.5	1.2	N.A	9.5
Sector	173.7	Underweight			14.8	3.7	3.1	2.1	(19.0)

2024 Relative Performance vs JCI

