

EXECUTIVE SUMMARY

Delivery services/logistics in Indonesia, especially in big cities, grow rapidly. Dominant sector that raised logistics demand is E-commerce which requires logistics services for goods delivery.

E-commerce is important market segments for logistics industry. With 21% CAGR, GMV (Gross Merchandise Value) of e-commerce in Indonesia is estimated to become 83 billion US Dollars or around 1,200 trillion Rupiah in 2025. E-commerce is estimated to reach 4 billion shipments per year by 2025.

E-commerce delivery service currently fulfilled through regular, next-day, sameday, and instant delivery. In quantity regular and next-day delivery services are the majority shipping method with 75% market share. This sector is filled by many logistics companies such as JNE, TIKI, J&T, Sicepat, Anteraja, Ninja Xpress, and others. Instant and sameday delivery service, with a 25% market share and sales potential of 8 trillion rupiahs in 2023, is dominated by two companies, Gojek and Grab.

Our analysis concludes a big market opportunity to be filled in the sameday delivery market in e-commerce. Although Gojek and Grab dominate the market, we believe that big market size and consistencies of market growth will create enough space for us to grow. We have decided to enter the sameday delivery market with products we call Kicep (Kiriman Cepat), an affordable sameday delivery service to fulfil e-commerce demand growth.

Kicep has designed to have same service quality and speed but more affordable versus Gojek and Grab in order to disrupt their customer. Kicep targeting Tokopedia and Shopee as the biggest source of business for Gojek and Grab sameday delivery service.

To support product image, company operation focused is quality, speed, and cost. Kicep will build systems and algorithms that produce high quality and fast delivery services. Different with Gojek and Grab which use point-to-point delivery methods, Kicep will use Hub and Spoke delivery methods by maximizing intercity buses' idle capacity as middle mile couriers to achieve cost excellence.

Core team is recruited and selected according to the required HR specifications to support the company's operational activities. Company's commitment to achieve sustainable business growth and producing the best quality products are also

implemented through the cultivation of culture and a good compensation system for each employee.

From finance, performance targets include annual average revenue growth of 74%, average annual net profit growth of 30%, ROA in the third year is expected to be positive with a value of 0.79 and ROE 0.15; and in the sixth year, it is expected to have a revenue growth equivalent to a CAGR of 86%. By calculating the NPV of Rp. 482,321,569,645 and an IRR of 127%, which is higher than the cost of capital; it can be stated that this project is feasible to run. The time required for return on investment is 52 months or five years.

