

EXECUTIVE SUMMARY

PT Wahana Bisnis Kosmetik is a startup company that provides a digital platform service, named CosmeB2B, as a medium to connect brand owners and manufacturers in the cosmetics and skin care industry and support them in the product development process. The company attempts to solve a problem that brand owners and manufacturers experience: the lack of consistent information about the industry and the players in it. This often causes miscommunication and oversights in the product development processes.

With the rapid growth of cosmetics and skin care industry that is estimated to be 10% in 2020-2024, already taking into account the impact of COVID-19 pandemic to the business sector, PT Wahana Bisnis Kosmetik has a Gross Transaction Value of Rp 3,8 trillion in 2020 and will grow up to Rp 5,9 trillion in 2024.

In its early phase, PT Wahana Bisnis Kosmetik focuses its target market on small and medium-sized (SME) brand owners and manufacturers in Indonesia with a total market share of 30%, with Java as the beachhead market. Since the features in CosmeB2B are engineered to provide solutions to the problems of brand owners and manufacturers, their continuous developments and innovations must be prioritized. This means that a differentiation strategy will be implemented to ensure the company's sustainable survival in the industry. After launching the minimum viable product (MVP), PT Wahana Bisnis Kosmetik will implement problem-solution fit and product-market fit methods to develop the platform further.

CosmeB2B will be introduced to prospective customers via digital channels and events. Other than those marketing activities, it is imperative for PT Wahana Bisnis Kosmetik to approach the market through direct selling due to the nature of business-to-business (B2B) services, where building a strong relationship with customers will result in high customer retention. Therefore, the company's account executives will be tasked to help mediate project bottlenecks caused by either brand owners or manufacturers. PT Wahana Bisnis Kosmetik will start with four account executives in its first year, and the number will continue to grow along with the development of platform users.

PT Wahana Bisnis Kosmetik must also ensure that CosmeB2B presents the most updated and accurate information, actively supports timelines in the product development, and possesses an

adequately large server capacity in order to provide a seamless user experience in the platform. As such, the company sets several operational targets that are concerned with regular updates of the manufacturer database, implementing Track & Trace in the platform to monitor product developments, and frequent server evaluations and adjustments to avoid connection problems. These can be achieved by performing all critical operational activities internally and making them part of the company's core business.

As a technology company, PT Wahana Bisnis Kosmetik places importance in attaining and developing its human capital, which originated from the business need to continuously improve and grow. Managing the employees well ensures alignment between the company's vision and mission and its talents. PT Wahana Bisnis Kosmetik creates a professional culture that is rooted from the values of DEWI (Dare to Disrupt, Execute with Accountability, Work Together, and Inspire Learning).

PT Wahana Bisnis Kosmetik requires total investment of Rp19,3 million to be raised in its first five-years, from 2020 to 2025. As a startup, the company's performance is evaluated based metrics, such as: conversion rate, transaction volume, and Customer Lifetime Value to Customer Acquisition Cost Ratio as well as other online interaction metrics. Based on a 10-year cash flow analysis of PT Wahana Bisnis Kosmetik, the Net Present Value is estimated to be Rp 8.5 billion, and the payback period was five years and four months. The company's IRR value is 62.31%, which is greater than its Average Cost of Equity of 44.97%. The company is geared to provide pay-out to investors after its last preferred equity round in 2024 (in case of divestments or unconverted convertible note) following a residual dividend policy. The residual policy is chosen to ensure the effectiveness of the company's operational activities and growth, before profits are distributed to shareholders.

It is inevitable that PT Wahana Bisnis Kosmetik would face a multitude of risks in running its business. They have already been considered in the preparation of the CosmeB2B: Cosmetic Product Development Platform Business Plan. If implemented properly, this business can achieve break even point (BEP) within five year in the most likely scenario.