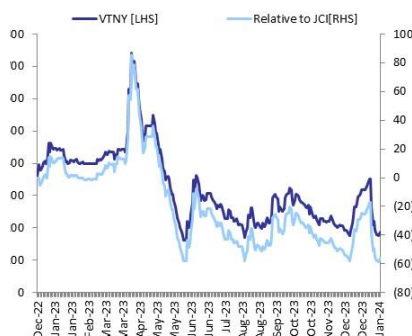


(Non-rated)

Last Price (Rp)	186
No. of Shares (mn)	1,197
Mkt Cap (Rpbn/US\$mn)	223/14
Avg, Daily T/O (Rpbn/US\$mn)	4.8/0.3
Free Float (%)	19.3
Major Shareholder (%)	
Carta Holdings, Inc	21.1
Junichiro Waide	20.8

VTNY relative to JCI Index



Source: Bloomberg

Venteny Fortuna International (VTNY IJ)

Delivering the growth momentum through attractive propositions in MSMEs segments

- VTNY targets ~twofold FY24F revenues growth, offering fintech and employee solutions in the untapped SME and B2B2E segments.
- Its growth in fintech and digital app revenue streams will be supported by new funding for loan disbursements and frontloading.
- VTNY currently trades at a premium 2023 PBV of 2.9x and 2024 EV/revenues of 5.8x, justified as it is in an early growth stage.

Holistic approach catering to the Micro and SME segments.

Venteny is engaged with the lucrative B2B segment with 440 MSME clients via offline channels offering vital liquidity loans (as the clients are unable to borrow through conventional banks). It also caters to employees working in those SMEs (~239,000 employees count in 3Q23) via its digital app. This setup has allowed Venteny to deliver solid revenue of Rp100bn in 9M23 (+125%yoy, with 59/41% fintech and superapp revenue contributions).

Building momentum in the employee digital app.

Inline with its IPO commitments, the employee “Venteny Superapp” has shown signs of robust traction, supported by growth in app downloads and more ecommerce transactions for digital products (1.3mn in 3Q23, +430%qoq, / 1.6mn in 9M23, +425%yoy). Venteny’s has taken initiatives to scale up its employee app by acquiring stake in DPI in Dec23 to utilize its e-wallet license. Furthermore, some 16% of its IPO funds went on IT spending.

Penetrating micro and SMEs with attractive loan propositions.

Venteny disbursed ~Rp1.4tr of loans in FY23E to SMEs (3Q23 outstanding: Rp339bn) channeling the funds through its P2P partners. The funding liquidity is sourced at a manageable cost (the effective cost of the fund on the total borrowings of Rp449bn was 9.8% as of 9M23, 68% from yen loans) owed to Venteny’s CEO liaisons with Japanese institutions, realizing sizeable interest margins (effective interest income at 24.3% in 9M23). Moreover, Venteny runs loan approvals (<5 days) relatively fast, with Venteny channeling loans through P2P with additional assessments and monitoring layers in place. Also, this lending route is attractive to SMEs as it requires no collateral for loan issuance.

Venteny is in the early stage of growth, thus deserving high multiples

Venteny has provided guidance for a twofold increase in FY24F revenue with equal contributions from fintech and its app. The growth will be supported by new funds with Venteny currently looking to raise total disbursements to Rp2tr in FY24F. The services provided in Venteny’s app are expected to be expanded. Venteny currently trades at 2023E PBV of 2.9x vs. 2.7x for its peers, while on a 2024 EV/revenue basis it trades at 5.8x vs. 2.3x for its peers. The premium valuation appears justified as Venteny’s is on track in delivering its high growth.

Key Financials

Year to 31 Dec	2021A	2022A	9M22	9M23
Revenue (Rpbn)	40	73	44	100
EBITDA (Rpbn)	5	12	(4)	(5)
EBITDA Growth (%)	n.a	134.3	n.a	(218.4)
Net Profit (Rpbn)	0.4	0.7	3.5	5.1
EPS (Rp)	0.1	0.1	0.6	0.8
BVPS (Rp)	5	62	n.a	63
PER (x)	3,249.2	1,548.4	n.a	113.9
PBV (x)	35.1	3.0	n.a	2.9

BRI Danareksa Sekuritas Analysts

Niko Margaronis

(62-21) 5091 4100 ext. 3512

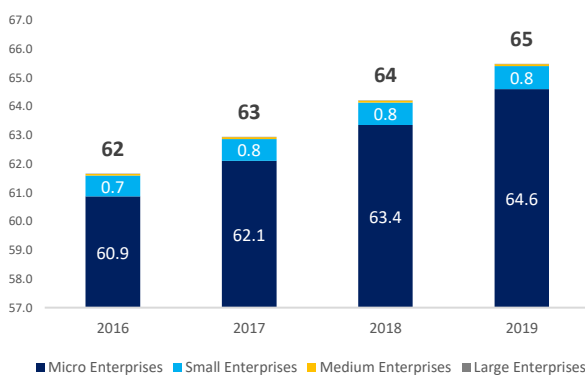
niko.margaronis@brids.co.id

VENTENY's opportunities by catering MSME segments

VENTENY focuses on key MSME segments and addresses pain points in financial inclusion shortcomings, labor engagement and productivity. *Those objectives are aligned with govt. economic policies placing MSMEs as the centerpiece of the economy.*

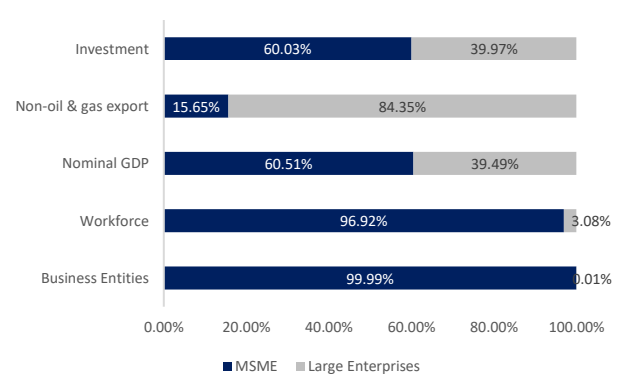
Creating offline and online channels to MSMEs: VENTENY engages MSMEs in B2B primarily via offline and sequentially online channels, managing the client company in an holistic manner. At first, Ventyen builds relationships with MSMEs by offering them loans. Ventyen then follows up by cross-selling non-financial services that address the workforce needs of their clients, essentially developing a channel to the B2B2E market.

Exhibit 1. MSMEs Enterprises Entities (Rpmn)



Source: Ministry of Cooperative and MSMEs

Exhibit 2. MSMEs Contribution in Indonesia



Source: Ministry of Cooperative and MSMEs

Challenges Faced by Employees

Financial flexibility

Lack of work life balance

Poor insurance benefit

Lack of training opportunities

VENTENY B2B2E strategy encompasses the building of a Super-app platform

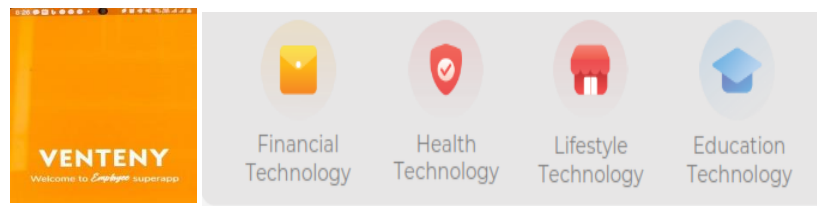
Penetration into MSMEs' workforce and B2B2E:

VENTENY's efforts to address the B2B2E segment are centered on its Employee "Ventyen Superapp" – a **one-stop solution platform**.

With this design, VENTENY seeks to assist Human Resources (HR) units to improve the quality of many types of employees, increase their engagement and improve retention rates. This is a comprehensive set of offerings presenting itself as an alternative option for MSMEs complementing HR units with limited budgets.

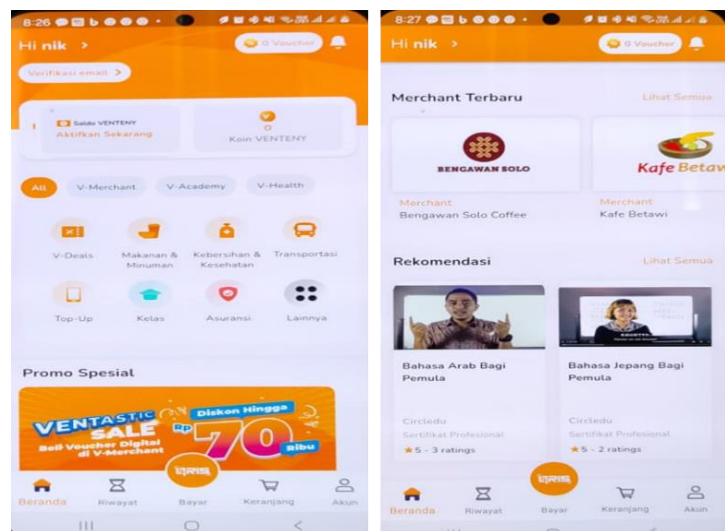
VENTENY's ecosystem aims to encompass services touching digital tech, financial tech, health tech, lifestyle – ecommerce, education tech, etc.

Exhibit 3. Venty digital app connects employees with essential digital services



Source: Company

Exhibit 4 Venty digital app interface



Source: Company

Exhibit 5. Venty positioning in the B2B2E employee niche segment



Source: Company

Exhibit 6. Warming up session with client's employees



Source: Company

Leveraging the current fintech infrastructure:

As per the POJK 10 2022 regulation, P2P lenders are limited in disbursing credit of up to Rp2bn to a single borrower. VENTENY accommodates MSMEs by disbursing loans via the P2P platforms. This way, Ventyeny is not required to own a P2P license. Additionally, it can disburse larger amounts of credit of >Rp2bn on aggregate channeling the loan through more than one P2P platform.

Exhibit 7. Ventyeny's complementing role in the MSMEs fintech lending

Metric	Traditional Banks	VENTENY	Fintech Lending
Product	Traditional Loan	Financial*) & Non-Financial Service	Flexible Loan
Loan Size	>IDR 2bn	Similar to Banks	<IDR 2bn
Interest Rate	8% - 17% p.a	Similar to Banks	36% - 60% p.a
Tenor	>1 year	1 - 12 months	1 - 12 months
Target Market	Medium to Large Enterprise	Micro to Large Enterprise	Micro to Small Business
Processing Time	>2 months	<5 working days	Avg 5 working days
Credit Approach	Financial and Asset Based	Cashflow and Data Based	Cashflow and Data Based
Payment Guarantee	Fixed Asset, Margin Deposit	Depend on Risk Profile	Depend on Risk Profile

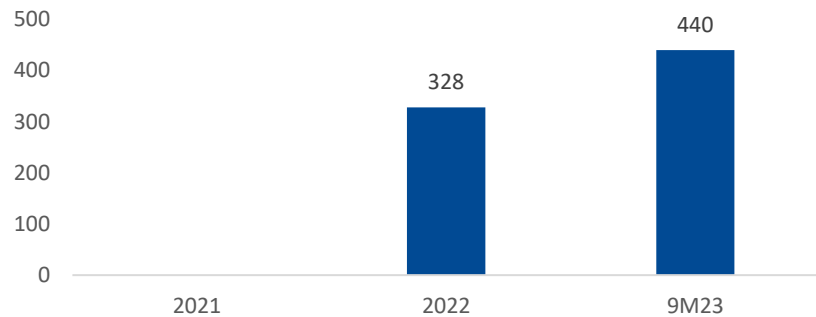
Source: Company

Competitive lending processes

- **Layers of credit assessment.** VENTENY is a pioneer in fintech operations by adding a 2nd layer of credit assessment running independently to P2P players. VENTENY, through collaboration and its own access to credit bureaus, can perform assessments within 5 working days.
- **No Fixed Assets Collateral.** The risk is mitigated with technology and a strong credit assessment policy with no fixed assets requirement as collateral. Instead, VENTENY usually only asks for post-dated checks.
- **Competitive and diversified sources of funding:** 68% of the loans come from Japanese financial institutions with competitive rates while 32% are provided by local banks. Ventyeny is currently still underleveraged with approx. 1-1.25x net gearing, with its ROE standing at 2.6% as of 9M23. VENTENY has so far been entrusted with funding from several sources: liaising with institutions in Japan sourcing capital at low cost, from local banks, in addition to prior commitments from the likes of Softbank, Relo group, and Carta Holdings.

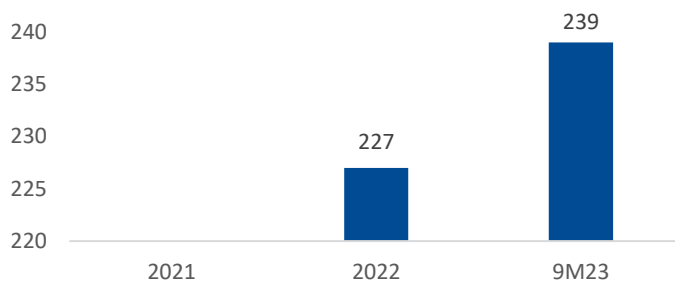
Venteny Business & Financial analysis

Exhibit 8. Venteny Corporate Clients (#)



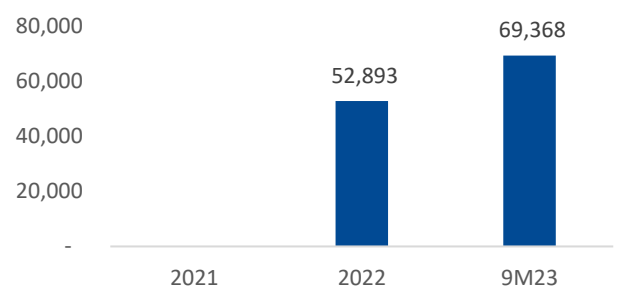
Source: Company,

Exhibit 9a. Venteny Employee app users (# '000)



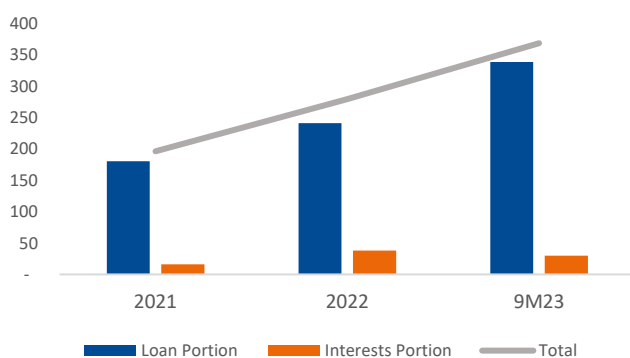
Source: Company

Exhibit 9b. Venteny total Employee app downloads (#)



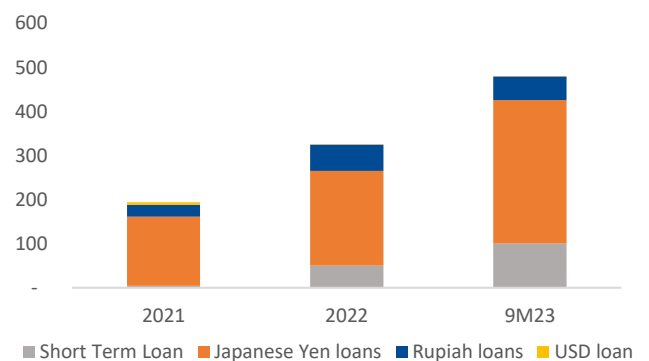
Source: Company

Exhibit 10a. Venteny Trade Receivables Breakdown (Rpbn)



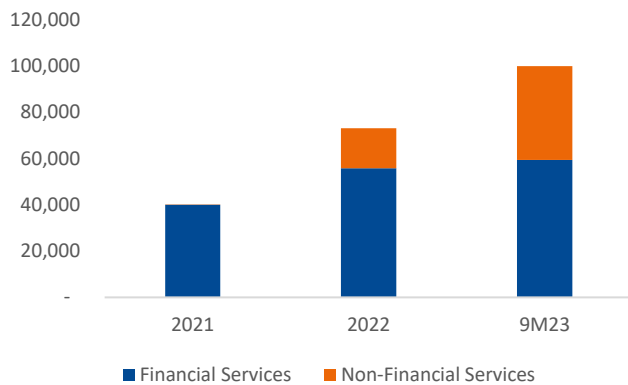
Source: Company

Exhibit 10b. Venteny Breakdown Total Borrowing (Rpbn)



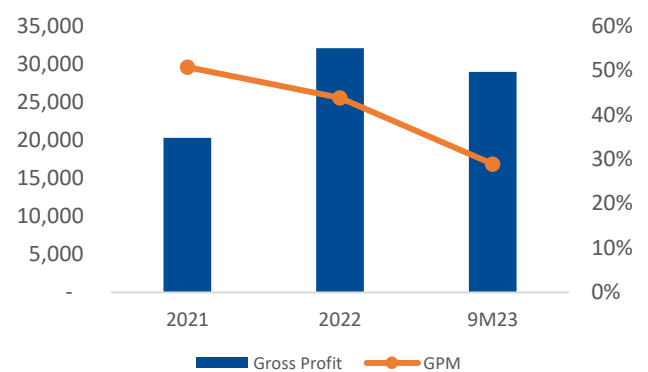
Source: Company

Exhibit 10c. Venteny Revenue Breakdown (Rpbn)



Source: Company

Exhibit 10d. Venteny Gross Profit (Rpbn)



Source: Company

Exhibit 11. Venteny 3Q23 / 9M23 financial results

Rp million	3Q22	2Q23	3Q23	Δ% qoq	Δ% yoy	9M22	9M23	Δ% yoy
Revenue (by service)	15,183	26,292	41,141	56.5	171.0	44,388	100,034	125.4
Interest	11,516	14,259	21,500	50.8	86.7	35,870	54,627	52.3
Platform	1,924	10,208	18,534	81.6	863.2	3,802	36,525	860.8
System Development	-	570	90	(84.2)	n/a	-	4,160	n/a
Penalty	984	1,045	497	(52.5)	(49.5)	1,264	3,558	181.4
Administration	796	168	469	178.3	(41.1)	2,448	1,014	(58.6)
Service fee	(270)	-	7	n/a	n/a	79	7	(91.3)
Others	233	42	44	4.6	(81.1)	925	143	(84.6)
COGS	9,548	21,428	31,529	47.1	230.2	27,771	71,085	156.0
Interest for lending	7,886	10,299	12,660	22.9	60.5	23,515	32,176	36.8
Platform	1,875	10,083	18,196	80.5	870.6	3,743	35,932	860.0
Transaction fee for lending	(250)	1,049	153	(85.5)	n/a	-	1,202	n/a
Amortization	(267)	553	344	(37.9)	n/a	-	1,031	n/a
Others	305	(557)	177	n/a	(42.1)	513	744	45.1
Gross Profit	5,635	4,864	9,612	97.6	70.6	16,617	28,949	74.2
<i>Gross Profit Margin (GPM)</i>	<i>37.1%</i>	<i>18.5%</i>	<i>23.4%</i>	<i>4.9%</i>	<i>-13.7%</i>	<i>37.4%</i>	<i>28.9%</i>	<i>-8.5%</i>
Marketing expenses	(1,442)	(1,517)	(2,565)	69.1	(77.9)	(2,767)	(5,540)	100.3
General and administrative exp	(8,000)	(10,624)	(10,723)	0.9	(34.0)	(22,074)	(31,322)	41.9
Operating Income (EBIT)	(3,807)	(7,277)	(3,677)	(49.5)	3.4	(8,223)	(7,913)	(3.8)
Total Other Income (Expenses)	7,151	11,877	1,018	(91.4)	(85.8)	15,640	14,571	(6.8)
Income Before Tax (EBT)	3,344	4,601	(2,659)	n/a	n/a	7,417	6,658	(10.2)
Net Income	391	5,036	(2,934)	n/a	n/a	3,471	5,088	46.6
EBITDA	(2,856)	(5,835)	(3,533)	(39.5)	(23.7)	(4,442)	(5,261)	(18.4)

Source: Company

Strong 3Q23 topline growth from both financial and superapp services. Venty's 9M23 revenue came in at Rp100bn (+125%yoy) supported by significant growth in both financial and Superapp services.

The revenue contribution from Superapp services is very significant now (reaching 45% of Venty's revenue inline with the company's IPO strategies) as GMV from digital goods picked up significantly. GMV growth was supported by both higher Superapp downloads and increased ecommerce transactions, specifically 1.3mn transactions in 3Q23 (+430%qoq) and 1.6mn transactions in 9M23 (+425%yoy). Given the nature of its GMV sources, the gross profit margin narrowed to 23% in 3Q23 from 37% in the previous year.

Tailwinds from forex have helped Venty to post net profit. Venty's 3Q23 and 9M23 EBIT was in negative territory. Venty's marketing and G&A costs constituted 6%/36% of its 9M23 topline but only 6%/26% in 3Q23 as operating leverage was achieved with the growth in Superapp services. Venty reported forex gains in 9M23 mainly stemming from the Japanese Yen depreciation as 68% of Venty's debt is sourced from Japanese institutions. This helped Venty to achieve net profits of Rp0.2bn/Rp6.7bn in 3Q23/9M23.

Venty's growth has been supported by a robust loans portfolio. Venty's trade receivables resulted mostly from lending activities which stood at Rp339.2bn in 9M23 (including cumulative interest) comprising Rp346bn of lending to SMEs mostly short-term (turnover of ~ 4x in a year with total loans disbursement of ~Rp1.3tn in FY23E), Rp21.8bn to individuals, and impairment provisions of Rp28.8bn. In 9M23, the effective interest rate on these loans was 24.3%. The channeling of loans has been supported by four P2P partners, namely: Lahan Sikam, Dompot Kilat, Indofund and Koperasi.

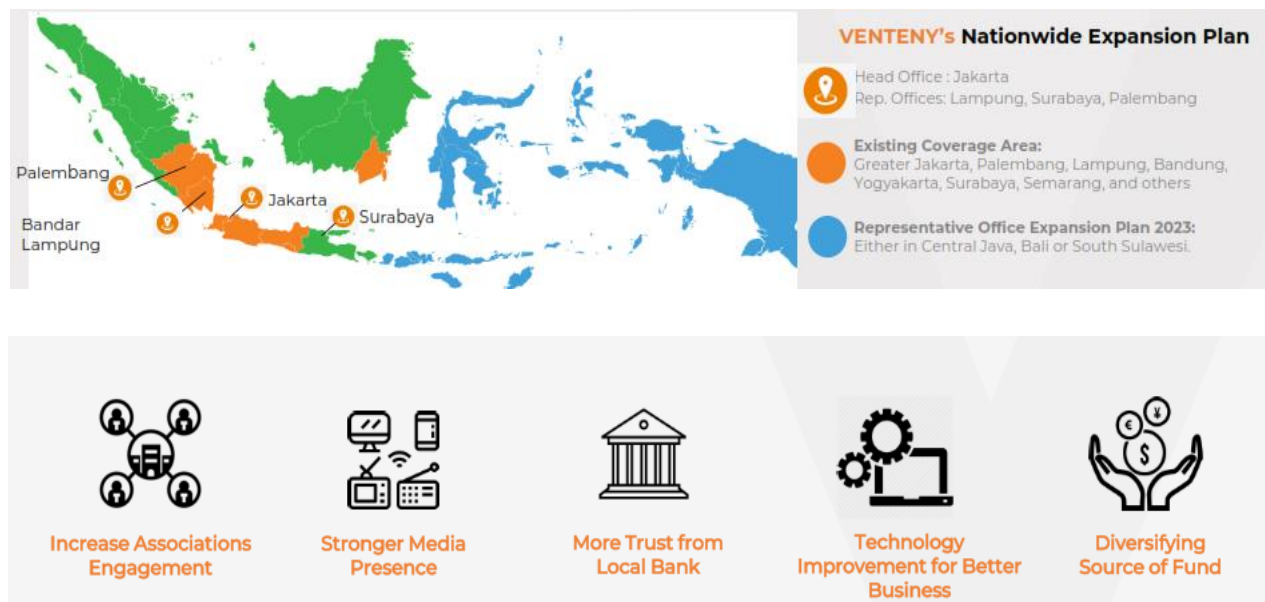
Relatively low net gearing provides room for more loans disbursement. Venty's total borrowings stood at Rp480bn comprised of Rp325bn denominated in Japanese yen and Rp54bn in Rupiah with a 9.8% effective interest cost based on 9M23 suggesting a positive interest differential. Venty has promising fundamentals with net gearing currently standing at 1.0x with ROAE at 2.6%.

Use of IPO proceeds. Venty was listed on the IDX in Dec22, with IPO net proceeds of Rp312.3bn. Some Rp131bn was dispersed in loans to clients. However, the bulk of the IPO funds were utilized on IT, product development, marketing and geographical expansion. In Nov23, Venty acquired 51% of its partner Lahan Sikam's P2P lending platform, and thus now controls one of the P2P platforms. Additionally, in Dec23, Venty announced the acquisition of a 30% stake in Digitalisasi Perangkat Indonesia (DPI) enabling Venty to have its own license for e-money / e-wallet services.

90%+ revenue growth expected in FY23E. Since its IPO, Venty has made strides to improve its services portfolio with a higher revenue contribution from the employee Superapp. Venty will record solid FY23E revenue growth of circa 90%+yoy (or Rp140bn+) as we expect Venty to deliver 4Q23 revenues of at least Rp41bn, maintaining the revenue peak achieved in 3Q23.

Revenue to climb further in FY24F. Venty has provided guidance for revenue to climb at similar growth rates in FY24F. The growth is expected to be balanced between the financial services and super app (around 50-50 revenue contribution by YE24). We believe this is achievable as Venty aims to raise the total loan disbursements to Rp2tr in FY24F. In the pipeline Venty has new fundraising sourced from Japanese institutions. Venty will also undertake due diligence with local banks in Indonesia as well as from Singapore to open up new funding sources.

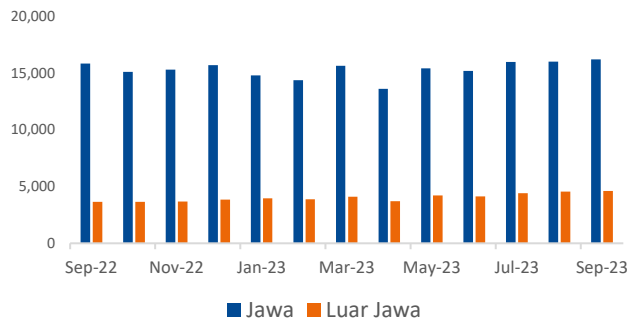
Exhibit 22. Venty operational plans – next steps



Source: Company

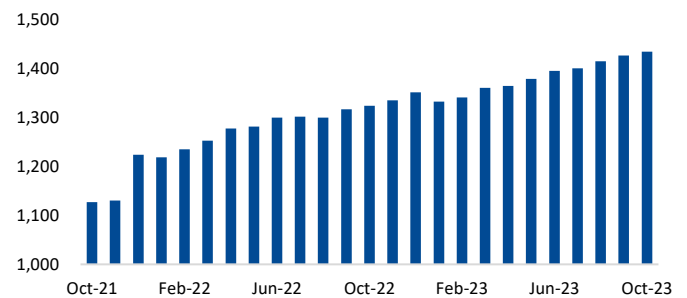
Micro, SMEs and key Fintech trends in Indonesia

Exhibit 13. Capital Provided by P2P Lenders on monthly basis (Rpbn)



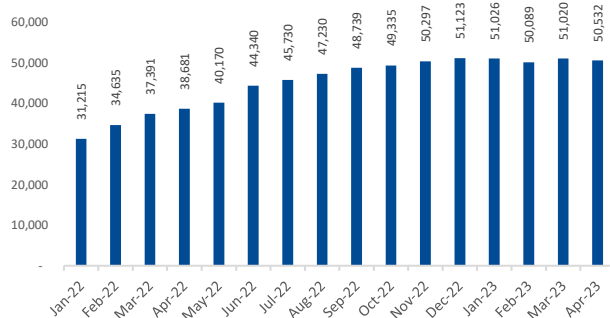
Source: OJK

Exhibit 14. MSMEs Monthly Outstanding Loan (bn)



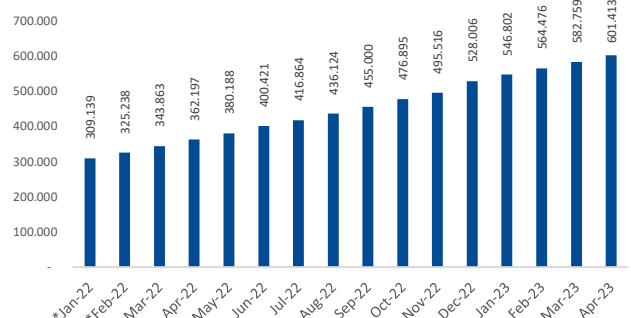
Source: Bank Indonesia

Exhibit 15a. Outstanding Loans (Fintech) – (Rpbn)



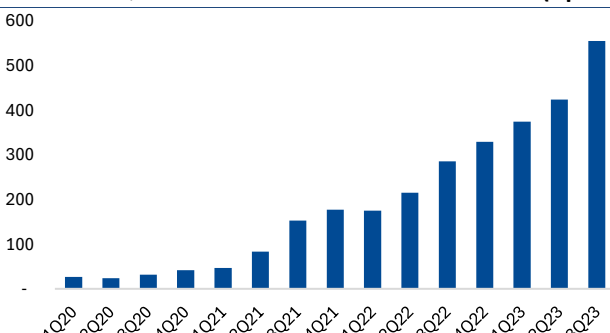
Source: OJK

Exhibit 15b. Accumulated Loans Disbursed (Fintech) – (Rpbn)



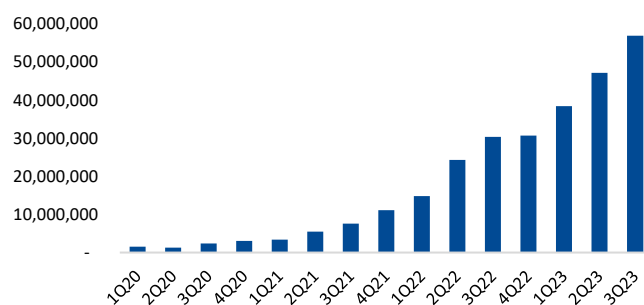
Source: OJK

Exhibit 16a. QRIS Transaction Volume in Indonesia (Rpmn)



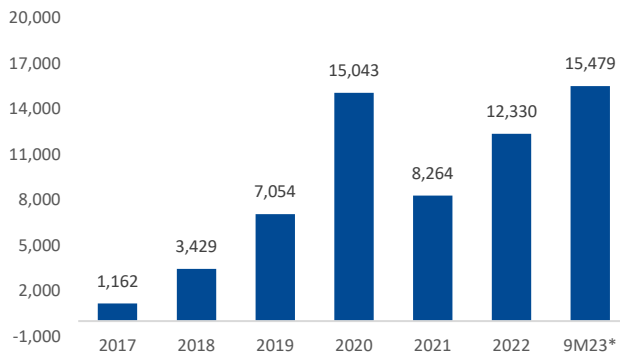
Source: Bank Indonesia

Exhibit 16b. QRIS Transaction Value in Indonesia (Rpbn)



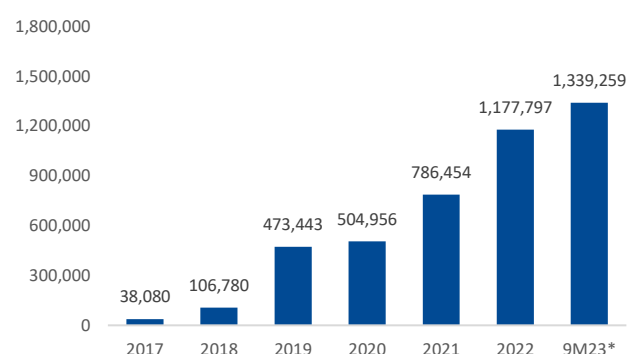
Source: Bank Indonesia

Exhibit 17a. E-Money Transaction Volume (Rpmn)



Source: Bank Indonesia

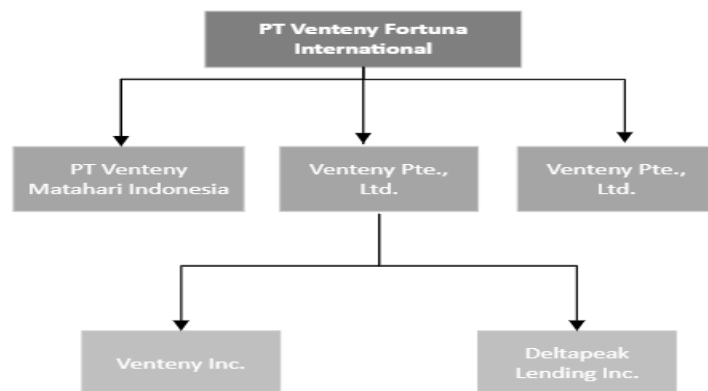
Exhibit 17b. E-Money Transaction Value (Rpbn)



Source: Bank Indonesia

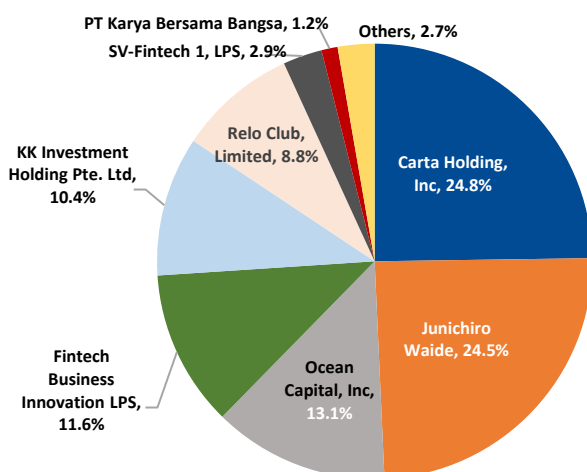
VENTENY Business Structure

Exhibit 18. VENTENY company group structure.



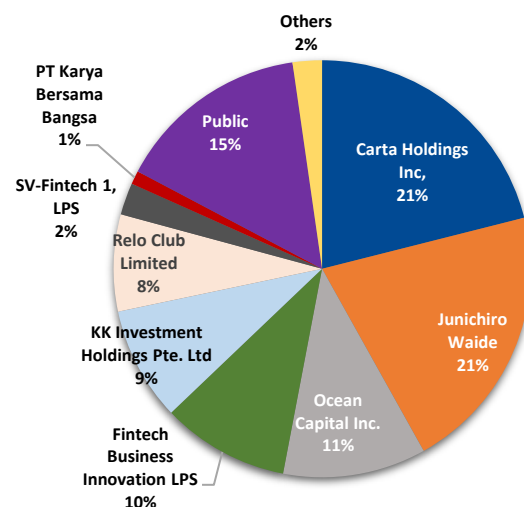
Source: Company

Exhibit 19a. Shareholding Structure before IPO



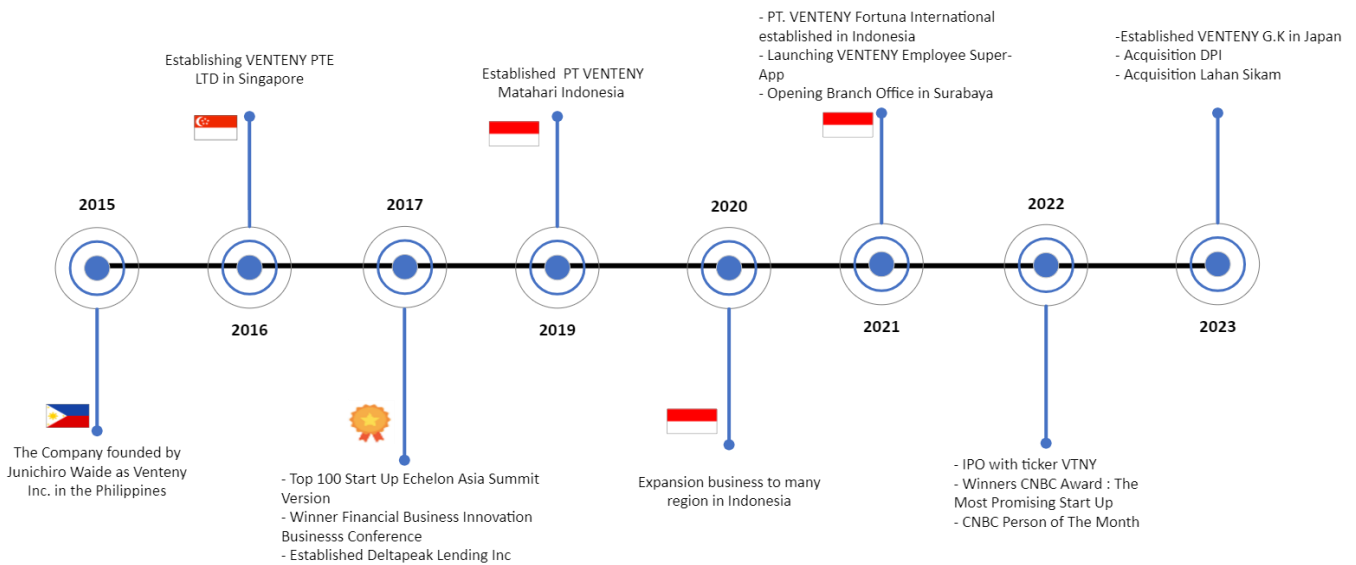
Source: Company

Exhibit 19b. Shareholding structure 9M23



Source: Company

Exhibit 20. Venteny Milestones



Source:Company

Exhibit 21. Income Statement

Year to 31 Dec (Rpbn)	2021A	2022A	9M22	9M23
Revenue	40	73	44	100
COGS	(20)	(41)	(28)	(71)
Gross profit	20	32	17	29
EBITDA	5	12	(4)	(5)
Oper. profit	3	5	(8)	(8)
Interest income	n.a	n.a	n.a	n.a
Interest expense	n.a	n.a	n.a	n.a
Forex Gain/(Loss)	0	0	16	15
Income From Assoc. Co's	n.a	n.a	n.a	n.a
Other Income (Expenses)	n.a	n.a	n.a	n.a
Pre-tax profit	4	6	7	7
Income tax	(2)	(4)	(3)	-
Minority interest	(1)	(1)	(1)	(2)
Net profit	0	1	3	5
Core Net Profit	0	1	3	5

Exhibit 22. Balance Sheet

Year to 31 Dec (Rpbn)	2021A	2022A	9M22	9M23
Cash & cash equivalent	30	341	n.a	63
Receivables	181	269	n.a	346
Inventory	0	0	n.a	0
Other Curr. Asset	7	71	n.a	435
Fixed assets - Net	8	14	n.a	11
Other non-curr.asset	16	41	n.a	51
Total asset	242	736	n.a	907
ST Debt	196	329	n.a	483
Payables	6	10	n.a	5
Other Curr. Liabilities	1	1	n.a	15
Long Term Debt	5	3	n.a	3
Other LT. Liabilities	1	1	n.a	1
Total Liabilities	209	343	n.a	506
Shareholder's Funds	33	389	n.a	395
Minority interests	0	4	n.a	5
Total Equity & Liabilities	242	736	n.a	907

Exhibit 23. Cash Flow

Year to 31 Dec (Rpbn)	2021A	2022A	9M22	9M23
Net income	0	1	n.a	5
Depreciation and Amort.	3	7	n.a	4
Change in Working Capital	n.a	n.a	n.a	n.a
Other Oper. Cash Flow	n.a	n.a	n.a	n.a
Operating Cash Flow	(81)	(79)	n.a	(697)
Capex	(2)	(30)	n.a	(11)
Others Inv. Cash Flow	(5)	(58)	n.a	0
Investing Cash Flow	(7)	(89)	n.a	(11)
Net change in debt	118	85	n.a	460
New Capital	0	318	n.a	0
Dividend payment	0	0	n.a	0
Other Fin. Cash Flow	0	76	n.a	(15)
Financing Cash Flow	119	479	n.a	445
Net Change in Cash	30	311	n.a	(263)
Cash - begin of the year	0	30	n.a	327
Cash - end of the year	30	341	n.a	63

Exhibit 24. Key Ratio

Year to 31 Dec	2021A	2022A	9M22	9M23
Growth (%)				
Sales	n.a	82.6	n.a	125.4
EBITDA	n.a	134.3	n.a	(218.4)
Operating profit	n.a	50.7	n.a	(196.2)
Net profit	n.a	109.9	n.a	n.a
Profitability (%)				
Gross margin	50.7	43.8	37.4	28.9
EBITDA margin	12.5	16.0	(10.0)	(5.3)
Operating margin	8.7	7.2	(18.5)	(7.9)
Net margin	0.9	1.0	7.8	5.1
ROAA	0.1	0.2	n.a	0.4
ROAE	1.1	0.4	n.a	1.7
Leverage				
Net Gearing (x)	4.9	(0.1)	n.m	1.0
Interest Coverage (x)	0.2	0.2	(0.3)	(0.2)

Source : Company

BRI Danareksa Equity Research Team

Erindra Krisnawan, CFA	Head of Equity Research, Strategy, Coal	erindra.krisnawan@brids.co.id
Natalia Sutanto	Consumer, Cigarettes, Pharmaceuticals, Retail	natalia.sutanto@brids.co.id
Niko Margaronis	Telco, Tower, Technology, Media	niko.margaronis@brids.co.id
Hasan Barakwan	Metal, Oil and Gas	hasan.barakwan@brids.co.id
Victor Stefano	Banks, Poultry, Property, Industrial Estate	victor.stefano@brids.co.id
Ismail Fakhri Suweleh	Healthcare	ismail.suweleh@brids.co.id
Richard Jerry Tambayong	Automotive, Cement	richard.jerry@brids.co.id
Ni Putu Wilastita Muthia Sofi	Research Associate	wilastita.sofi@brids.co.id
Naura Reyhan Muchlis	Research Associate	naura.muchlis@brids.co.id
Sabela Nur Amalina	Research Associate	sabela.amalina@brids.co.id
Christian Immanuel Sitorus	Research Associate	christian.sitorus@brids.co.id

BRI Danareksa Economic Research Team

Helmy Kristanto	Chief Economist, Macro Strategy	helmy.kristanto@brids.co.id
Dr. Telisa Aulia Falianty	Senior Advisor	telisa.falianty@brids.co.id
Kefas Sidauruk	Economist	kefas.sidauruk@brids.co.id

BRI Danareksa Institutional Equity Sales Team

Yofi Lasini	Head of Institutional Sales and Dealing	yofi.lasini@brids.co.id
Novrita Endah Putrianti	Institutional Sales Unit Head	novrita.putrianti@brids.co.id
Ehrlich Suhartono	Institutional Sales Associate	ehrliech@brids.co.id
Yunita Nababan	Institutional Sales Associate	yunita@brids.co.id
Adeline Solaiman	Institutional Sales Associate	adeline.solaiman@brids.co.id
Andreas Kenny	Institutional Sales Associate	andreas.kenny@brids.co.id
Christy Halim	Institutional Sales Associate	christy.halim@brids.co.id
Jason Joseph	Institutional Sales Associate	jason.joseph@brids.co.id

BRI Danareksa Sales Traders

Mitcha Sondakh	Head of Sales Trader	mitcha.sondakh@brids.co.id
Suryanti Salim	Sales Trader	suryanti.salim@brids.co.id

INVESTMENT RATING

BUY	Expected total return of 10% or more within a 12-month period
HOLD	Expected total return between -10% and 10% within a 12-month period
SELL	Expected total return of -10% or worse within a 12-month period

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