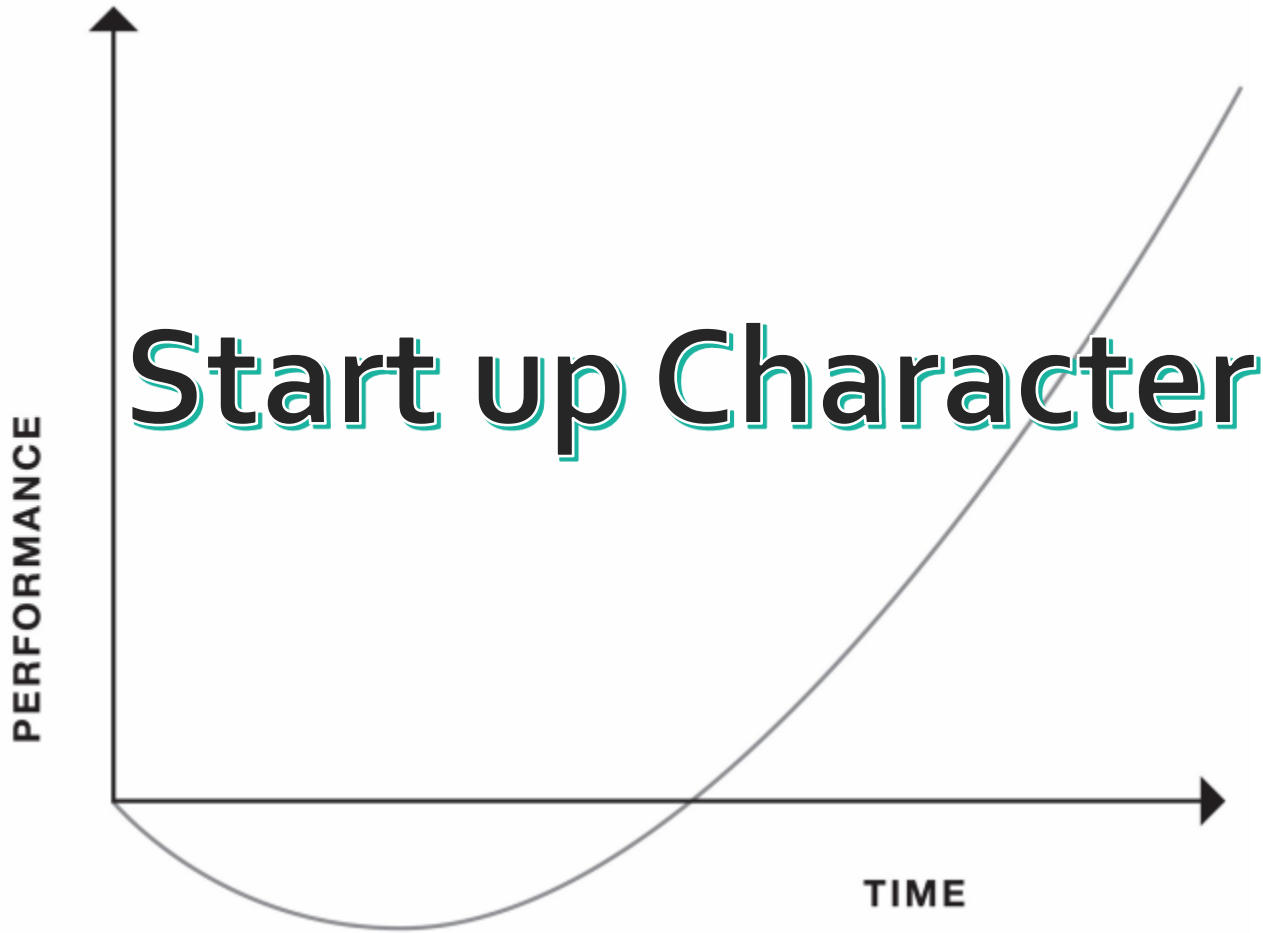




Business Valuation



GOAL



- 1. Valuation
- 2. Profit

Require Ecosystem



Certificate Number QMS/157



Creating
**NEW ENTREPRENEURS
and NEW VENTURES**

Benefits of Valuation Calculation

1. Get access to investment

2. Facilitate business acquisitions

3. Assist with the decision-making process

4. Evaluation

5. Understand the selling value of the company



Calculate a Company's Valuation

**1. Profit
Multiplier**

2. Comparison

**3. Discounted
Cash Flow (DCF)**

**4. Asset
valuation**



Beware of investor and partners



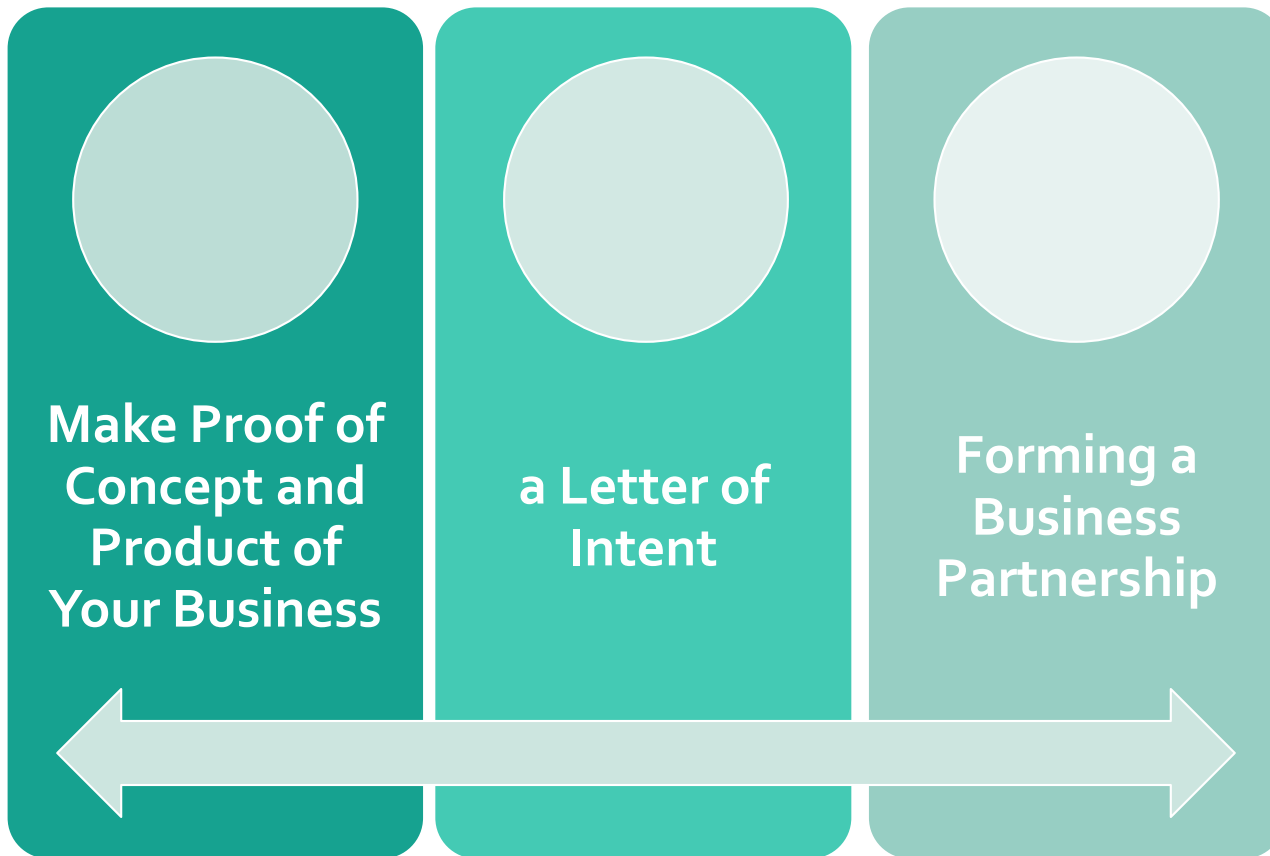


Factors That Affect Valuation



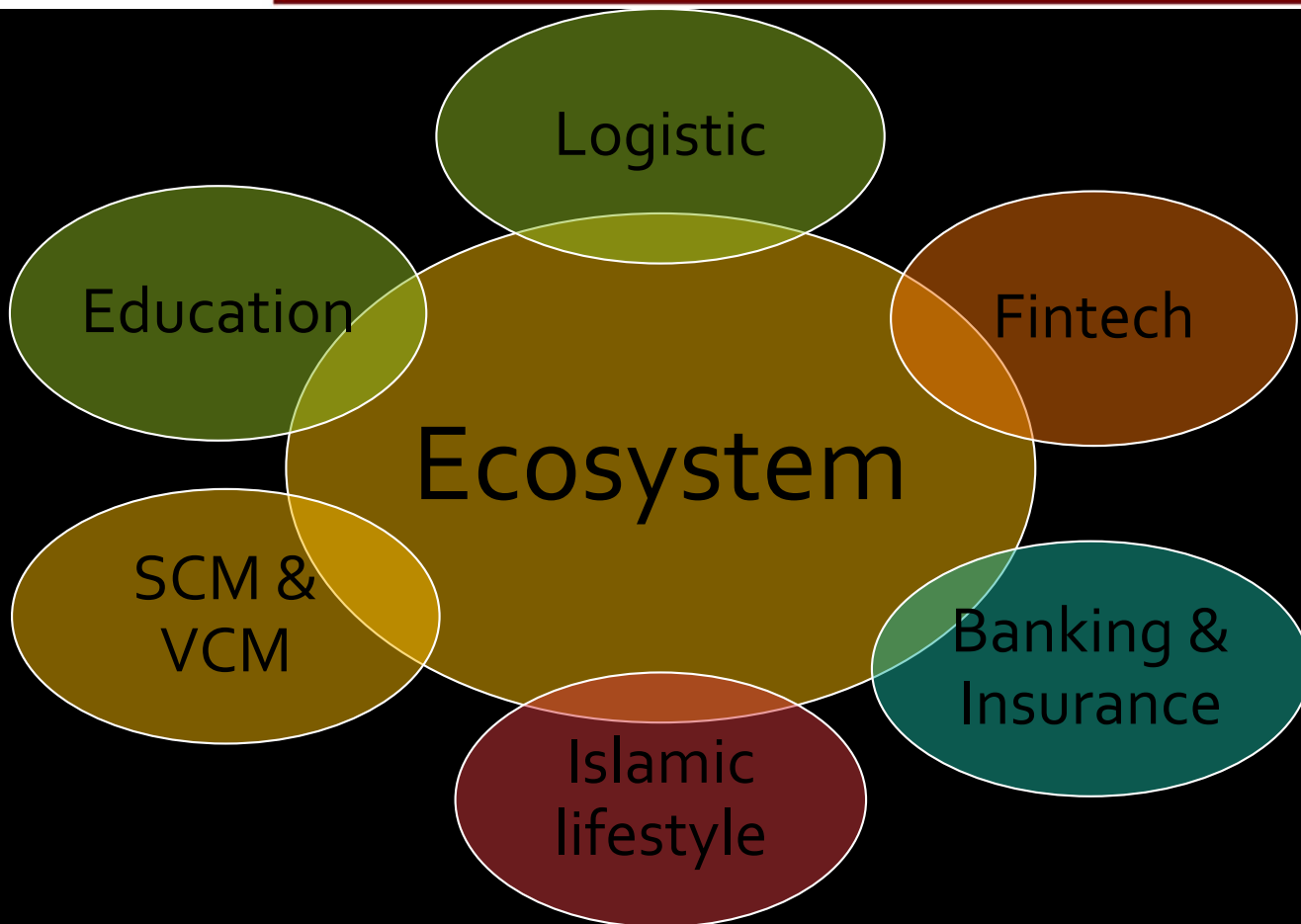


Increasing valuation



Big Data → Psychological Data → Ecosystem

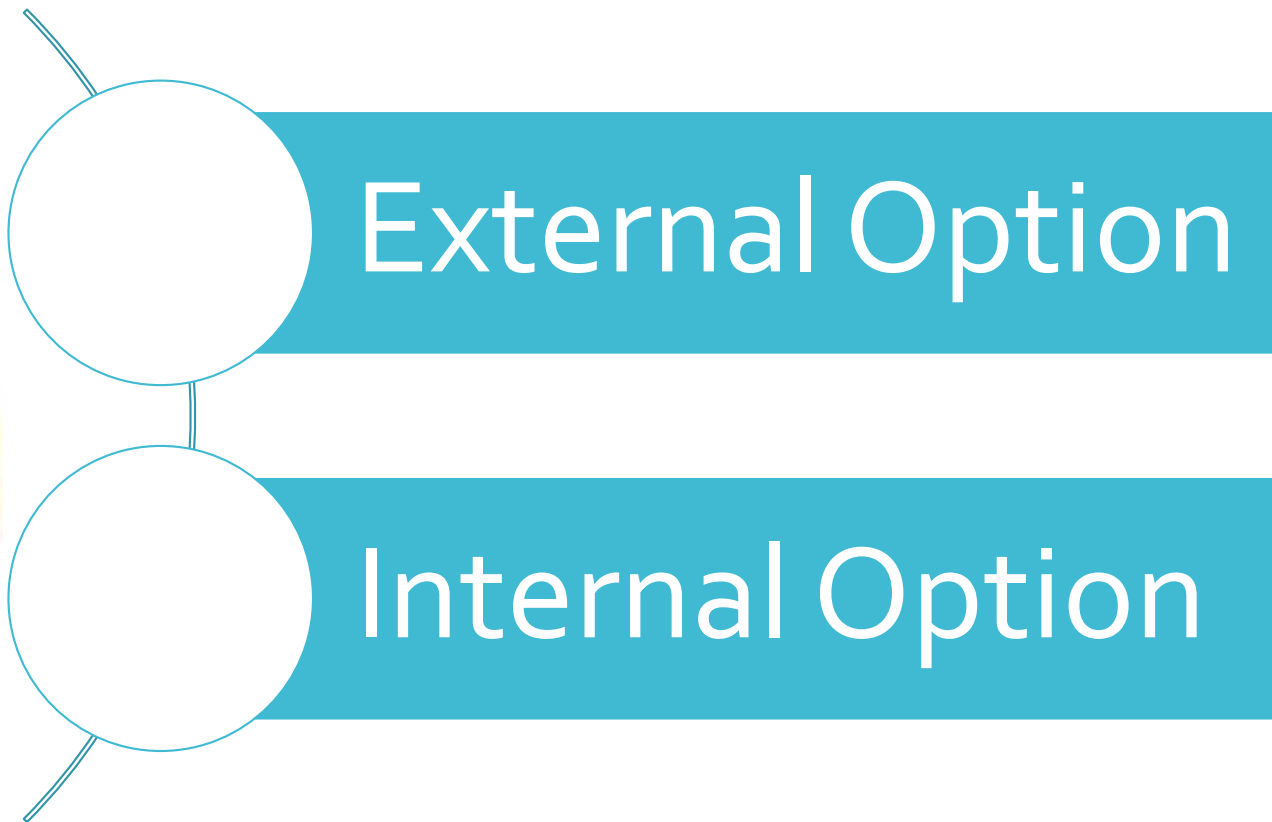




Food & Non Food Household expenditure



Creating
**NEW ENTREPRENEURS
and NEW VENTURES**





Get Paid As Soon As Possible – A/R

Accounts receivable (A/R) is money due from clients / customers. The faster what is owed is paid, the better. Ensure customers understand financial expectations: use invoices and state terms. Late pays risk becoming losses. Consider providing incentives to motivate the behavior you want to see – cash paid!

“Cash on
delivery”
(COD

Pre-sell

Discounts for
paying quickly

Chares for
delayed
payment



Delay Making Payments – A/P

Accounts payable (A/P) is money owned to vendors, government or other obligation. Tactics here are the inverse of the section above – delay spending money as late as possible to keep cash

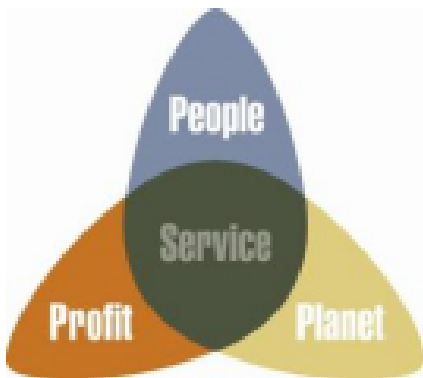
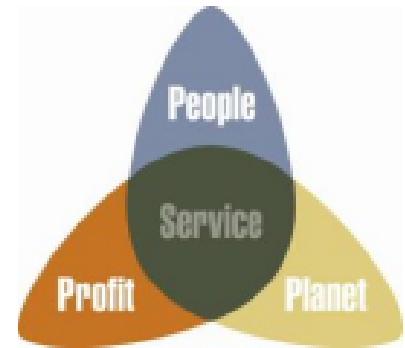
Leverage Existing Assets

Treasury management addresses risk and cash flow:
cash needed and timing between that owed and earned

For example, can you get paid electronically faster than getting a paper check? If you do receive a large amount of cash at one time, can you earn interest on it (even if just a little bit in today's economy)?

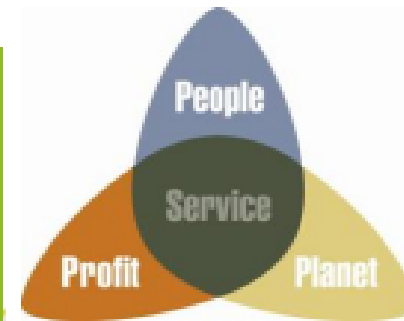
Conventional Finance

Friends / family / fools: If you believe in your endeavor, can you ask those you know to support it, too? If you pursue this route, as many small or start-up SEs



Banks and credit unions (P2PL): Formal institutions will not provide volumes of affordable capital right away. These are relationships to build trust, education and a track record. Manage expectations and approach a long term investment; it may be expensive at the beginning

Equity: Can you sell part of the business? Even a non-profit or public entity has 'ownership', 'sold' through imaginative structures, donations or joint ventures with private firms





Social Investor

Investors interested in social, environmental and community efforts are increasingly prevalent. Socially Responsible Investing (SRI), as well as “patient capital”, “impact investing” or “slow money,”



Case Study – RSF Social Finance rsfsocialfinance.org



Example institutions with international approaches include Grassroots Business Fund, Root Capital, Bamboo Finance, Oikocredit, and Calvert Foundation. Lists are available at Aspen Network of Development Entrepreneurs (ANDE) and Cause Capitalism



Creating
NEW ENTREPRENEURS
and **NEW VENTURES**

Philanthropy Grant

Grants are typically approached as a gift from a foundation or wealthy individual



Government and Donor Capital

It often requires extensive competitive application and long lead times. This option is often financially cheap but far from free, as there are obligations like information tracking which takes staff time, relationship requirements and perhaps the institution's perception in the marketplace



International Case

Introduction

Models of Crowdfunding

Donation

Rewards-Based

"Contributions are exchanged for current or future of goods or services."



Donation-Based

"When an individual, company or organization accepts charitable donations."



Investment

Lending-Based

"When a crowd lends money to an individual or company with the understanding that the loan will be repaid with interest."



Equity-Based

"Where the exchange is company equity, or ownership, and not goods or services."



Crowdfunding Insider, Entrepreneur.com



Certificate Number QMS/157



Local Case

Daftar Platfrom Equity Crowdfunding Yang Telah Mendapatkan Ijin dari OJK

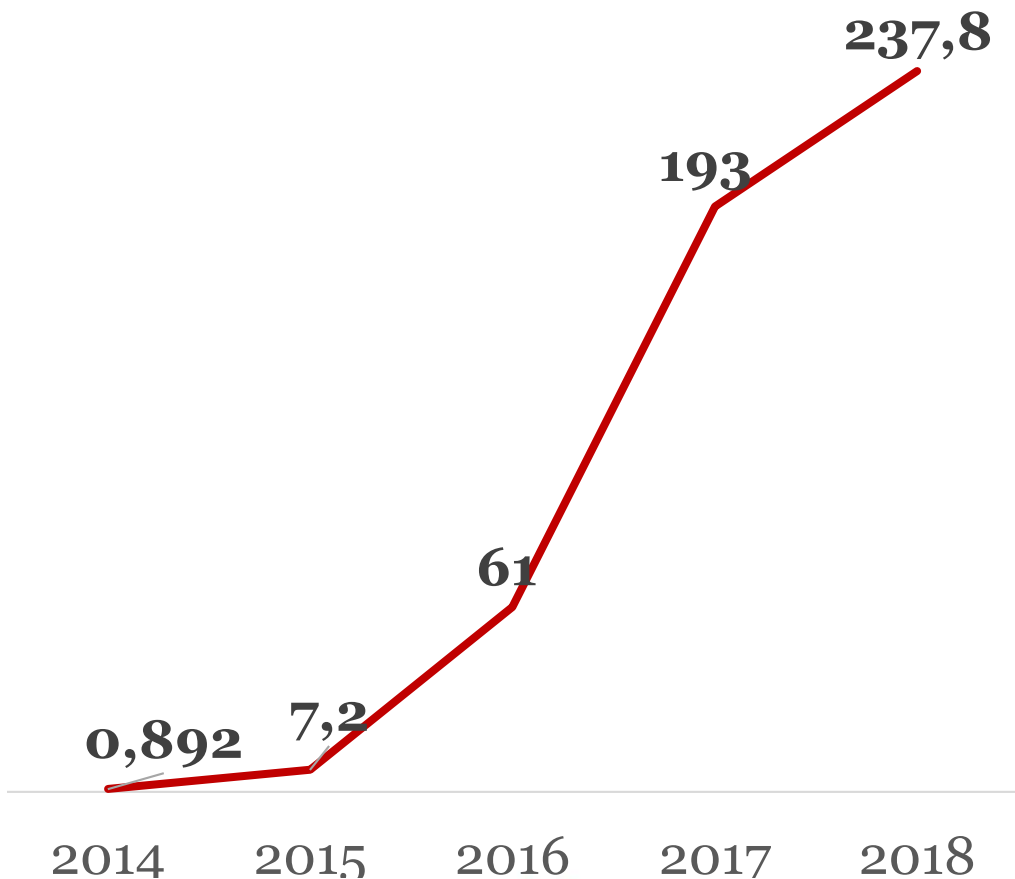
| No | Nama Platform | Website | Nama Perusahaan | Surat Tanda Berizin | Tanggal |
|----|---------------|--|--------------------------------------|---------------------|---------------------|
| 1. | Santara | www.santara.co.id | PT Santara Daya Inspiratama | KEP-59/D.04/2019 | 6 September 2019 |
| 2. | Bizhare | www.bizhare.id | PT Investasi Digital Nusantara | KEP-71/D.04/2019 | 6 November 2019 |



Local Case

KITA BISA

Total Donasi Terkumpul (Rp. Milyar)



**Orang Baik Tergabung:
1.83 juta**

**Campaign Terdanai:
± 22.4 Ribu**

**Donasi Tersalurkankan:
Rp. 637.42 Milyar**

*Data per Maret
2019



Creating
**NEW ENTREPRENEURS
and NEW VENTURES**

Comparison to Pursue Capital Sources

| Financial Options | Timeliness | Amount | Stability | Mission | Distance |
|-------------------------------|------------|--------|-----------|---------|-----------|
| Conventional Financing | OK | Good | OK | Poor | Good |
| Social Investment | Poor | OK | Good | Good | OK-Varies |
| Gov't Contracts | Poor | OK | Poor | Good | OK |
| Crowd Funding | Good | Poor | OK | Good | n/a |
| Internal Resources | Good | OK | Good | n/a | Good |



Overall Capital Strategies

Understand what financier value & how they make decision

Establish long-term network

Build credit history

Formalize and report the enterprise

Equip the enterprise

Have back-up plan





SB-IPB

Sekolah Bisnis - Institut Pertanian Bogor

Why Investor say "NO"



Certificate Number QMS/157



Creating
NEW ENTREPRENEURS
and NEW VENTURES



SB-IPB

Sekolah Bisnis - Institut Pertanian Bogor



Certificate Number QMS/157



Creating
NEW ENTREPRENEURS
and NEW VENTURES