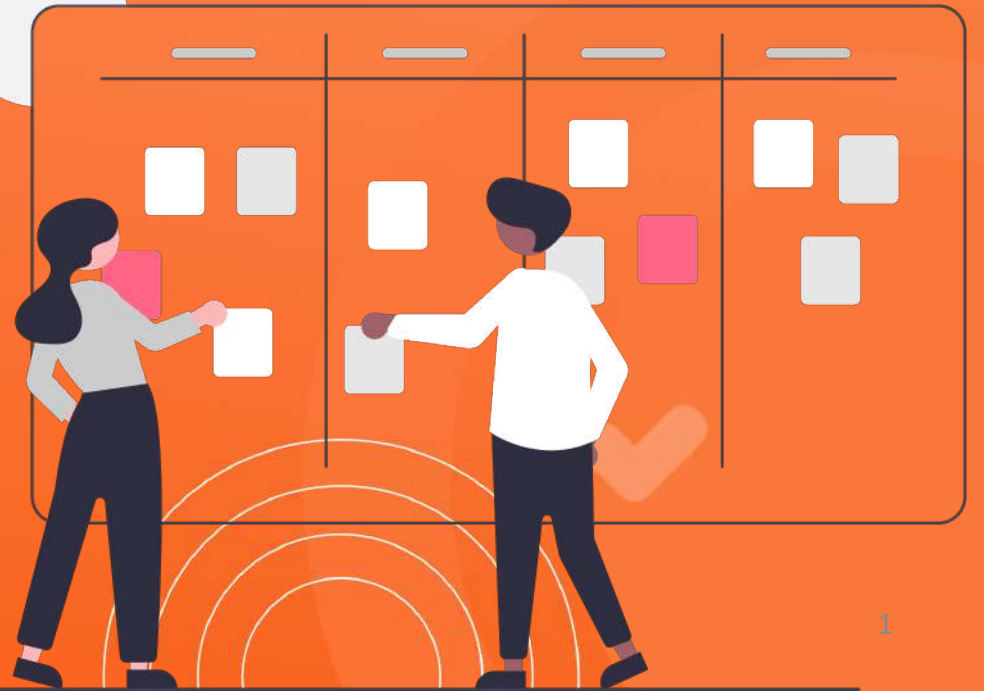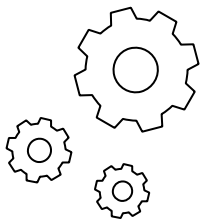# BUSINESS PLAN

PT BOXITY CENTRAL INDONESIA

Innovative way of your Enterprise Resources and Planning platform

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EXECUTIVE SUMMARY

A brief introduction and summary about our business plan.

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COMPANY OVERVIEW

Basic background information about our company.

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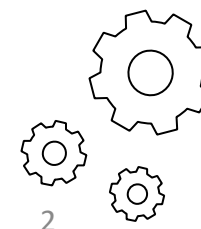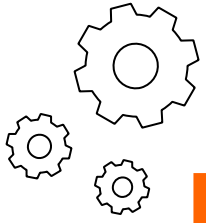### INDUSTRY OVERVIEW

We providing some basic information about an industry interest.

04

FINANCIAL OVERVIEW

Basic information about our financial projection and our activities.

Executive Summary

FAST FACTS

Founded: 2020
Headquarters: Jakarta, Indonesia
Operational Office: Medan, and online-way work
Founder: Bintang Tobing
Kind of Business: Modular Software
Product: ERP (Enterprise Resources & Planning) & SaaS (Software as a Product)
Market Size: Expected to reach USD 143,7 Billion by 2022 (Resources by: profitwell.com)
Target Audience: MSMEs established in the past 5 years, or have 5-10 employees, Young start-up companies which have their businesses running for less than 3 years, Companies that are more than 5 years old and have an annual income between IDR 2 and 15 billion per year.

Quick Description

Boxity Central Indonesia is here to help and support companies in the 4.0 business industrial revolution, by providing a cloud-based system with an ERP model for companies with large valuations, and the SAAS (Software as a Service) model for small to medium MSMEs

OUR VISION

We set envision every micro, small and medium enterprise being enabled to digitally manage their operation hence facilitating their business growth. Boxity has small business development in mind when founding the company. We build each system with our client's typology and needs front and center in the process. One of our differentiating factors is our commitment to building the capacity of our small business clients in each of the business processes.
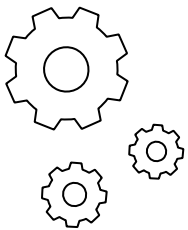
MISSION STATEMENT

We set a mission to build a robust yet nimble Enterprise Resource Planning System accessible for MSMEs at their fingertips. We believe that the world is going digital, and opportunities are no longer limited by physical borders. Likewise, to seize the economic opportunity in Indonesia's business landscape, we believe MSME should be going digital in their operation.
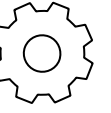
TEAM OVERVIEW

We believe that innovation means all of us working as one. That's because putting together our diverse perspectives, identities, and backgrounds leads us to better business decisions, better customer service, and ensure the solutions we offer better meet the needs of the spectrum of people and industries we serve worldwide. The existing team consists of specialists for each module, we are still forming our team with young professionals from across Indonesia.

Bintang Tobing | Founder & CEO

Bintang Tobing has over 6 years of leadership experience in youth-church organizations and engineering organizations. He also has experience in technology with over 4 years as a full-stack engineer in the web application section.

Shela Hutauruk | COO

Shela has completed her bachelor's degree in law at the University of North Sumatra and in 2022 it is her graduation plan to get a master's degree. She oversees all of Boxity's ongoing operations and procedures and is responsible for driving Boxity to achieve and surpass sales, profitability, cash flow, and business goals and objectives.

Dadan Suhamdani | CTO

Dadan has more than 7 years in the field of information technology and has a focus on systems management. He is responsible for Boxity's technical vision, heading up all aspects of our technological development, strategic direction, development, and future growth.
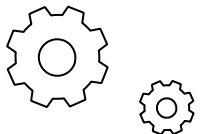
EXECUTIVE SUMMARY

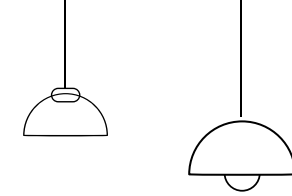Boxity Central Indonesia is an Indonesian based start-up founded in 2020 with an undivided focus on developing cutting-edge software applications on Enterprise Resources Planning (ERP) systems We strive to provide our clients with a single state-of-the-art system that integrates all processes needed by our clients to run their businesses from planning, purchasing, inventory, sales, marketing, finance, human resources, and more.

Micro, Small and Medium Enterprises (MSMEs) are the backbone of Indonesia's domestic economy. In the past ten years, the number of MSMEs recorded a 65 percent increase and contributed around 60 percent of Indonesia's gross domestic product (GDP) and 97 percent of the domestic workforce. That said, MSMEs bring an instrumental contribution to the growth of the Indonesian economy.

Indonesia had already set its sights on becoming Asia's largest digital economy by 2020, with its SMEs at the forefront. The President has continuously emphasized the necessity of digitization for national economic growth. A recent study estimates that by 2022 the digital economy will be responsible for a staggering 60 percent of global GDP. And with the world grappling with the effects of COVID-19, we have seen an acceleration in digital adoption. With the disruption of in-person business, the pandemic has emphasized the need for digitalization and the increase in digital capabilities for MSMEs around the world. From small businesses and large tech firms to national governments, the concept of "going digital" has become a key priority for future economic development.

Boxity is founded to be part of Indonesia's growing digital movement and be part of the contribution brought by the MSME to Indonesia's economic development.

We envision every micro, small and medium enterprise is enabled to digitally manage their operation hence facilitating their business growth. Boxity has small business development in mind when founding the company. We build each system with our client's typology and needs front and centre in the process. One of our differentiating factors is our commitment to building the capacity of our small business clients in each of the business processes.

We set a mission to build a robust yet nimble Enterprise Resource Planning System accessible for MSMEs at their fingertips. We believe that the world is going digital, and opportunities are no longer limited by physical borders. Likewise, to seize the economic opportunity in Indonesia's business landscape, we believe MSME should be going digital in their operation.

Our systems are tools to empower small businesses in growing their companies. In addition, we will link up with other organizations to provide online training materials to our small business clients in finance, warehouse management, staff management, etc.

Boxity ERP strives to redefine what an ERP can do for business and brings maximum performance and growth to medium and small businesses. We want to build a smart and intuitive yet concise application that falls squarely into the needs of MSMEs. We offer the systems in two models: the premium ERP package, and lite Software as a Service (SaaS). To date, we have developed two modules, including Human Resources Management System and Warehouse Management System. Our company is currently working with a number of clients with these modules. By doing so, we are establishing our portfolio as well as harvesting feedback to improve the modules and build an overarching integrated system of ERP for our targeted audiences. We aim to get the integrated system launched in 2024. Our team has already finished the product design phase, the basic modules that can be used by our clients, and now we are developing the ERP ecosystem.

We are seeking a USD 60,000 capital investment which will give us the financial flexibility to achieve these goals. On behalf of the Boxity team, we would like to thank you for your time and interest in our company and this investment opportunity.
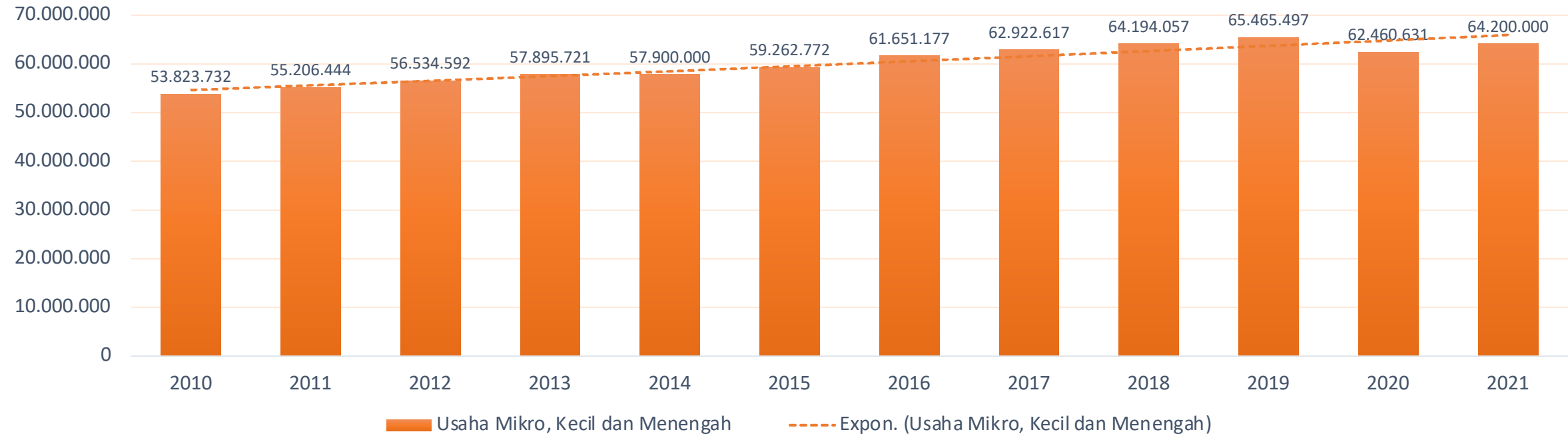
COMPANY OVERVIEW

Data UMKM 2010 – 2021

https://kemenkopukm.go.id/data-umkm
https://www.bps.go.id/statictable/2014/01/30/1322/tabel-perkembangan-umkm-pada-periode-1997--2013.html

Bar chart values by year:
- 2010: 53.823.732
- 2011: 55.206.444
- 2012: 56.534.592
- 2013: 57.895.721
- 2014: 57.900.000
- 2015: 59.262.772
- 2016: 61.651.177
- 2017: 62.922.617
- 2018: 64.194.057
- 2019: 65.465.497
- 2020: 62.460.631
- 2021: 64.200.000

Legend: Usaha Mikro, Kecil dan Menengah — Expon. (Usaha Mikro, Kecil dan Menengah)

Small and Medium Enterprises (SMEs) are the backbone of Indonesia's domestic economy. In the past ten years, the number of **small and medium enterprises recorded a 65% increase, from around 40 million in 2000 to 65 million in 2019**. Further, SMEs' account for around **60 percent of Indonesia's gross domestic product (GDP)** and 97 percent of the domestic workforce. Subsequently, SMEs have given an instrumental contribution to the growth of the Indonesian economy.

A recent study predicts that by adopting digital technology, **SMEs can contribute up to USD $140 billion to Indonesia's gross domestic product (GDP) by the year 2030**. That said, this is an important and relevant issue for Indonesia's economy. We **believe that SMEs' ability to integrate and automate their business processes is key to increasing their market competitiveness and growth, hence their survival**. We argue that an ERP system will help SMEs' in simplifying, integrating, and automating their business processes. By utilizing an ERP system, SMEs may reduce operating costs and improve their performances e.g., by improving order management/cycle, reducing lead time. ERP also enables and facilitates strong interaction between operations, sales, finance, and marketing and fosters an understanding of how different business processes are linked and interacting with each other.

PROBLEM VS. SOLUTION

PROBLEM

More than 70% of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia are still not Go-Digital.

This causes many repetitive tasks, chaotic finances, difficulty reaching customer data, contributing to national economic growth by developing MSME businesses.

Complexity

Requires significant experience, training, and workarounds to use effectively

Agility

Clunky, slow, and outdated

Resource

Requires an internal IT team, space for storage, and significant time for training

Security

All security handled internally including IT support, heightened on-premise security, and back-up storage in another location

Risk

Increased risk of data loss and security breach due to theft, natural disaster, etc.
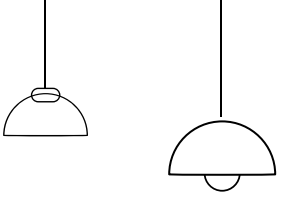
SOLUTION

Boxity ERP and Boxity SaaS are designed to can used by both MSMEs and established companies.

Complexity
Designed to be user-friendly and to can used by both MSMEs and established companies.

Agility
Constantly improving and evolving

Resource
No additional resources required

Security
All security handled by a global business with specialized 24/7 monitoring

Risk
Less risk due to scale and specialization of the SaaS business

Help MSMEs + **Grow Together** = **All Win**

MARKET OPPORTUNITY

From small businesses and large tech firms to national governments, the **concept of "going digital"** has become a **key priority for future economic development**.
Our research shows that currently, ERP markets are rather inaccessible for SMEs due to the high price and features that do not meet the needs specific to this type of business. We see this as an opportunity.

We founded Boxity to close this gap and help the SMEs to progress and in turn contribute to Indonesia's economic development. No ERP solutions on the market today offer the level of all-encompassing service that Boxity ERP does. Hence, virtually no barriers exist in terms of who it can benefit from.
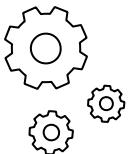
UMKM yang sudah go-digital?

25%

75%

- UMKM Onboarding Go-Digital
- Not touch Go-Digital
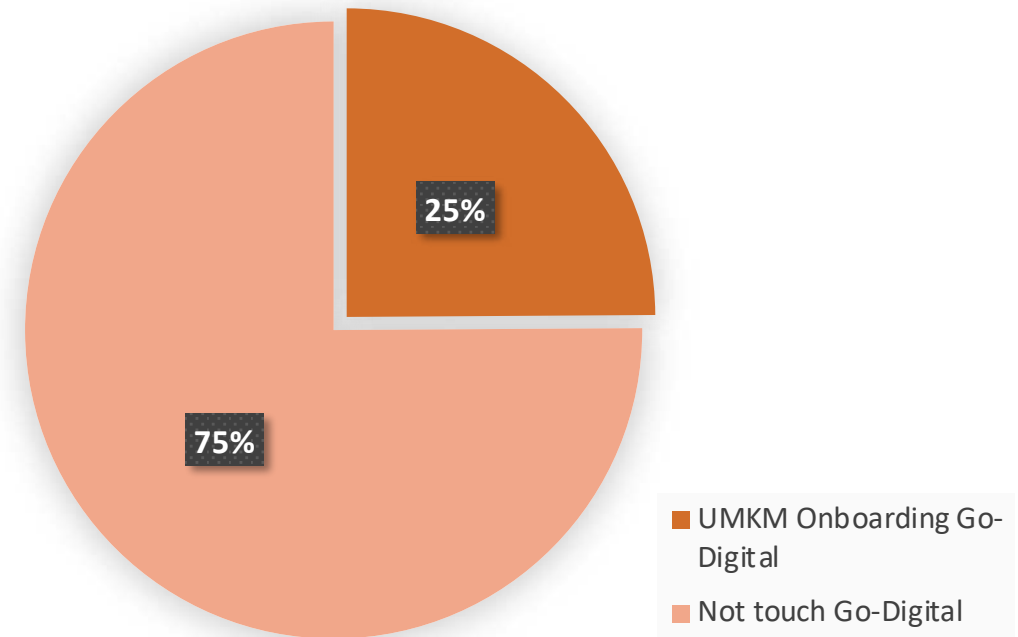
Perhitungan jumlah total UMKM di tahun 2021 sebanyak

64,200,000

Sumber data: Beritasatu.com

MARKET TARGET

Companies across industries, both product, and service-based, B2C-focused,, will see our systems' value. But to narrow our focus slightly in our company's early days and attempt to grow to scale, we have identified SMEs customer-focused businesses as our primary target market. We believe our system proves particularly beneficial to these still-growing enterprises that remain mission-focused and place a significant emphasis on customer interaction.

Other characteristics we generally look for within this target market include:

<2 B/Year
Omzet per year

55% **UMKM**

<100
EMPLOYEES
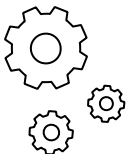
45%

Established & Big Companies
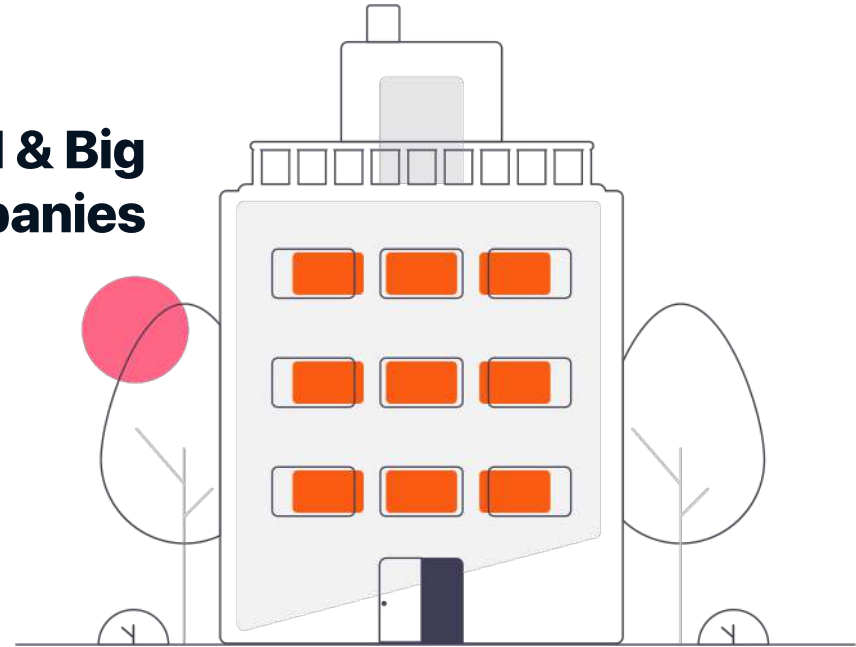
>2 M/Year

Omzet per year

>100

EMPLOYEES
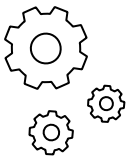
OTHER CRITERIA's?

Are concerned that they can no longer track the efforts of their growing team.

Have experienced an increase in business that no longer allows them to handle everything "in-house".

Often keep stock in multiple warehouses in multiple geographic territories.

Often experience communication breakdowns between logistics, sales, and the customer.

KEY FEATURES & BENEFIT

01

Diverse Product Capabilities

We have developed five modules. When completed, Boxity Central Indonesia will have the following products:

aquila

Payroll Management

chatifine

Secure and encrypted business app

LUNAR

Cloud-based or offline cashier application

fornax by boxity

Issue center management

stockpile by boxity

Warehouse management system

pyxis by boxity

Hotel reservation management

lyra by boxity

E-Commerce management

octans by boxity

Finance and accounting software

orion by boxity

Human resources information system software

15
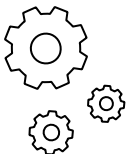
KEY FEATURES & BENEFIT

Personalized Environment

We not only assist our clients in developing the digitization of the company's operations and resources, as long as we and the client have an ongoing cooperation contract we assist our clients in growing their business in the form of:

Domain & Cloud Storage

Our clients will get a free domain and server. So clients don't need to worry about configuring their system because domain and server installation can be done online so it doesn't take a very long time.

Business Corporate Website

We will also help our client get, create, design to launch the official website for our client company to the wide internet. Don't worry about not having an official site for your great business.
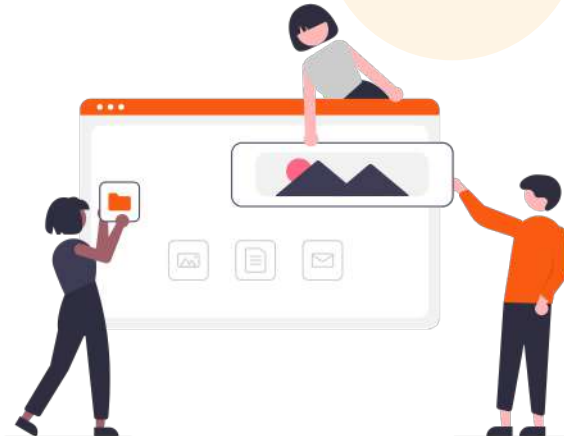
Business Corporate Email

We will also help you to configure our client's business email. That way, our clients will look so professional when they want to be used for intra-company communications, marketing purposes, and others.
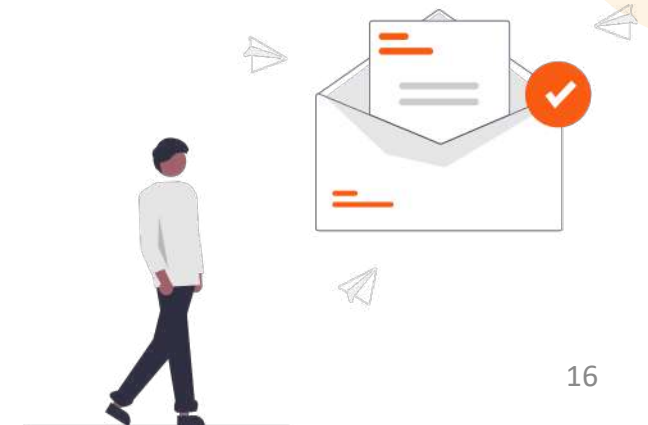
KEY FEATURES & BENEFIT

03 Data security

With all resources and information unified under a single platform, companies can rest easy in that their valuable data and records are secure. This helps make interdepartmental communication seamless.

04 B2C Networking/ Connectivity

As businesses adopt Boxity ERP, they will be able to experience the benefits of the network effect by being able to share business information, inventory data, pricing, project statuses and more. Companies can view employee information, rate performance, and connect with others via Boxity ERP

05 Mobile ERP

We will build a mobile application for our SaaS and ERP. Mobile devices are placing a growing number of daily tasks and desires right at our fingertips. Globally, companies have been relying on digital platforms to conduct business for a couple of decades now; but in today's world, they want to do so "in real-time" to keep up with market demands. Access to things like accurate documents, price quotes, shipping data, and more are expected immediately by consumers, and employees and vendors are expected to be able to provide them. With the mobile ERP, we can help our clients to streamline their supply chain, boost productivity by eliminating downtime, increase data accuracy, and foster faster and better decision making.

Pricing and Revenue

As we continue to build out and optimize the beta version of our platform, we are placing user acquisition over monetization during the early days. We are committed to achieving technical perfection first and foremost, as we understand the importance of turning all of our customers into committed lifetime users. Our business model has been crafted to generate this repeat business. **In fact, we offer free private environmental fees until the contract period lasts for all clients because we want to help promote MSMEs through our products.**

This will give us a solid foundation of potential lifetime customers to draw from while limiting technical risk early on as there's no financial commitment on the user's part. To secure this first 20 we will leverage our existing business relationships with companies via an emailed formal invitation to join Boxity ERP. Once technical optimization and early user acquisition metrics are reached, we will then activate revenue generation through four distinct, lucrative avenues. Details on each revenue stream are as follows:

Licensing fees

This is the base revenue stream that is in place for every client. We offered a time-limited licensed usage of the ERP and SaaS. We are able to offer a lower price point than our competitors due to the multi-pronged revenue model we have in place. It gives us another leg up in terms of early user acquisition.

Maintenance fees

We will also generate revenue from our clients depending on the amount of data they need to store on our platform.

LICENSING FEES

This is the base revenue stream that is in place for every client. We offered a time-limited licensed usage of the ERP and SaaS. We are able to offer a lower price point than our competitors due to the multi-pronged revenue model we have in place. It gives us another leg up in terms of early user acquisition.

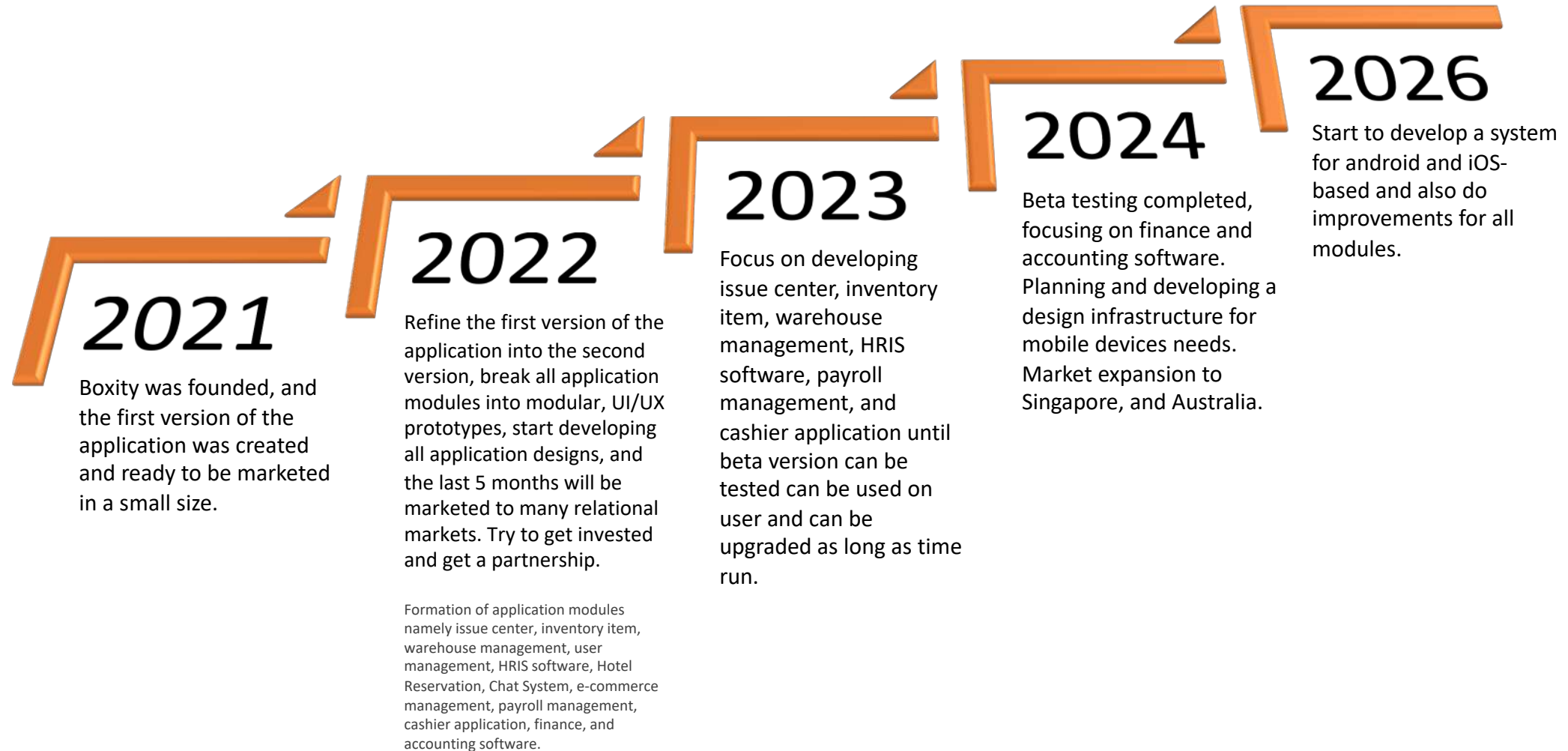| Name of Products	License fee		
	1 year	3 years	5 years
Fornax - Issue centre management	Rp10,000,000.00	Rp7,000,000.00	Rp5,000,000.00
Lyra - E-Commerce management	Rp20,000,000.00	Rp18,000,000.00	Rp15,000,000.00
Orion - Human resources information	Rp20,000,000.00	Rp18,000,000.00	Rp15,000,000.00
Stockpile - Warehouse management	Rp25,000,000.00	Rp23,000,000.00	Rp20,000,000.00
Chatifine - Secure chat app	Rp10,000,000.00	Rp7,000,000.00	Rp5,000,000.00
Octans - Finance & Accounting software	Rp30,000,000.00	Rp28,000,000.00	Rp25,000,000.00
Pyxis - Hotel Reservation management	Rp10,000,000.00	Rp9,000,000.00	Rp7,000,000.00
Aquila - Payroll management automated	Rp15,000,000.00	Rp14,000,000.00	Rp12,000,000.00
ERP - All Bundle	Rp90,000,000.00	Rp80,000,000.00	Rp70,000,000.00

MAINTENANCE FEES

We will also generate revenue from our clients depending on the amount of data they need to store on our platform. Though we still sit in a pre-revenue state, we are fully confident that the above revenue model is the ideal system for us to achieve exponential financial growth. Once it is initiated, we expect this growth to be rapid.

Name of Products	Monthly Maintenance fee		
	1 year	3 years	5 years
Fornax - Issue centre management	Rp2,500,000.00	Rp2,000,000.00	Rp1,500,000.00
Lyra - E-Commerce management	Rp3,000,000.00	Rp2,800,000.00	Rp2,500,000.00
Orion - Human resources information	Rp3,500,000.00	Rp3,000,000.00	Rp2,600,000.00
Stockpile - Warehouse management	Rp2,800,000.00	Rp2,500,000.00	Rp2,300,000.00
Chatifine - Secure chat app	Rp2,000,000.00	Rp1,700,000.00	Rp1,300,000.00
Octans - Finance & Accounting software	Rp3,500,000.00	Rp3,000,000.00	Rp2,500,000.00
Pyxis - Hotel Reservation management	Rp3,000,000.00	Rp2,800,000.00	Rp2,500,000.00
Aquila - Payroll management automated	Rp2,500,000.00	Rp2,000,000.00	Rp1,800,000.00
ERP - All Bundle	Rp5,500,000.00	Rp5,000,000.00	Rp4,800,000.00

5-YEAR REVENUE PROJECTIONS

COMPANY TIMELINE

2021

Boxity was founded, and the first version of the application was created and ready to be marketed in a small size.

2022

Refine the first version of the application into the second version, break all application modules into modular, UI/UX prototypes, start developing all application designs, and the last 5 months will be marketed to many relational markets. Try to get invested and get a partnership.

Formation of application modules namely issue center, inventory item, warehouse management, user management, HRIS software, Hotel Reservation, Chat System, e-commerce management, payroll management, cashier application, finance, and accounting software.

2023

Focus on developing issue center, inventory item, warehouse management, HRIS software, payroll management, and cashier application until beta version can be tested can be used on user and can be upgraded as long as time run.

2024

Beta testing completed, focusing on finance and accounting software. Planning and developing a design infrastructure for mobile devices needs. Market expansion to Singapore, and Australia.

2026

Start to develop a system for android and iOS-based and also do improvements for all modules.
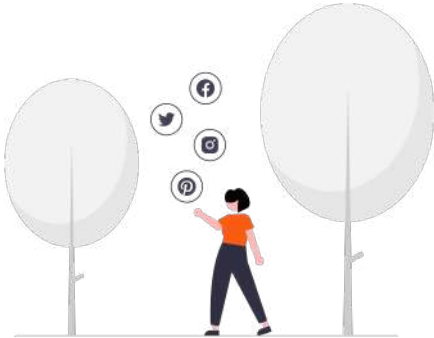
COMPETITIVE LANDSCAPE

The beside chart demonstrates that our system strikes the balance between needs, features, and pricing scheme. Established players such as SAP may have higher time efficiency, however, it equates to much higher prices which young and growing companies may not be able to afford. Companies such as Forca ERP, Ascend ERP, Phincon, and Mekari may have the same price range as us, but they offer fewer modules. Moreover, we can provide a more efficient system installation, personalized environment, user-friendly design, mobile applications, and faster application implementation compared to the others. We've also tied a distinct set of competitive advantages into Boxity ERP, which will help us differentiate from these competitors and ascend to a market leadership position.

With the competitors being firmly entrenched in the competitive landscape, gaining market share amongst them will be no easy task. Nonetheless, the market is sizable and has great growth potential, therefore there is plenty of room for new entrants like us.

Feature	Boxity Central Indonesia	Mekari Indonesia	Phincon	ascend ERP	FORCA ERP
Customer Relationship Management (CRM)	●	●	●	●	●
Human Resources Information Management System (HRIS)	●	●	●	●	●
Warehouse Management System (WMS)	●		●	●	
Salesing And Purchasing	●			●	
Inventory Item Management	●			●	
Manufacturing System	●			●	
Payroll System	●	●		●	
Hotel Reservation System (HRS)	●			●	
Chat System	●	●			
Finance & Accounting System	●	●		●	
Easy Instalation	●	●	●		
iOS & Android Implementation	●				
Cloud Based (Hybrid)	●	●			
User Integrated	●	●		●	
Channell Broadcasting Reporting	●				

MARKET STRATEGY

Boxity has also carefully developed a diverse marketing plan intended to keep our brand in the hearts and minds of our existing and prospective customers, enabling us to continue expanding our reach and growing our business.
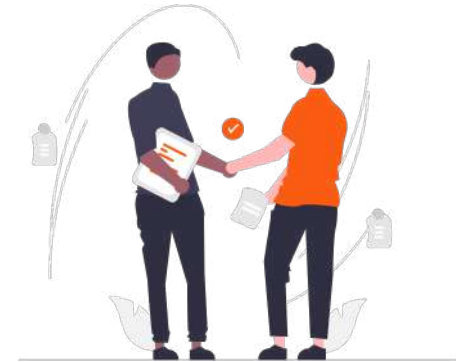
Content Marketing

We consistently release marketing content through our Web that aims to educate our audience about the value that our product provides. Our content marketing efforts aim to influence and persuade readers without having to rely solely on conventional direct selling tactics.

Personal sales

Initially, our efforts will be focused on making in-person introductions to businesses with whom we have pre-existing relationships. The first step in this process will be an email blast out to the 300+ contacts we have. In addition to personal sales, we will also rely on our marketing team for early customer acquisition

SEO & Social

We will drive traffic and conversions to our website using social media marketing via Facebook, LinkedIn, Instagram, YouTube, and others. We are also exploring Search Engine Optimization (SEO) and Search Engine Marketing (SEM).

Cooperating with several MSME associations and institutions

We strive to build our relationship with all MSMEs by introducing ourselves to several MSME associations and institutions including universities/education. Why university/education? Because we believe it is possible, there are many students who have relationships who may have MSMEs including their parents or siblings. We strive to introduce our products to all possibilities.
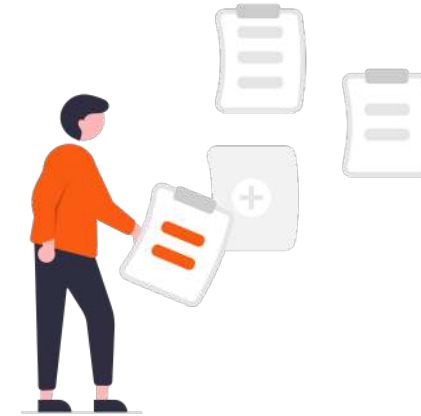
Promotion

We will give a free **personalized environment** fee for as long as we and the client have an ongoing cooperation contract we assist our clients in growing their business

Differentiating Factor

Boxity maintains a unique competitive advantage over other existing ERP and SaaS in
several categories. Our biggest differentiators include:

01

Passion for small business development

Boxity has small business development in mind when founding the company. We build each solution with our client front and center in the process. One of our differentiating factors is our commitment to building the capacity of our small business clients in each of the business processes. Our solutions are tools to support small businesses in growing their companies. We will link up with other organizations to provide online training materials to our small business clients in finance, warehouse management, staff management, etc.

02

Companies in all industries can benefit from Boxity ERP

Many competing solutions cater to some business processes. Our software is robust. It is also quite versatile to assist the growth and management of any type of business, no matter what their core business activities are. Being truly comprehensive is what allows us to accomplish this. While most other ERPs require detailed integration into other current software being used, we cover everything right from the top.

03

## Suitable for all business sizes

Boxity ERP integrates into our clients' operations quickly and painlessly. We use Agile software development methods to accommodate the collaborative process. We staggered the system development into phases. In each phase, we work closely with the clients to ensure that the final product meets the needs of our clients.

04
User-Friendly

Our technology is easy to use and doesn't require any technical savvy. We keep the setup and configuration process to the simplest. We aim to enable users to be up and running out of the box in approximately 10 minutes. Our intuitive user interface and automated recommendation tools can work for any business, regardless of size.
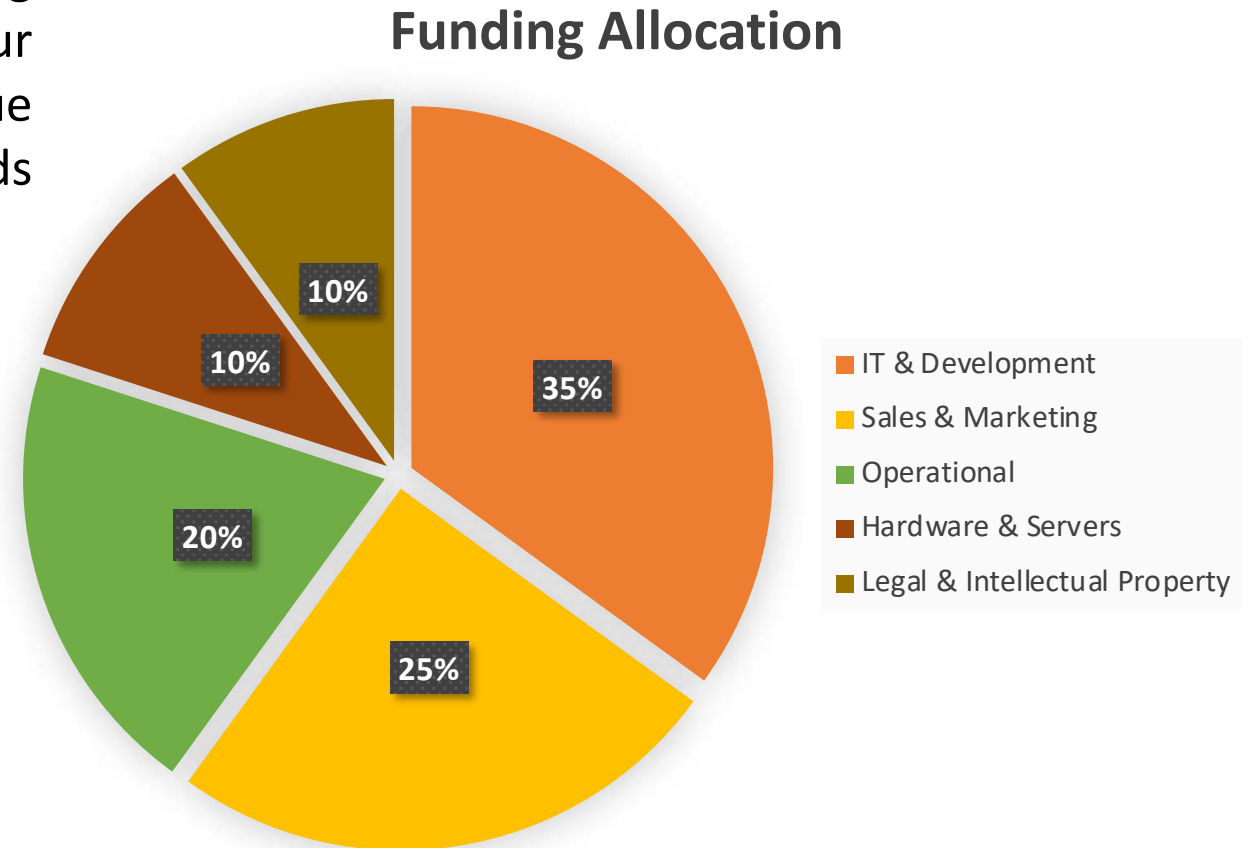
05
Affordability

Our price-point is below our competitors' products while delivering superior functionality and value. This will be an essential factor in helping us continue to gain market share nationally.
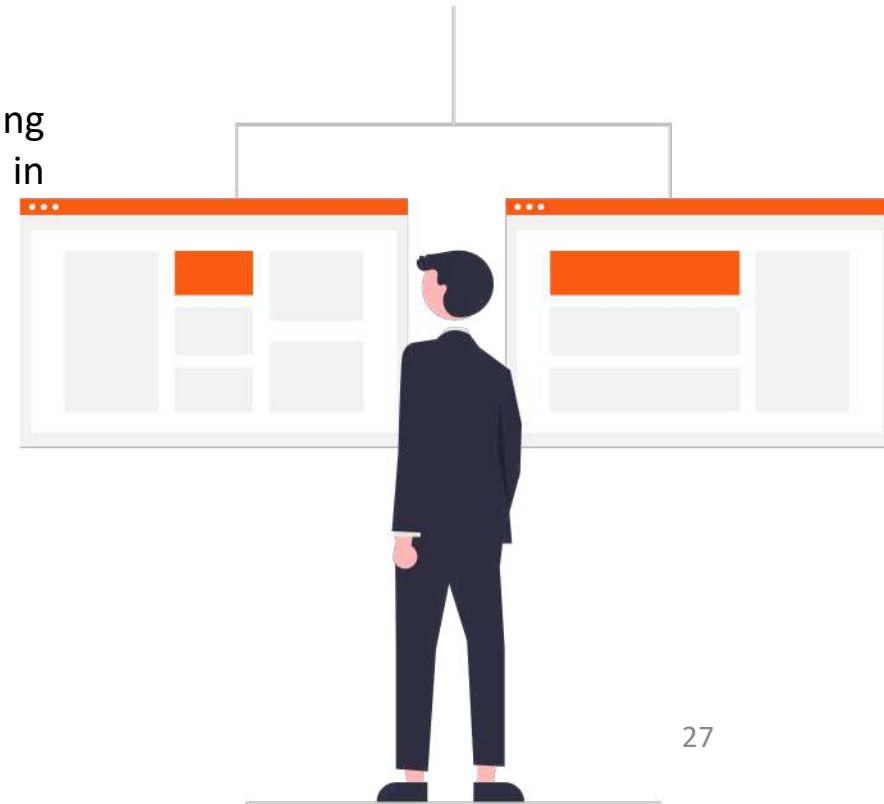
INVESTMENT OPPORTUNITY

Boxity is currently seeking a total of **$60.000** to fuel the support of company growth -- including manufacturing, ongoing development of our platform, and marketing efforts in order to continue expanding the Boxity brand. Any remaining funds will be allocated as operating capital.

Funding Allocation

- IT & Development
- Sales & Marketing
- Operational
- Hardware & Servers
- Legal & Intellectual Property

WHY INVEST IN BOXITY?

We are just getting underway at Boxity but are already gaining some momentum. As we continue to move out of the concept stage, we have begun working with companies in our contact. We have signed subscriptions of 2 companies so far. We continue to build our team with a capable marketing team and mechanism to boost our sales and marketing. We have also established a scalable business model and robust product pipeline that will prime us for widespread expansion in the near future. We are now seeking investors who share our passion and commitment to pushing the boundaries of what ERP can be and do for SMEs in Indonesia.

We are looking forward to working with you in launching the company and kick-start growth to become a dominant player in the booming ERP industry.

THANKS!

Don't hesitate to contact us ☺

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