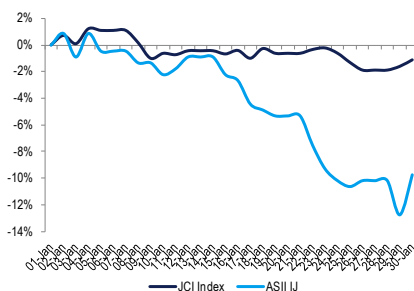


Stock Data

Target price	Rp5,800
Prior TP	Rp5,800
Current price	R5,200
Upside/downside	+11.5%
Shares outstanding (mn)	40,484
Market cap (Rp bn)	207,478
Free float	42%
Avg. 6m daily T/O (Rp bn)	350

Price Performance

	3M	6M	12M
Absolute	-8.2%	-21.5%	-7.0%
Relative to JCI	-15.4%	-27.6%	-13.1%
52w low/high (Rp)	4930 - 6925		



Major Shareholders

Jardine Cycle & Carriage Ltd	50.1%
Capital Group Companies Inc	3.2%
Blackrock Inc	2.6%

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Concern on BEV is overblown, but lack of imminent catalysts; maintain Hold

- Indonesia's BEV sales are likely to remain negligible in FY24-25F, given inadequate charging infrastructure and lingering affordability issues.
- Consensus seems to expect BYD to reach a c.4% market share in FY24F, which we believe is likely to be too optimistic.
- Current valuation also suggests most of the concerns are likely to be priced-in. Still, we reiterate Hold considering the limited positive catalyst.

Inadequate charging infrastructure and affordability issues are key hurdles for Indonesia's transition into a BEV market

Investors appear to have rising concerns, regarding ASII's status as a late comer in the rapidly growing BEV market, particularly with new entrants from China. We, however, expect ASII's market share decline to be rather gradual, as BEV sales is likely to remain negligible in FY24-25F, given: 1) inadequate infrastructure (only 932 charging stations in Indonesia as of FY23 vs. Thailand's 8.7k); and 2) lingering affordability issues (Indonesia has lower GDP per capita, but BEVs are priced at similar level to that of Thailand). We project BEV share to grow gradually from 1.7% in FY23 to 3/4% in FY24/25F.

Expectations on BYD are likely to be too optimistic

Many investors are expecting BYD to replicate its growth in Thailand, where it managed to reach a 4% share in its first full-year. We, however, believe that it seems too optimistic, as: 1) the implied sales volume of 39k units for BYD is higher than the sales figure of Hyundai and Wuling at 31/30k units in FY23; 2) the comparable Indonesian 4W shares for BYD Dolphin, Atto 3, and Seal combined is only c.6%; 3) a swift ramp up of dealership network is a tall order; 4) ASII is likely to launch more HEV models in FY24F and BEV models in FY25F onwards; and 5) ASII's auto is supported by its financing arms.

Current valuation implies limited downside risk...

Based on our regional observation and ASII's historical share price trend, we note that: 1) when Chinese BEV players turned more aggressive, global auto makers' share prices declined by c.-34%, on average, before bottoming-out; and 2) when ASII faced the launchings of Mitsubishi Xpander and Hyundai Stargazer, as well as the entry of Wuling, its share price bottomed out after a -25% decline, on average. Given that: 1) ASII's share price has retreated by -26% since the news of potential BYD entrance in Jul23; and 2) we only expect ASII's earnings to decline by -7/-3% yoy in FY24/25F (vs. cons' -5/+4% yoy); we believe that at 6.5x FY24F P/E (vs. COVID-bottom at 7.3x) or at 6.8% yield (a 10-yr high ex. FY23 special dividend); the downside risk is likely to be relatively limited at this juncture, in our view.

... but ASII lacks positive catalysts; reaffirm Hold with a TP of Rp5,800

While we believe that concerns on BYD seem overblown and current valuation does suggest that downside risks are likely to be relatively limited, we reiterate Hold with an unchanged SOTP-based TP of Rp5,800/share, considering the limited positive catalyst for ASII (see our previous [note](#)). However, we could turn more positive in the coming months, if: 1) Gaikindo's monthly data in the coming months show soft BYD sales figures; 2) the company distributes special dividend; and 3) margin erosions are not as severe as expected. Upside/downside risks to our call include: 1) higher/lower-than-expected 4W/2W volumes; 2) higher/lower-than-expected commodity prices; and 3) higher/lower-than-expected dividend payout.

Indonesia's BEV sales is likely to remain negligible in FY24-25F

Inadequate charging infrastructure and affordability issues are key hurdles for Indonesia's transition into a BEV market

Investors appear to be worried about ASII's status as a latecomer in the rapidly growing BEV (Battery Electric Vehicle) market, particularly with new entrants from China. Indeed, Astra International's (ASII) share price has retreated by -26% since the news regarding the potential entrance of BYD (Build Your Dreams; a Chinese BEV producer) circulated in Jul23. As discussed previously (see our previous [note](#)), we see limited market share upside for ASII given the current competitive landscape.

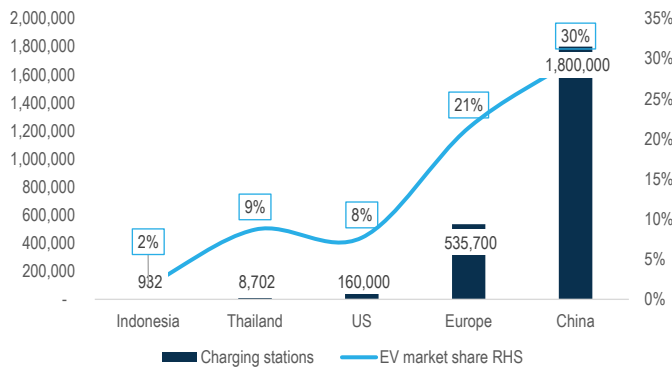
Still, we expect ASII's market share decline to be rather gradual, as the contribution of BEV sales to total industry sales is likely to remain negligible in FY24-25F, given: 1) inadequate charging infrastructure (only 932 charging stations in Indonesia as of FY23 vs. Thailand's 8.7k); and 2) lingering affordability issues (Indonesia has lower GDP per capita relative to Thailand, but BEVs are priced at similar level to that of Thailand). We project BEV share to grow gradually from 1.7% in FY23 to 3/4% in FY24/25F.

Indonesia's charging infrastructure is lagging behind its regional peers

The country's inadequate charging infrastructure, in our view, is one of the key hurdles for BEV adoption in the near/mid-term. We believe that the roll out of charging infrastructure in Indonesia is imperative to drive higher BEV penetration. The infrastructure network needs to be expanded swiftly, in order to satisfy the rapid growth in BEV ownership, as well as providing the mass market with the confidence to purchase BEVs. Indeed, according to a review of 45 surveys compiled by PWC, a perceived lack of public charging stations was acknowledged as a barrier to purchasing BEVs. Specifically, most survey participants identified range anxiety and the inability to complete any journey as conveniently as with a petrol/diesel vehicles as a key barrier to BEV take-up.

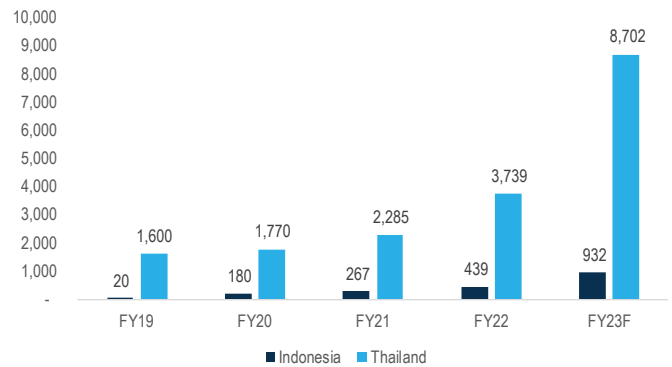
Note that as of FY23, Indonesia had 932 charging stations in 430 different locations. This is significantly lower than the number of charging stations in markets with high BEV penetration. China and the US, for instance, have 1.8mn and 160k charging stations, respectively. Among ASEAN countries, Thailand is arguably a standout BEV market currently, as reflected by its region-high BEV penetration of c.9% market share (vs. Indonesia's 1.7% in FY23). Besides the supportive government regulation, we also believe that the adequate BEV infrastructure also plays an important role in accelerating BEV penetration in the country. Indeed, Thailand currently boasts 8.7k charging stations in 2.2k different locations, which is significantly higher than Indonesia (932 charging stations in 430 different locations). This means Indonesia's ratio of BEV per charger is also significantly higher compared to Thailand.

Fig. 1: FY23 number of charging stations in Indo, Thailand, US, China, Europe vs. their BEV market share



Source: Company, Indo Premier

Fig. 2: Number of charging stations in Thailand and Indo in the past five years



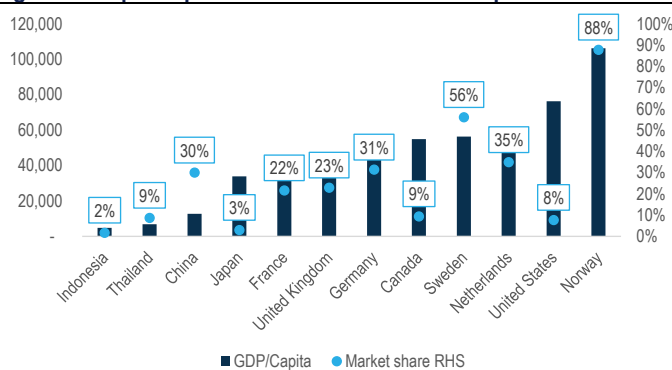
Source: Company, Indo Premier

Indonesia's relatively lower GDP per capita...

Thailand's relatively high BEV penetration, in our view, is also partly attributable to its higher GDP per capita. Indeed, Thailand's GDP per capita reached US\$6.9k, substantially higher than Indonesia's US\$4.8k. Notably, only 4 out of the top-10 most densely populated cities in the Indonesia have higher GDP per capita than Thailand, including Tier-1 cities like Jakarta and Surabaya. As such, it is unsurprising that the majority of BEV users are residents of these cities. It is also worth noting that based on our checks with industry players; most people who own BEV (and also HEV/Hybrid Electric Vehicle) are not first-time car owner and typically own multiple cars.

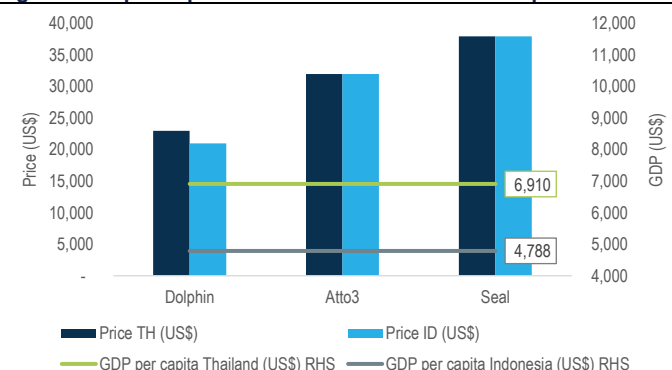
This, we believe, is also a major hurdle for Indonesia's BEV adoption, as even with the incentives, BEV cars in Indonesia are still similarly priced to that of Thailand (in US\$ terms), which means BEV affordability is likely to remain an issue for the mass market.

Fig. 3: GDP per capita of countries vs. their BEV penetration rate



Source: Company, Indo Premier

Fig. 4: GDP per capita of Thailand and Indo vs. BYD prices



Source: Company, Indo Premier

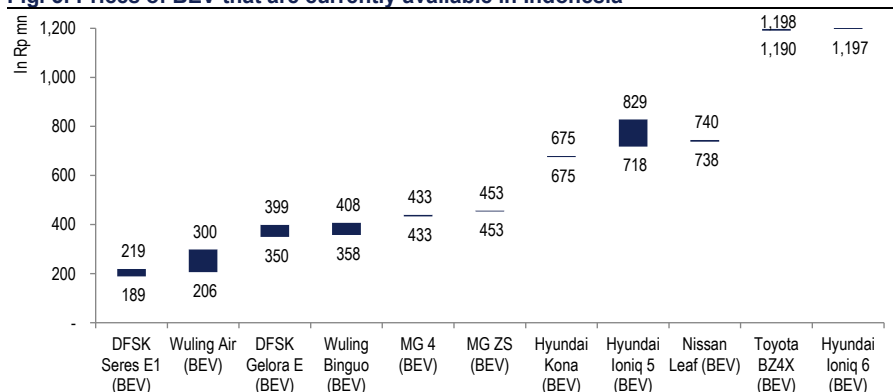
...and BEV models' premium price points seemingly denote that BEV affordability is likely to remain an issue for the mass market

BEV models' that are currently available in Indonesia generally have higher price points than their petrol counterparts and are at premium relative to the popular mass market cars in the country, which are still in the sub-Rp300mn range. The only BEV model that is currently price at sub-Rp300mn range is the Wuling Air EV (Rp206-300mn), which is a compact car with a very limited seating and cargo capacity. BYD currently offers three BEV models, namely Dolphin, Atto 3, and Seal; which are hatchback/SUV/Sedan models. It is rumoured that Dolphin will be priced at Rp328-414mn, Rp400-600mn for Atto 3, and Rp570-700mn for Seal; similar to Thailand's prices (official prices to be announced at IIMS/Indonesia International Motor Show 2024).

Although BYD Dolphin is likely to be among the most affordable BEV models in the country, it is still likely to be priced at Rp328-414mn, above the Rp300mn threshold, and thus, we believe that affordability is likely to remain an issue. Case in point, based on our channel checks, most pre-orders for BYD (as of Jan23) were for Seal (its most premium model), followed by Atto 3, and Dolphin. This, in our view, indicates that interests for BEV still generally comes from the high affluent segment.

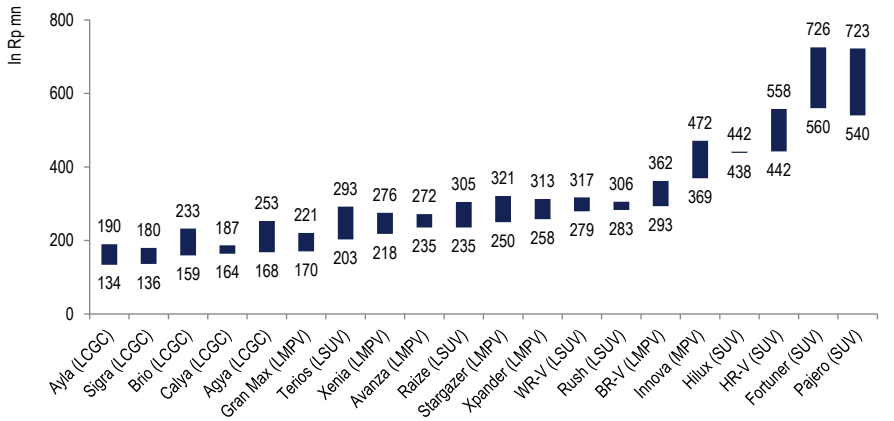
Moreover, many Indonesian consumers have higher preferences for 7-seater cars. Indeed, 4 out of the top-5 best-selling car in the country in FY23 were 7-seaters (Toyota Innova Zenix, Toyota Avanza, Daihatsu Sigr, and Toyota Calya). The only 7-seater BEV model that is currently available in Indonesia is Lexus 350h, which is priced at Rp2.1bn. The lack of 7-seater BEV models is another hurdle for Indonesia's BEV adoption, in our view.

Fig. 5: Prices of BEV that are currently available in Indonesia



Source: Company, Indo Premier

Fig. 6: Petrol prices of the top-20 best-selling car in FY23



Source: Company, Indo Premier

Sanity check on consensus' optimism on BYD in Indonesia

Expectations on BYD is likely to be too optimistic

Based on our discussions with investors, many are expecting BYD to replicate its market share growth in Thailand, where it managed to reach a 4% market share in the first full-year of its launch in the country. We, however, believe that the expectations on BYD Indonesia are likely to be too optimistic, as: 1) the implied sales volume of 39k units for BYD is higher than the sales figures of Hyundai and Wuling in FY23 (31/30k units, respectively); 2) the comparable Indonesian 4W shares for BYD Dolphin, Atto 3, and Seal combined is only c.6%; 3) ramping up dealership network in Indonesia is generally quite a task due to limited land bank and bureaucracy; 4) ASII is likely to launch more HEV models in FY24F and BEV models in FY25F onwards; and 5) ASII's dominant market share is supported by its financing arms.

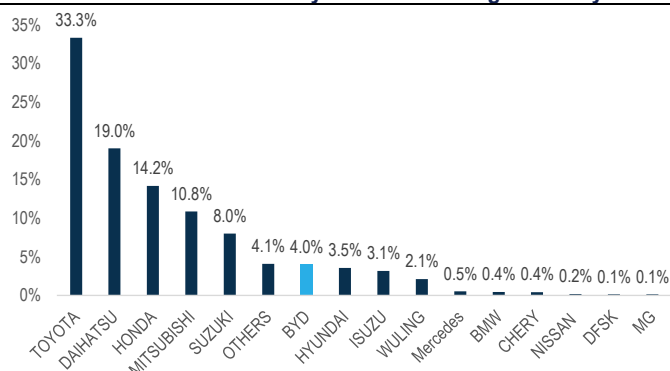
The implied sales volume of 39k units for BYD is higher than the sales figures of Hyundai and Wuling in FY23

We expect the 4W industry's wholesale volume to decline to 976k units (-4% yoy) in FY24F, considering rising global and domestic macro uncertainties. Moreover, we believe that rising concerns on deteriorating asset quality in 4W/2W loan may potentially hamper loan disbursement (see our previous [note](#)).

Based on our discussions with investors, many are expecting BYD to replicate its market share growth in Thailand, where it managed to reach a 4% market share in the first full-year of its launch in the country. Using our 4W industry's wholesale volume forecast of 976k units, a 4% market share implies a sales volume of 39k units for BYD. To put this into context, this is about the same as the sales of Toyota Rush in FY23 (39k units), and more than Daihatsu Ayla (24k), Toyota Agya (22k), Honda BRV (18k), and Daihatsu Xenia (14k).

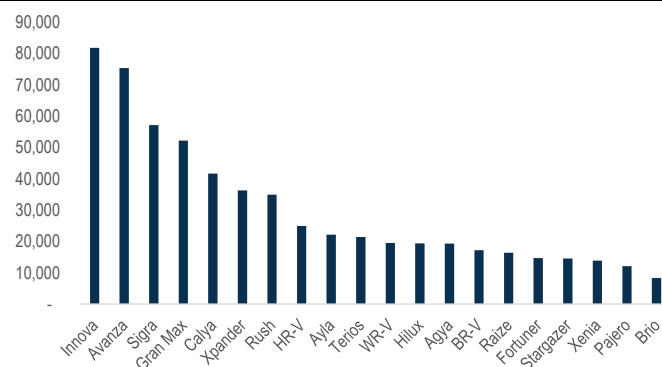
It is also higher than the sales figure of Hyundai and Wuling in FY23 (31/30k units, respectively), which have been in the Indonesian market for 5/7 years. Indeed, despite entering the market in FY19/17, Hyundai and Wuling have struggled to grow their market shares >4%.

Fig. 7: BYD's hypothetical 4% market share means the Street assumes that it will overtake Hyundai and Wuling within a year



Source: Indo Premier

Fig. 8: The top-20 best-selling cars in Indonesia (FY23)



Source: Indo Premier

The comparable Indonesian 4W shares for BYD Dolphin, Atto 3, and Seal combined is only c.6%

Although the official prices of BYD's products are yet to be disclosed (to be announced at IIMS 2024), it is rumoured that Dolphin will be priced at Rp328-414mn, Rp400-600mn for Atto 3, and Rp570-700mn for Seal; similar to Thailand's prices. Based on our observation of the comparable 4W offerings that are currently available (based on the equivalent vehicle segments and price ranges), we estimate that the comparable Indonesian 4W shares for the BYD Dolphin, Atto 3, and Seal combined is at c.6%.

Fig. 9: Comparable products for BYD Dolphin

Hatchback	Dolphin			
Brand	Make	Unit	Starting Price	Marketshare
Honda	City Hatchback	2,641	353	0.28%
Toyota	Yaris	1,408	326	0.15%
Mazda	3	434	556	0.05%
Mazda	2	73	349	0.01%
Total		4,556		0.48%

Source: Gaikindo, Indo Premier

Fig. 10: Comparable products for BYD Seal

Sedan	Seal			
Brand	Make	Unit	Starting Price	Marketshare
Honda	Civic	1,090	617	0.12%
Mercedes	C-class	716	1,015	0.08%
BMW	Series 3	472	947	0.05%
	Corolla Altis			
TOYOTA	Hybrid	383	567	0.04%
BMW	Series 2	204	767	0.02%
Mercedes	A-Class	177	835	0.02%
TOYOTA	Altis Hybrid	121	620	0.01%
Mazda	3	75	528	0.01%
Mazda	6	58	696	0.01%
Total		3,296		0.35%

Source: Gaikindo, Indo Premier

Fig. 11: Comparable products for BYD Atto3

SUV	Atto3			
Brand	Make	Unit	Starting Price	Marketshare
Honda	HR-V	24,927	384	2.63%
Hyundai	Creta	7,577	297	0.80%
Chery	Omoda 5	2,967	335	0.31%
Mazda	CX-3	1,760	380	0.19%
Suzuki	Vitara	1,452	359	0.15%
Mazda	CX-5	1,419	629	0.15%
Wuling	Alamaz	1,243	304	0.13%
Chery	Tiggo	844	529	0.09%
Hyundai	Santa Fe	827	575	0.09%
Suzuki	Jimny	785	444	0.08%
Isuzu	MU-X	355	599	0.04%
Mazda	CX-30	281	569	0.03%
	HS I-Smart			
MG	Magnify	176	551	0.02%
Total		44,613		4.71%

Source: Gaikindo, Indo Premier

The targeted 50 dealerships for BYD in FY24F is likely to be a tall order
BYD plans to open 50 dealerships in FY24F, which we believe is a tall order, considering the land bank scarcity in prime locations in Tier-1 cities (likely the key focus market of BEV brands, in our view) and slow bureaucracy process. Of note, Hyundai, Wuling, and Chery have been in the Indonesian market for 5/7/2 years, respectively, but as of FY23, these brands only had 140/150/55 number of dealers. Notably, during their first years, only Wuling managed to rollout >50 dealers (it rolled out 54 dealers in FY17). Hyundai and Chery rolled out 16 and 30 dealers in FY19 and FY22, respectively.

Even assuming that it managed to rollout 50 dealerships this year, putting the number into context, assuming a sales volume of 39k units for BYD, this implies that each dealership sells about 780 units per annum (in reality, the number is actually likely to be higher, as the dealership network will only be ramped up gradually throughout FY24F; five dealers rolled out in Jan23). This is higher than Daihatsu (685 units/dealer), Hyundai (248 units/dealer), and Wuling (164 units/dealer). Note that BYD is currently partnering with Arista Group, a private dealership-operator company that was established in FY03. Arista operates 104 dealers in Indonesia: Wuling (50), Honda (27), Hyundai (14), Suzuki (5), Mitsubishi (4), Hino (2), Mercedes Benz (1), and Neta (1); in 15 provinces (and 69 cities) across Java, Sumatera and Kalimantan.

Fig. 12: No of dealers by brands (FY18-23)

Dealers	FY18	FY19	FY20	FY21	FY22	FY23F
Cherry					30	55
Wuling	80	93	112	130	136	150
Honda	145	155	156	156	156	158
Mitsubishi	134	153	151	157	164	173
Hyundai	15	16	20	100	123	140
Toyota	328	332	333	335	337	339
Daihatsu	244	251	255	262	269	274

Source: Companies, Indo Premier

Fig. 13: No of cars sold per dealer by brands (FY18-23)

Sales/dealer	FY18	FY19	FY20	FY21	FY22	FY23F
Cherry						73
Wuling	213	240	59	197	221	164
Honda	1,118	886	470	584	842	905
Mitsubishi	1,451	1,058	525	919	834	629
Hyundai	94	85	37	32	260	248
Toyota	1,078	1,004	487	886	986	1,001
Daihatsu	831	706	356	629	753	685

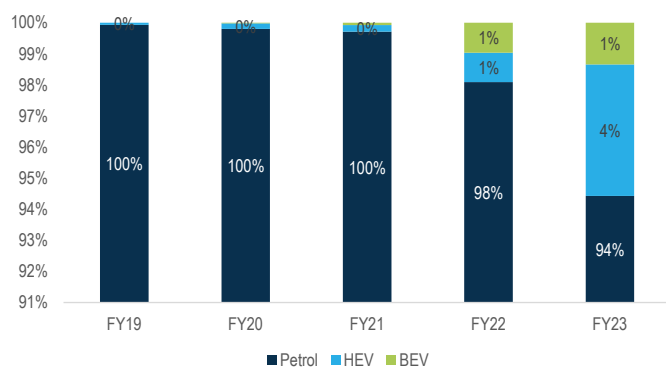
Source: Companies, Indo Premier

ASII is likely to launch more HEV models in FY24F and BEV models in FY25F onwards

ASII currently does not have BEV models in its portfolio (except for the Toyota bZ4X and the Lexus UX300e, both of which cost north of Rp1bn). That said, based on our channel checks, ASII plans to introduce more affordable HEV models this year (likely for the Raize/Rocky, Avanza/Xenia, and/or LCGC platform). HEV, we believe, could help to bridge the gap between petrol vehicles and BEVs. Case in point, ASII's newly-launched HEV products (like Kijang Innova Zenix Hybrid and Yaris Cross Hybrid) are also seeing positive receptions from the market.

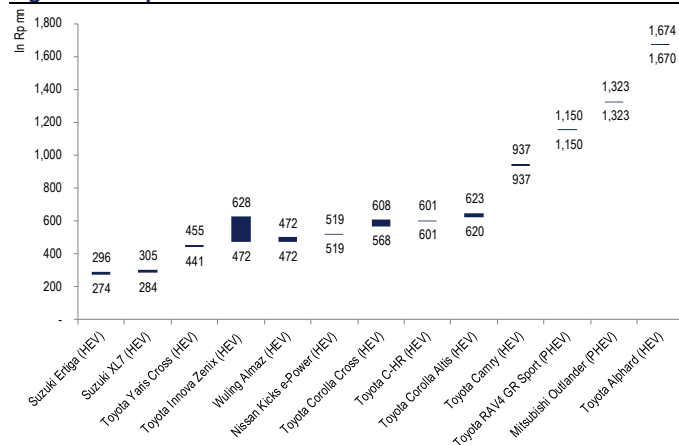
ASII's share of the BEV market remains small (at only c.5%), but its market share in HEV and PHEV (hybrid EV and plug-in hybrid EV) models is substantial, at around 55%. Beyond FY25F, we believe that ASII is likely to introduce more affordable BEV models in Indonesia, on the back of Toyota's global plan to offer 35 BEV models by FY30F. This should help to mitigate further potential market share erosion of ASII from Chinese BEV players in the longer run.

Fig. 14: Market share of petrol vs. HEV vs. BEV (FY19-23)



Source: Companies, Indo Premier

Fig. 15: HEV prices



Source: Companies, Indo Premier

ASII's financing arms play a major role behind its market dominance

Given that c.70% of 4W buyers in Indonesia use auto loan, access to financing is key to support 4W sales. As such, we believe that ASII's financing arms play a major role behind its market dominance, and it is a competitive advantage that is not easy to replicate. The importance of ASII's financing arms is likely to be more pronounced this year, in our view, considering the potential slowdown in loan/financing disbursement. Indeed, based on our channel checks, banks/fincos seem to have rising concerns on deteriorating asset quality, which we believe could potentially hamper loan/financing disbursement (see our previous [note](#)).

Concerns on BYD seem overblown, but near-term positive catalysts are limited; reaffirm Hold

Reiterate Hold rating on ASII with an unchanged TP of Rp5,800

Based on our observation across regional markets and ASII's historical share price trend, we note that: 1) when Chinese BEV players turned more aggressive, global auto makers' share prices declined by c.-34%, on average, before bottoming-out; and 2) when ASII faced the launchings of Mitsubishi Xpander and Hyundai Stargazer, as well as the entry of Wuling, its share price bottomed out after a -25% decline, on average.

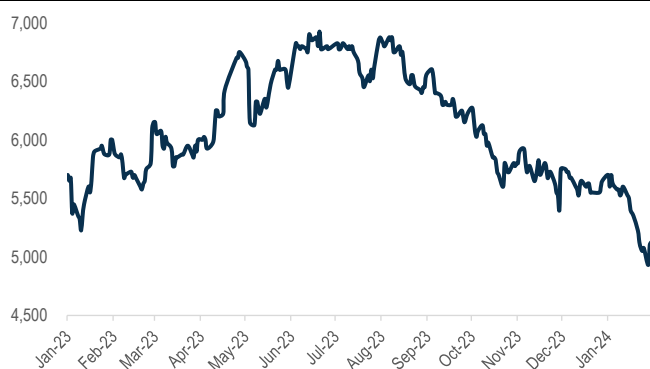
Given that: 1) ASII's share price has retreated by -26% since the news regarding the potential entrance of BYD circulated in Jul23; and 2) we only expect ASII's earnings to decline by -7/-3% yoy in FY24/25F (vs. cons' -5/+4% yoy); we believe that at 6.5x FY24F P/E (vs. COVID-bottom at 7.3x) or at 6.8% yield (a 10-yr high ex. FY23 special dividend), the downside risk is likely to be relatively limited at this point, in our view.

Note that our forecasts already take into account the lower 4W/2W market share for ASII in FY24-25F and its indirect impact on auto margins (which will likely to be partly offset by the launchings of more HEV variants, which command higher margins and/or price hikes), as well as lower UNTR margins.

While we believe that concerns on BYD seems overblown and current valuation does suggest that downside risks are likely to be relatively limited, we reiterate Hold with an unchanged SOTP-based TP of Rp5,800/share, considering the limited positive catalyst for ASII. However, we could turn more positive in the coming months, if: 1) Gaikindo's monthly data in the coming months show soft BYD sales figures; 2) the company distributes special dividend; and 3) margin erosions are not as severe as expected.

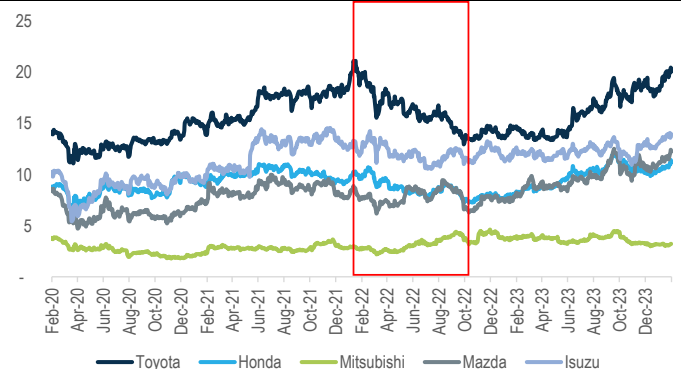
Upside/downside risks to our call include: 1) higher/lower-than-expected 4W/2W volumes; 2) higher/lower-than-expected commodity prices; and 3) higher/lower-than-expected dividend payout.

Fig. 16: Share price of ASII has retreated by -26% since the news regarding the potential entrance of BYD circulated in Jul23



Source: Bloomberg, Indo Premier

Fig. 17: Share prices of Japanese brands when BYD turned aggressive



Source: Bloomberg, Indo Premier

Fig. 18: Share prices of EU brands when BYD turned aggressive



Source: Bloomberg, Indo Premier

Fig. 19: Share prices of ASII during the launchings of Xpander and Stargazer, as well as the entry of Wuling



Source: Bloomberg, Indo Premier

Fig. 20: Japanese and EU brands' share prices decline vs. ASII

Car brand	Share price peak	Share price bottom	Price decline %	Peak PE	Bottom PE
BMW	117	68	-42%	3.8	3.4
Mercedes	86	51	-41%	5.2	4.0
Toyota	21	13	-39%	12.3	7.0
Honda	11	7	-35%	9.4	5.5
Mazda	9	6	-31%	5	3.3
Isuzu	14	11	-21%	16.7	6.9
ASII	6,925	4,930	-29%	8.4	6.7
Average			-34%		

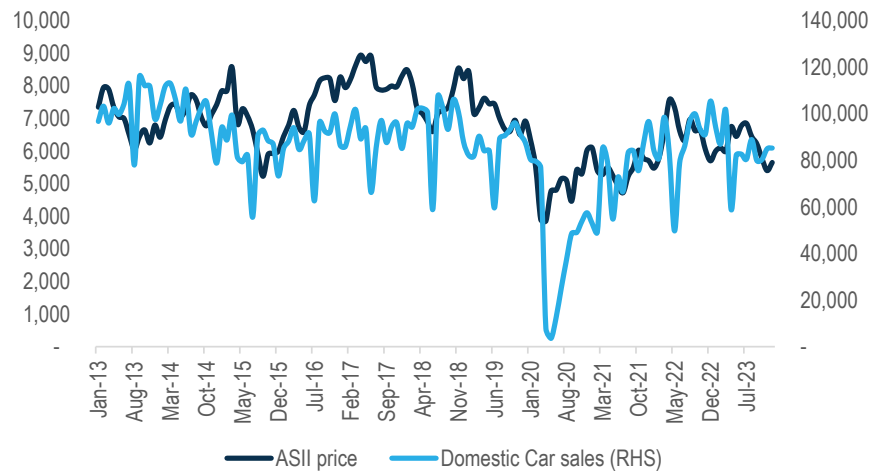
Source: Bloomberg, Indo Premier

Fig. 21: ASII's previous share prices decline vs. ASII's recent decline

Events	Period	Share price peak	Share price bottom	Price decline %	Peak PE	Bottom PE
Mitsubishi launch						
xpander	Aug-16	7,675	6,250	-19%	19.1	15.5
Wuling enters indonesia	Aug-15	6,800	5,125	-25%	17.9	15.9
Hyundai launch						
stargazer	Oct-21	6,800	4,650	-32%	13.0	7.5
Average				-25%		
BYD enters indonesia	Jan-24	6925	5125	-26%	9.0	6.7

Source: Bloomberg, Indo Premier

Fig. 22: Industry 4W vol vs. ASII share price



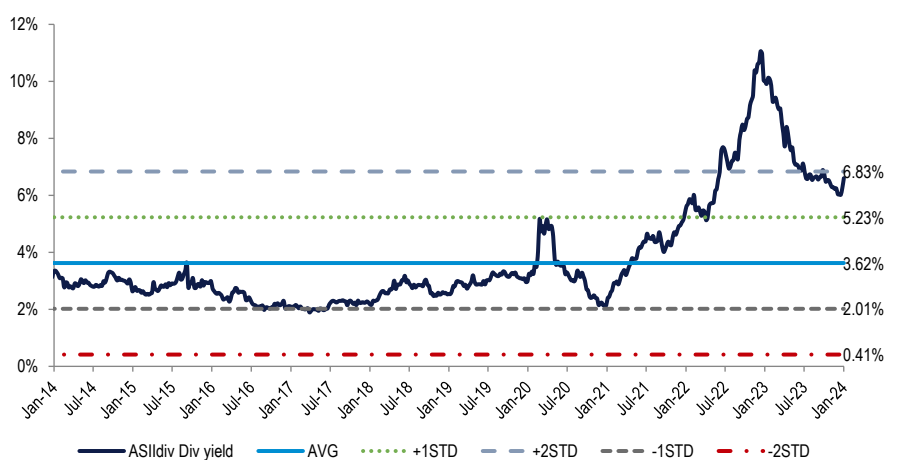
Source: Gaikindo, Indo Premier

Fig. 23: ASII P/E band



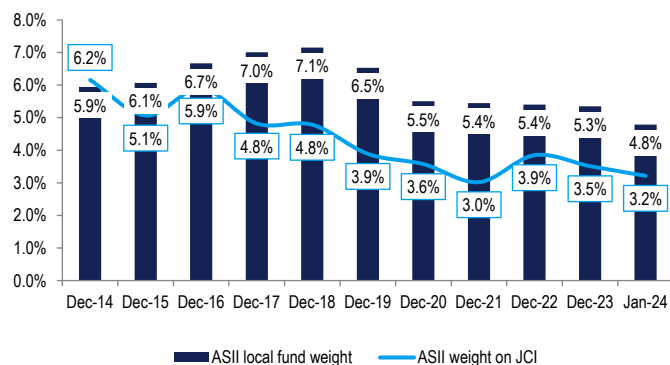
Source: Bloomberg, Indo Premier

Fig. 24: ASII Div yield band



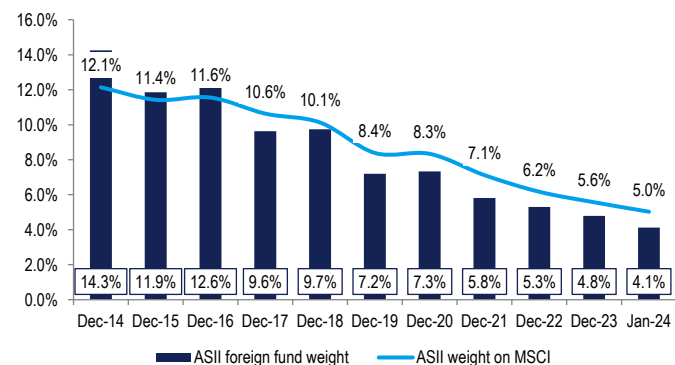
Source: Bloomberg, Indo Premier

Fig. 25: Local Fund weight vs JCI



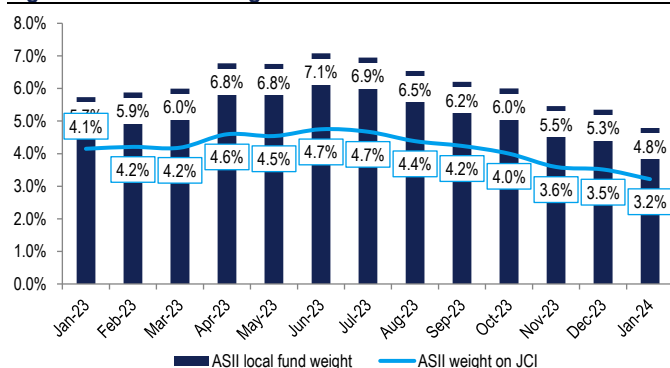
Source: KSEI, Indo Premier

Fig. 26: Foreign fund weight vs MSCI



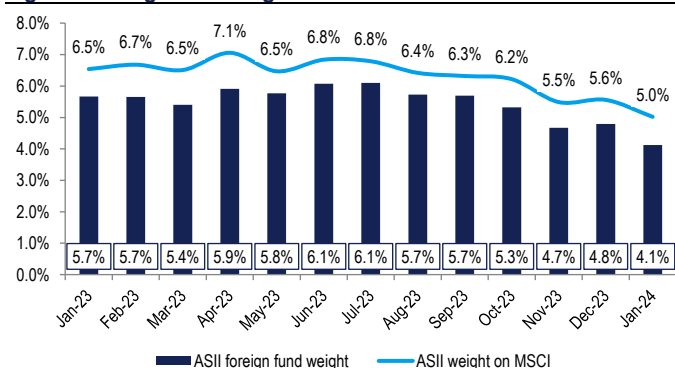
Source: KSEI, Indo Premier

Fig. 27: Local Fund weight vs JCI



Source: KSEI, Indo Premier

Fig. 28: Foreign fund weight vs MSCI



Source: KSEI, Indo Premier

Fig. 29: ASII peer comps

Company name		ROE (%)		P/E (x)		Div. yield (%)	
		FY24F	FY25F	FY24F	FY25F	FY24F	FY25F
Indonesia							
ASII IJ	Astra International	14.7	13.8	6.8	6.8	6.6	6.6
Average		14.7	13.8	6.8	6.8	6.6	6.6
Japan							
7203 JP	Toyota Motor Corp	12.6	11.8	9.5	9.3	3.0	3.2
7267 JP	Honda Motor Co	8.5	8.3	7.5	7.1	4.0	4.2
7202 JP	Isuzu Motors Ltd	12.6	12.5	8.3	7.8	4.7	4.9
7269 JP	Suzuki Motor Corp	12.5	12.0	11.0	10.4	2.0	2.2
7270 JP	Subaru Corporation	13.4	12.2	6.6	6.6	3.7	3.8
7211 JP	Mitsubishi Motors	14.7	13.3	4.7	4.5	3.2	4.0
7261 JP	Mazda Motor Corp	12.7	11.4	5.3	5.2	4.0	4.3
7201 JP	Nissan Motor	8.2	8.4	5.0	4.6	4.5	4.9
Average		11.9	11.2	7.2	6.9	3.6	3.9
Korea							
005380 KS	Hyundai Motor Co	10.9	9.3	4.8	5.5	5.1	5.2
000270 KS	Kia Motors Corp	16.3	14.4	5.3	5.5	4.8	4.8
Average		13.6	11.8	5.1	5.5	5.0	5.0
India							
MSIL IN	Maruti SUZUKI	17.9	18.0	23.2	21.4	2.4	2.7
EIM IN	Eicher Motors	22.7	21.7	24.3	21.6	1.2	1.4
MM IN	Mahindra & Mahindra	16.7	19.3	16.6	15.8	1.3	1.4
BJAUT IN	Bajaj Auto	26.5	29.6	25.9	22.8	2.8	3.0
Average		20.9	22.2	22.5	20.4	1.9	2.1
China							
175 HK	Geely auto	8.2	9.9	10.2	7.9	3.6	4.5
1211 HK	BYD	23.8	25.0	11.5	9.2	1.5	2.0
Average		16.0	17.4	10.8	8.6	2.5	3.3

Source: Bloomberg, Indo Premier

Income Statement (Rp bn)	2021A	2022A	2023F	2024F	2025F
Net revenue	233,485	301,379	316,863	316,436	327,301
Cost of sales	(182,452)	(231,291)	(245,067)	(247,920)	(259,379)
Gross profit	51,033	70,088	71,796	68,516	67,922
SG&A Expenses	(25,500)	(27,887)	(28,518)	(29,569)	(31,350)
Operating profit	25,533	42,201	43,278	38,948	36,573
Net interest	265	428	423	597	415
Forex gain (loss)	57	188	32	32	33
Others	6,495	7,573	9,464	9,706	10,324
Pre-tax income	32,350	50,390	53,196	49,282	47,344
Income tax	(6,764)	(9,970)	(9,841)	(9,117)	(8,759)
Minority interest	(5,390)	(11,476)	(9,209)	(8,188)	(7,693)
Net income	20,196	28,944	34,146	31,977	30,892

Balance Sheet (Rp bn)	2021A	2022A	2023F	2024F	2025F
Cash & equivalents	63,947	61,295	63,156	67,324	70,451
Receivables	60,761	71,839	69,449	69,356	71,737
Other current assets	35,554	46,684	42,654	44,546	47,540
Total current assets	160,262	179,818	175,259	181,226	189,728
Fixed assets	90,450	94,697	83,541	78,940	73,694
Other non-current assets	116,599	138,782	152,660	167,926	193,115
Total non-current assets	207,049	233,479	236,201	246,866	266,809
Total assets	367,311	413,297	411,460	428,092	456,537

Payables	25,149	37,644	33,571	33,962	35,531
Other payables	39,962	46,885	45,478	44,114	42,791
Current portion of LT loans	38,667	34,669	31,851	30,906	35,336
Total current liab.	103,778	119,198	110,901	108,982	113,658
Long term loans	33,819	36,052	31,851	30,906	35,336
Other LT liab.	14,099	14,327	13,897	13,480	13,076
Total liabilities	151,696	169,577	156,649	153,369	162,070

Equity	8,253	10,619	10,619	10,619	10,619
Retained earnings	163,800	181,523	191,067	209,385	227,487
Minority interest	43,562	51,578	53,125	54,719	56,361
Total SHE + minority int.	215,615	243,720	254,811	274,724	294,467
Total liabilities & equity	367,311	413,297	411,460	428,092	456,537

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2021A	2022A	2023F	2024F	2025F
Net profit	20,196	28,944	34,146	31,977	30,892
Depr. & amortization	14,148	12,326	12,838	12,500	12,509
Changes in working capital	4,951	(2,790)	940	(2,772)	(5,129)
Others	(1,011)	(10,479)	(5,099)	(7,495)	(17,900)
Cash flow from operating	38,284	28,001	42,825	34,209	20,373
Capital expenditure	(9,470)	(16,573)	(1,682)	(7,899)	(7,263)
Others	-	-	-	-	-
Cash flow from investing	(9,470)	(16,573)	(1,682)	(7,899)	(7,263)
Loans	(6,995)	(1,765)	(7,018)	(1,890)	8,859
Equity	39	(1,094)	(7,661)	(6,594)	(6,052)
Dividends	(5,344)	(11,416)	(24,602)	(13,658)	(12,791)
Others	-	-	-	-	-
Cash flow from financing	(12,300)	(14,275)	(39,282)	(22,142)	(9,983)
Changes in cash	16,394	(2,652)	1,861	4,168	3,126

Key Ratios	2021A	2022A	2023F	2024F	2025F
Gross margin	21.9%	23.3%	22.7%	21.7%	20.8%
Operating margin	10.9%	14.0%	13.7%	12.3%	11.2%
Pre-tax margin	13.9%	16.7%	16.8%	15.6%	14.5%
Net margin	8.6%	9.6%	10.8%	10.1%	9.4%
ROA	5.7%	7.7%	8.3%	7.6%	7.0%
ROE	9.8%	13.0%	13.7%	12.1%	10.8%
ROIC	8.9%	12.5%	13.4%	12.2%	10.9%

Acct. receivables TO (days)	90	80	80	80	80
Acct. payables - other TO (days)	42	50	50	50	50

Gross debt-to-equity (x)	0.3	0.3	0.3	0.2	0.2
Net debt-to-equity (x)	0.0	0.0	0.0	(0.0)	0.0
Interest coverage (x)	11.2	20.0	19.4	18.0	14.8

Source: Company, Indo Premier

Fig. 30: ASII forecast changes

ASII (Rp bn)	Previous			Current			Changes (%)		
	FY23F	FY24F	FY25F	FY23F	FY24F	FY25F	FY23F	FY24F	FY25F
Revenue	305,797	307,861	326,047	316,863	316,436	327,301	3.6	2.8	0.4
Op. profit	46,974	43,916	43,884	43,278	38,948	36,573	-7.9	-11.3	-16.7
Net profit	34,458	33,429	34,062	34,114	31,946	30,860	-1.0	-4.4	-9.4

Source: Company, Indo Premier

INVESTMENT RATINGS

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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