

# Aspirasi Hidup Indonesia

**BUY** (unchanged)

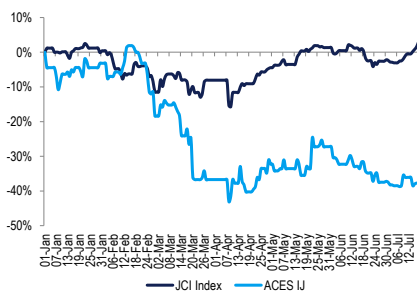
Company Update / Consumer Discretionary / ACES IJ / 17 July 2025

## Stock Data

Target price	Rp710
Prior TP	Rp810
Current price	Rp492
Upside/downside	44.3%
Shares outstanding (mn)	17,120
Market cap (Rp bn)	8,423
Free float	40%
Avg. 6m daily T/O (Rp bn)	37

## Price Performance

	3M	6M	12M
Absolute	0.8%	-34.4%	-38.5%
Relative to JCI	-13.0%	-37.3%	-38.4%
52w low/high (Rp)	450 – 940		



## Major Shareholders

PT Kawan Lama Sejahtera	60.0%
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## Softer FY25F SSSG and GPM outlook may have been priced-in; maintain Buy

- We view the soft FY25F SSSG is partly impacted from rebranding program especially in Java region.
- FY25F GPM may face pressure from rising promotional activity and freight costs; thus, we revised down our FY25F earnings by -8%.
- Maintain Buy with lower TP of Rp710/sh as the current valuation of 11x FY25F PE is attractive vs. home improvement peers avg of 19.5x.

### Soft FY25F SSSG outlook is partly impacted from rebranding program

ACES 5M25 SSSG stood at -2.7% which is below FY25F company guidance of +1%. Notably, ACES's 5M25 SSSG was dragged down by Java's negative SSSG of -4.6% yoy, while ex-Java was relatively flat at -0.1% yoy. Given the majority of retailers' portfolio are concentrated in Java (Fig.3), we view Java region faces tighter competition compared to ex-Java. Hence, we think that the soft Java's SSSG was partly due to its rebranding program. Coupled with a soft macro backdrop, we view ACES' FY25F SSSG outlook to be similar like 5M25's trend. In sum, we revised down our FY25F SSSG assumption from +1% to -2% or lower than FY25F company guidance of +1%.

### GPM faces headwinds from promotion and freight cost

Given the soft FY25F SSSG outlook, we expect the company to focus on top-line growth through more aggressive promotional campaigns (e.g. Boom Sales) during rebranding program period. In addition, freight costs have surged by 81% YTD (Fig. 2), driven by rising insurance premiums and shipping rates amid heightened geopolitical tensions and global trade uncertainty. In sum, we expect its FY25F GPM to decline by -62bps yoy to 48.0% or below FY25F consensus estimate of 48.6%.

### We revise down our FY25F earnings by -8%

In sum, we revise down our FY25F earnings forecast by -8% to Rp797bn to reflect a lower FY25F SSSG and GPM assumption. In addition, our FY25F earnings is 11% lower than consensus FY25F estimate.

### Maintain BUY with unchanged TP of Rp710/sh

We maintain our BUY rating with lower TP of Rp710/sh, based on 15.5x FY25F PE (-0.5 s.d. from its 5yr average). Despite cutting FY25F forecast, we view that ACES' valuation still remains attractive at 10.7x FY25F PE compared to regional peers average of 19.5x FY25F PE (Fig. 4) and we believe that YTD weakness of -34.8% has priced-in the negative earnings revision. Risk to our call: softer than expected SSSG.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	7,620	8,583	9,025	9,804	10,559
EBITDA	1,012	1,163	1,029	1,157	1,302
EBITDA growth	13.2%	14.8%	-11.5%	12.4%	12.5%
Net profit	770	892	797	913	1,024
EPS (Rp)	45	52	46	53	60
EPS growth	9.8%	15.8%	-10.6%	14.5%	12.2%
ROE	12.7%	14.0%	12.0%	13.2%	14.1%
PER (x)	11.0	9.5	10.7	9.2	8.2
EV/EBITDA (x)	6.0	5.6	5.9	5.1	4.5
Dividend yield	6.3%	6.8%	6.9%	6.6%	8.1%
Forecast change			-8%	-13%	-11%
IPS vs. consensus			89%	90%	94%

Source: Company, Indo Premier

Share price closing as of: 17 July 2025

Fig. 1: ACES Forecast changes

	Previous			Current			Changes		
	2025F	2026F	2027F	2025F	2026F	2027F	2025F	2026F	2027F
<b>Key Driver</b>									
SSSG (%)	1.0%	5.0%	5.0%	-2.0%	3.0%	5.0%	-3.0%	-2.0%	0.0%
<b>Financial Performance</b>									
Net Sales (Rp bn)	9,139	9,994	10,774	9,025	9,804	10,559	-1.3%	-1.9%	-2.0%
Gross profit (Rp bn)	4,463	4,892	5,284	4,335	4,732	5,117	-2.9%	-3.3%	-3.2%
EBIT (Rp bn)	960	1,156	1,262	877	987	1,113	-8.7%	-14.6%	-11.8%
Net profit (Rp bn)	865	1,051	1,147	797	913	1,024	-7.8%	-13.1%	-10.7%
<b>Margins (%)</b>									
Gross margin	48.8%	48.9%	49.0%	48.0%	48.3%	48.5%	-0.8%	-0.7%	-0.6%
Operating margin	10.5%	11.6%	11.7%	9.7%	10.1%	10.5%	-0.8%	-1.5%	-1.2%
Net profit margin	9.5%	10.5%	10.6%	8.8%	9.3%	9.7%	-0.6%	-1.2%	-0.9%

Source: Company, Bloomberg, Indo Premier

Fig. 2: Baltic Dry Index have gone up since the announcement of tariffs



Source: Bloomberg, Indo Premier

Fig. 3: Most of retailers' portfolio are located in Java as of 2Q25

Store Count				Java	Ex-Java
	Java	Ex-Java	Total	Contribution	Contribution
ACES	172	78	250	68.8%	31.2%
MDIY	262	759	1021	25.7%	74.3%
DPO	13	3	16	81.3%	18.8%
IKEA	6	1	7	85.7%	14.3%
Bangunan Jaya	5	1	6	83.3%	16.7%
Mitra 10/Atria	20	8	28	71.4%	28.6%
Oh!Some	81	39	120	67.5%	32.5%
BOLDe	40	24	64	62.5%	37.5%
Niceso	200	0	200	100.0%	0.0%

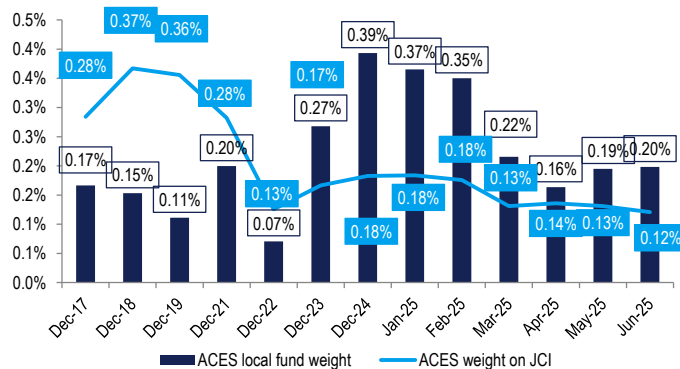
Source: Company, Indo Premier

Fig. 4: ACES' home improvement comparable

Ticker	Name	Region	P/E	EPS Growth	ROE	EV/EBITDA
			FY25F	FY25F	FY25F	FY25F
ACES IJ Equity	Aspirasi Hidup Indonesia	Indonesia	10,7	-10,6%	12,0%	5,9
GLOBAL TB Equity	Siam Global House PCL	Thailand	16,9	-3,4%	8,4%	11,1
HMPRO TB Equity	Home Products Center PCL	Thailand	17,8	7,7%	24,5%	10,6
MDIY IJ Equity	Daya Intiguna Yasa	Indonesia	29,3	-8,7%	31,6%	11,1
MRDIY MK Equity	MR. DIY Group	Malaysia	24,1	19,7%	31,9%	13,7
WLCON PM Equity	Wilcon Depot	Phillipine	9,6	-2,6%	10,1%	4,8
Simple Average			18,1	0,3%	19,8%	9,6
Regional Average (ex-ACES)			19,5	2,5%	21,3%	10,3

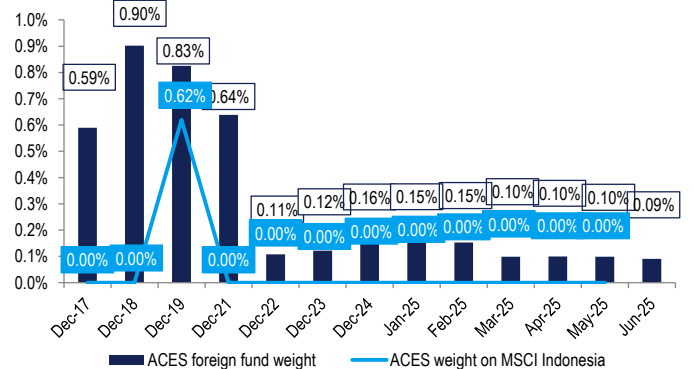
Source: Bloomberg, Indo Premier

Fig. 5: ACES' local fund weight vs. JCI



Source: KSEI, Indo Premier

Fig. 6: ACES' foreign fund weight vs. MSCI



Source: MSCI, Indo Premier

Fig. 7: ACES is traded at 10.1x fwd. 12M PE (-1.3s.d. from its 5yr avg)



Source: Bloomberg, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	7,620	8,583	9,025	9,804	10,559
Cost of sales	(3,910)	(4,400)	(4,689)	(5,073)	(5,442)
<b>Gross profit</b>	<b>3,710</b>	<b>4,183</b>	<b>4,335</b>	<b>4,732</b>	<b>5,117</b>
SG&A Expenses	(2,841)	(3,159)	(3,458)	(3,745)	(4,003)
<b>Operating profit</b>	<b>869</b>	<b>1,024</b>	<b>877</b>	<b>987</b>	<b>1,113</b>
Net interest	74	84	75	96	99
Forex gain (loss)	(5)	(1)	0	0	0
Others	23	(24)	23	30	37
<b>Pre-tax income</b>	<b>961</b>	<b>1,083</b>	<b>976</b>	<b>1,113</b>	<b>1,249</b>
Income tax	(190)	(199)	(178)	(200)	(225)
<b>Net income</b>	<b>770</b>	<b>892</b>	<b>797</b>	<b>913</b>	<b>1,024</b>

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent	2,312	1,875	2,393	2,470	2,561
Receivable	199	45	125	136	147
Inventory	2,665	3,396	2,744	2,898	3,035
Other current assets	486	633	679	732	783
<b>Total current assets</b>	<b>5,662</b>	<b>5,950</b>	<b>5,941</b>	<b>6,236</b>	<b>6,525</b>
Fixed assets	424	491	602	704	796
Other non-current assets	0	0	0	0	0
<b>Total non-current assets</b>	<b>2,091</b>	<b>2,242</b>	<b>2,460</b>	<b>2,563</b>	<b>2,656</b>
<b>Total assets</b>	<b>7,753</b>	<b>8,191</b>	<b>8,401</b>	<b>8,799</b>	<b>9,181</b>
ST loans	0	0	0	0	0
Payable	126	191	218	236	253
Other payables	15	16	69	75	80
Current portion of LT loans	0	0	0	0	0
<b>Total current liab.</b>	<b>764</b>	<b>873</b>	<b>856</b>	<b>891</b>	<b>924</b>
Long term loans	0	0	0	0	0
Other LT liab.	202	177	186	195	205
<b>Total liabilities</b>	<b>1,567</b>	<b>1,679</b>	<b>1,671</b>	<b>1,714</b>	<b>1,757</b>
Equity	612	572	572	572	572
Retained earnings	5,565	5,904	6,121	6,476	6,816
Minority interest	43	36	36	36	36
<b>Total SHE + minority int.</b>	<b>6,186</b>	<b>6,512</b>	<b>6,730</b>	<b>7,085</b>	<b>7,424</b>
<b>Total liabilities &amp; equity</b>	<b>7,753</b>	<b>8,191</b>	<b>8,401</b>	<b>8,799</b>	<b>9,181</b>

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
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Net income	770	892	865	1,051	1,147
Depr. & amortization	109	83	153	170	189
Changes in working capital	(30)	(699)	506	(204)	(167)
Others	507	537	0	0	0
<b>Cash flow from operating</b>	<b>1,356</b>	<b>813</b>	<b>1,524</b>	<b>1,018</b>	<b>1,169</b>
Capital expenditure	(107)	(150)	(264)	(272)	(280)
Others	(23)	(75)	(121)	0	0
<b>Cash flow from investing</b>	<b>(131)</b>	<b>(224)</b>	<b>(385)</b>	<b>(272)</b>	<b>(280)</b>
Loans	1	(2)	0	0	0
Equity	(1)	(47)	0	0	0
Dividends	(532)	(574)	(664)	(644)	(783)
Others	(510)	(408)	0	0	0
<b>Cash flow from financing</b>	<b>(1,042)</b>	<b>(1,030)</b>	<b>(664)</b>	<b>(644)</b>	<b>(783)</b>
<b>Changes in cash</b>	<b>184</b>	<b>(442)</b>	<b>475</b>	<b>102</b>	<b>106</b>

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	48.7%	48.7%	48.0%	48.3%	48.5%
Operating margin	11.4%	11.9%	9.7%	10.1%	10.5%
Pre-tax margin	12.6%	12.6%	10.8%	11.4%	11.8%
Net margin	10.1%	10.4%	8.8%	9.3%	9.7%
ROA	10.3%	11.2%	9.6%	10.6%	11.4%
ROE	12.7%	14.0%	12.0%	13.2%	14.1%
Acct. receivables TO (days)	6.8	5.2	3.4	4.9	4.9
Inventory TO (days)	255.6	251.4	239.0	203.0	199.0
Payable TO (days)	12.6	13.1	15.9	16.3	16.4
Debt to equity	0.0%	0.0%	0.0%	0.0%	0.0%
Interest coverage ratio (x)	N/A	N/A	10.0	11.3	12.5
Net gearing	-37.6%	-29.0%	-35.7%	-35.0%	-34.7%

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

## ANALYSTS CERTIFICATION

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