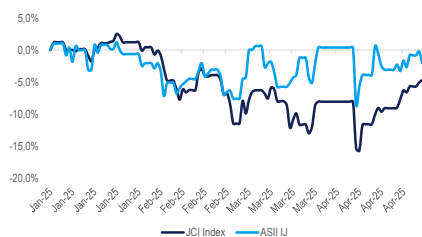


Stock Data

Target price	Rp5,050
Prior TP	Rp5,150
Current price	Rp4,780
Upside/downside	5.6%
Shares outstanding (mn)	40,484
Market cap (Rp bn)	193,511
Free float	42%
Avg. 6m daily T/O (Rp bn)	176

Price Performance

	3M	6M	12M
Absolute	2.8%	-3.6%	-6.7%
Relative to JCI	1.5%	2.7%	-3.7%
52w low/high (Rp)	4,290 – 5,300		



Major Shareholders

Jardine Cycle & Carriage Ltd	50.1%
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Pricing-in lower UNTR earnings while maintaining auto volume outlook

- We maintain our estimates for 2W/4W wholesale volumes despite weakness in 1Q25 as we anticipate a recovery from 2Q25 onwards.
- We cut our FY25–27F core NP estimates by 2-4%, primarily due to lower earnings from UNTR, despite higher earnings for AALI.
- We have yet to see any strong catalysts and expect a drop in core NP (at -9% yoy vs. consensus -2%). We retain our HOLD call.

Maintaining auto wholesale volume for now

During the analyst gathering, ASII's conveys that three provinces began phasing out subsidies for the opsen tax in Apr25, and two more provinces may potentially follow in May25. This may lead to a lower-than-expected 4W wholesale volume outlook for 2025F (-5% yoy in 1Q25). However, for now, we maintain our domestic wholesale/ASII wholesale volume estimates at 865k/470k units (flat/-3% yoy) in FY25F, anticipating volume support if ASII proceeds with the launch of affordable hybrid models this year. In the 2W segment, management attributed the volume weakness to recent layoffs and suboptimal harvest results. Hence, we maintain our 2W wholesale volume estimate of 2% yoy supported by better harvest outcomes and higher government spending.

Higher agribusiness and auto estimates while lowering UNTR estimates

We cut ASII's FY25-27F core NP estimates by 2-4%, primarily reflecting lower UNTR earnings by 7-10%. On the other hand, we raise AALI's earnings estimates by 16% for FY25F, driven by higher volume assumptions (up ~2%) and an increase in our CPO price assumption by 2.8% to MYR4.3k/tonne. Following strong price performance in 1Q25, which averaged MYR4.7k, we anticipate prices could normalize in the coming quarters due to improving production and stock build-up. In the auto segment, we cut our FY25-27F core NP estimates for ADM by 5-17%, while keeping auto distribution earnings estimates unchanged despite the higher-than-expected margin in 1Q25. Based on our channel check, the more resilient margin was primarily driven by lower discounts in 1Q25. However, our recent checks also indicate an increasing discount trend for Toyota models in Apr25, leading us to keep our margin assumption unchanged.

Retain our HOLD with lower TP of Rp5,050

We retain our HOLD call for ASII with a TP of Rp5,050, still based on SOTP valuation FY25F (implying a 6.7x P/E for FY25F). We continue to project a core NP growth decline by -9% yoy in FY25F (vs. consensus: -2% yoy) and have not yet seen any strong catalysts for a share price re-rating. However, ASII's dividend yield may remain attractive over FY25–27F.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	316,565	330,920	335,392	330,679	337,225
Operating profit	44,268	42,202	34,793	34,280	34,445
Core net profit	33,366	33,440	30,564	30,342	31,718
Core EPS growth	12.1%	0.2%	-8.6%	-0.7%	4.5%
ROE	16.8%	15.7%	13.4%	12.5%	12.2%
PER (x)	5.8	5.8	6.3	6.4	6.1
Dividend yield	13.6%	10.9%	8.3%	7.6%	7.6%
IPS vs. consensus			93%	90%	92%

Source: Company, Indo Premier

price closing as of: 08 May 2025

Fig. 1: ASII forecast changes

In Rp bn, unless otherwise stated	Previous			Current			Changes %		
	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Profit & Loss									
Revenue - Net	325,392	325,497	330,901	335,392	330,679	337,225	3.1%	1.6%	1.9%
Cost of revenue	(256,380)	(256,291)	(261,582)	(267,529)	(262,644)	(268,500)	4.3%	2.5%	2.6%
Gross profit	69,012	69,206	69,319	67,863	68,035	68,725	-1.7%	-1.7%	-0.9%
EBIT	37,019	36,110	35,769	34,793	34,280	34,445	-6.0%	-5.1%	-3.7%
Pretax profit	48,849	47,657	48,751	46,359	45,758	47,337	-5.1%	-4.0%	-2.9%
Net profit	31,475	30,955	32,090	30,298	30,081	31,447	-3.7%	-2.8%	-2.0%
Core net profit	31,735	31,213	32,358	30,564	30,342	31,718	-3.7%	-2.8%	-2.0%
Core NP breakdown									
Automotive				8,939	8,549	9,763			
Financial services				8,655	9,086	9,503			
Heavy Equipment				9,580	9,453	9,394			
Agribusiness				1,230	1,000	687			
Infrastructure & Logistics				1,472	1,557	1,649			
Information Technology				152	156	161			
Property				314	325	336			
Elimination				221	217	227			

Source: Company, Indo Premier

Fig. 2: SOP-valuation table

In Rp bn, unless stated otherwise	Valuation method	ASII's ownership	FY25F	% to total valuation
Main business portfolio				
Auto distribution and dealerships	5x P/E FY25F	100.00%	2,708	1%
Astra Daihatsu Motor	5x P/E FY25F	31.90%	1,394	1%
Astra Honda Motor	5x P/E FY25F	50.00%	26,352	13%
Astra Otoparts (AUTO IJ)	10x P/E FY25F	80.00%	18,027	9%
Financial services	1.3x P/BV FY25F	100.00%	58,900	29%
United Tractors (UNTR IJ)	SOP valuation FY25F	59.50%	58,308	28%
Astra Agro Lestari (AALI IJ)	5x EV/EBITDA FY25F	79.68%	14,656	7%
Infrastructure	DCF FY25F		11,769	6%
SERA Logistics	15x P/E FY24F	100.00%	2,504	1%
Astra Graphia (ASGR IJ)	11.5x P/E FY25F	76.87%	1,344	1%
Property	60% disc. to NAV		1,118	1%
Other investment				
GoTo Gojek Tokopedia (GOTO IJ)	SOP valuation FY24F	4.30%	5,500	3%
Medikaloka Hermina (HEAL IJ)	EV/EBITDA FY25F	7.23%	2,409	1%
Minority investments				
Halodoc	At acquisition cost	31.34%	2,908	1%
Sayurbox	At acquisition cost	N/A	202	0%
Mapan	At acquisition cost	N/A	80	0%
Total equity value			204,988	
#share outstanding (mn shares)			40.5	
TP (Rp/sh)			5,063	
Rounded TP (Rp/sh)			5,050	
Implied PBV			0.90	
Implied P/E			6.71	
Implied EV/EBITDA			5.97	

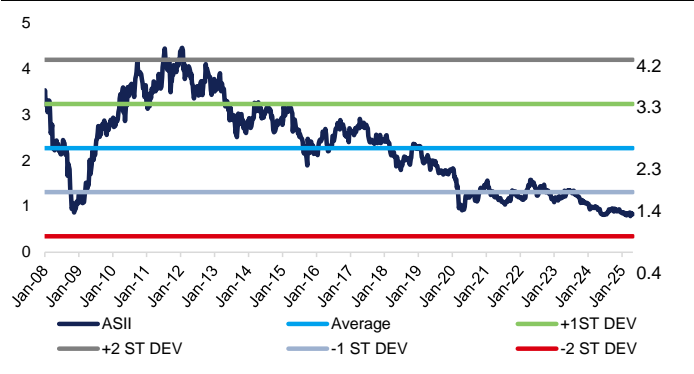
Source: Company, Indo Premier

Fig. 3: ASII – P/E band



Source: Indo Premier, Bloomberg

Fig. 4: ASII – P/BV band



Source: Indo Premier, Bloomberg

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	316,565	330,920	335,392	330,679	337,225
Cost of sales	(243,255)	(257,363)	(267,529)	(262,644)	(268,500)
Gross profit	73,310	73,557	67,863	68,035	68,725
SG&A Expenses	(29,042)	(31,355)	(33,069)	(33,755)	(34,280)
Operating profit	44,268	42,202	34,793	34,280	34,445
Net interest	(59)	(460)	1,485	988	1,753
Forex gain (loss)	(408)	(532)	-	-	-
Others	10,928	11,949	10,080	10,490	11,138
Pre-tax income	54,729	53,159	46,359	45,758	47,337
Income tax	(10,228)	(9,735)	(8,181)	(7,949)	(8,183)
Minority interest	(10,662)	(9,373)	(7,881)	(7,728)	(7,707)
Net income	33,839	34,051	30,298	30,081	31,447
Core net income	33,366	33,440	30,564	30,342	31,718

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalents	41,138	48,439	56,869	67,109	92,023
Receivables	72,227	77,061	82,936	84,600	87,359
Other current assets	52,823	51,431	52,923	52,206	53,065
Total current assets	166,188	176,931	192,728	203,915	232,447
Fixed assets	72,911	78,734	80,079	78,792	72,945
Other non-current assets	206,582	217,260	230,671	238,453	245,777
Total non-current assets	279,493	295,994	310,750	317,245	318,722
Total assets	445,681	472,925	503,478	521,160	551,169
Payables	40,529	40,047	41,629	40,869	41,780
Other payables	53,082	56,454	55,904	55,822	55,905
Current portion of LT loans	31,411	36,802	39,954	38,030	40,007
Total current liab.	125,022	133,303	137,487	134,721	137,692
Long term loans	53,303	50,192	54,488	51,831	54,504
Other LT liab.	16,936	17,934	17,934	17,934	17,934
Total liabilities	195,261	201,429	209,908	204,486	210,130
Equity	9,643	11,049	11,049	11,049	11,049
Retained earnings	188,997	202,116	216,309	231,686	248,344
Minority interest	51,778	58,331	66,212	73,939	81,646
Total SHE + minority int.	250,418	271,496	293,570	316,674	341,039
Total liabilities & equity	445,679	472,925	503,478	521,160	551,169

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net profit	44,501	43,424	38,178	37,809	39,154
Depr. & amortization	9,139	8,636	17,903	19,217	20,174
Changes in working capital	(6,796)	(5,620)	(6,335)	(1,789)	(2,624)
Others					
Cash flow from operating	46,844	46,440	49,746	55,236	56,704
Capital expenditure	(43,768)	(18,411)	(33,521)	(24,399)	(20,147)
Others	(11,385)	(6,726)	862	(1,313)	(1,504)
Cash flow from investing	(55,153)	(25,137)	(32,659)	(25,712)	(21,652)
Loans	25,953	8,346	7,448	(4,581)	4,650
Equity	(11,689)	(7,888)	(7,881)	(7,728)	(7,707)
Dividends	(26,314)	(21,011)	(16,105)	(14,704)	(14,789)
Others	200	6,553	7,881	7,728	7,707
Cash flow from financing	(11,850)	(14,000)	(8,657)	(19,285)	(10,138)
Changes in cash	(20,159)	7,303	8,430	10,240	24,914

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	23.2%	22.2%	20.2%	20.6%	20.4%
Operating margin	14.0%	12.8%	10.4%	10.4%	10.2%
Pre-tax margin	17.3%	16.1%	13.8%	13.8%	14.0%
Net margin	10.7%	10.3%	9.0%	9.1%	9.3%
Core net margin	10.5%	10.1%	9.1%	9.2%	9.4%
ROA	7.5%	7.1%	6.1%	5.8%	5.8%
ROE	16.8%	15.7%	13.4%	12.5%	12.2%
ROIC	13.4%	12.7%	11.0%	10.9%	11.6%

Acct. receivables TO (days)	39	37	37	37	37
Acct. payables - other TO (days)	61	57	57	57	57

Gross debt-to-equity (x)	0.5	0.5	0.5	0.4	0.4
Net debt-to-equity (x)	0.3	0.2	0.2	0.1	0.1
Interest coverage (x)	19.1	16.1	15.1	16.2	20.9

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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