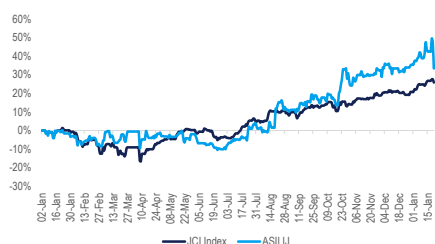


Stock Data

Target price	Rp5,850
Prior TP	Rp5,850
Current price	Rp6,600
Upside/downside	-11%
Shares outstanding (mn)	40,484
Market cap (Rp bn)	248,974
Free float	45%
Avg. 6m daily T/O (Rp bn)	248

Price Performance

	3M	6M	12M
Absolute	6.9%	40.8%	33.06%
Relative to JCI	-3.6%	18.1%	8.9%
52w low/high (Rp)	4,430 – 7,400		



Major Shareholders

Jardine Cycle & Carriage Ltd	50.1%
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## 4Q25F results could be soft; potential upside offset by downside risks

- ASII's 4Q25F core NP is estimated at Rp7tr (-18% qoq), with FY25F core NP of Rp31tr (-8% yoy) or 95% of consensus.
- The revocation of UNTR's Martabe IUP is net negative for ASII, implying an 10% downside risk to FY26F core NP.
- We retain our HOLD call for now as potential upside risks could be offset by potential downside risks.

### 4Q25F earnings could be soft

We estimate ASII's 4Q25F core NP at Rp7.0tr (-18% qoq/-19% yoy) with FY25F core NP of Rp30.7tr (-8% yoy), 98%/95% of our/consensus estimates. This mainly reflects lower-than-expected UNTR earnings, assuming no sales from the Martabe mine during 6<sup>th</sup>–31<sup>st</sup> Dec due to the operational halt and lower Pama volumes. The auto segment is expected to be in line (100% to our estimate), with 4Q25F core NP of Rp2.1tr (-26% qoq) and FY25F of Rp9.6tr (-2% yoy). This reflects weaker 4W domestic wholesale volumes of 804k units (-7% yoy, 102% of our estimate) and margin compression to 10.3% (vs. 10.8% in 3Q25) due to year-end promotions, partly offset by stronger 4W exports (117% of our estimate) and 2W wholesale volumes of 6.4mn units (+1% yoy, 103% of our estimate). For the financing segment, FY25F earnings could be Rp8.9tr (+8% yoy), or 100% of our estimate.

### UNTR's Martabe IUP license is being revoked

Based on recent media reports, the government is reportedly revoking the Martabe gold mine's IUP which is 95% owned by UNTR, following concerns that its operations may have contributed to flooding in surrounding areas. Martabe accounted for 15% of UNTR's earnings in 9M25 and 6% of ASII's. In FY26F, under our current gold price assumption of US\$3,300/oz, Martabe's contribution could reach c.20% of UNTR's earnings, translating to c.10% of ASII's earnings. We currently estimate ASII's FY26F earnings to grow by 4% yoy, equivalent to 96% of consensus.

### Retain our HOLD call for ASII – potential upside could be offset by downside risks

We retain our HOLD call on ASII. Foreign ownership increased significantly to 66% by Dec25 (last seen in Nov17) from 59% in Dec24, contributing to ASII's share price appreciation of 47% from 2<sup>nd</sup> Jan 2025 to 20<sup>th</sup> Jan 2026. We believe potential upside from the additional dividend TSR narrative could be offset by downside risks from the revocation of the Martabe IUP. Meanwhile, based on our channel checks, the likely outcome of the proposed 4W incentive changes is a reduction in BEV incentives without reallocation to other vehicle types, which would be net neutral for ASII in our view.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	316,565	330,920	333,759	343,259	351,202
Operating profit	44,268	42,202	37,779	37,154	37,508
Core net profit	33,366	33,440	31,201	32,404	33,876
Core EPS growth	12.1%	0.2%	-6.7%	3.9%	4.5%
ROE	16.8%	15.7%	13.6%	13.2%	12.9%
PER (x)	8.0	8.0	8.6	8.2	7.9
Dividend yield (%)			6.2%	5.9%	6.0%
IPS vs. consensus			96%	96%	97%

Source: Company, Indo Premier

price closing as of: 21 Jan 2026

## 4Q25F earnings preview

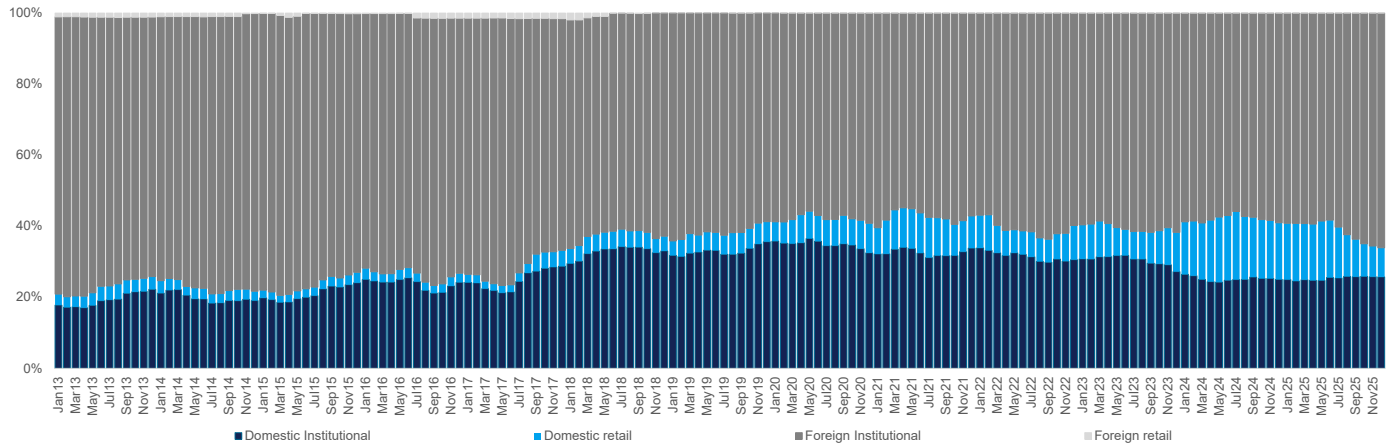
Fig. 1: 4Q25F earnings preview

In Rp bn, unless otherwise stated	4Q24	4Q25F	%YoY	3Q25	%QoQ	12M24	12M25F	%YoY	% to our estimate	% to cons
<b>Profit &amp; Loss</b>										
Revenue	84,591	87,772	4%	80,751	9%	330,920	331,380	0%	99%	101%
Cost of revenue	(65,686)	(70,922)	8%	(63,337)	12%	(257,363)	(262,283)	2%		
Gross profit	18,905	16,850	-11%	17,414	-3%	73,557	69,097	-6%	97%	97%
EBIT	10,430	7,695	-26%	9,223	-17%	42,202	36,086	-14%	96%	90%
EBITDA	15,408	14,726	-4%	12,678	16%	61,178	56,386	-8%	97%	100%
Other income/expense	1,951	2,514	29%	3,592	-30%	10,957	10,946	0%		
Pretax profit	12,381	10,210	-18%	12,815	-20%	53,159	47,032	-12%		
Net profit attributable	8,197	6,915	-16%	8,958	-23%	34,051	31,388	-8%		
<b>Core net profit</b>	<b>8,641</b>	<b>6,980</b>	<b>-19%</b>	<b>8,502</b>	<b>-18%</b>	<b>33,440</b>	<b>30,651</b>	<b>-8%</b>	<b>98%</b>	<b>95%</b>
<b>Margin</b>										
Gross profit margin	22%	19%		22%		22%	21%			
EBITDA margin	18%	17%		16%		18%	17%			
Net profit margin	10%	8%		11%		10%	9%			
Core net profit margin	10%	8%		11%		10%	9%			
<b>Revenue breakdown</b>										
Automotive	33,523	34,972	4%	31,641	11%	133,052	128,321	-4%	101%	
4W	20,025	18,951	-5%	14,190	34%	80,487	65,557	-19%		
2W	8,591	9,238	8%	10,599	-13%	33,492	36,260	8%		
Components	4,907	5,146	5%	5,224	-1%	19,074	19,953	5%		
Sera	-	1,638	#DIV/0!	1,628	1%	-	6,551	#DIV/0!		
Financial services	8,599	8,565	0%	8,443	1%	33,103	33,018	0%	100%	
Heavy Equipment	34,869	34,985	0%	31,940	10%	134,427	135,450	1%	97%	
Agribusiness	5,528	8,086	46%	7,672	5%	21,815	30,205	38%	102%	
Infrastructure	2,157	789	-63%	763	3%	8,333	3,099	-63%	100%	
Information Technology	776	833	7%	736	13%	2,814	3,095	10%	100%	
Property	462	356	-23%	228	56%	1,372	1,058	-23%	100%	
Elimination	(1,323)	(815)	-38%	(672)	21%	(3,996)	(2,867)	-28%	100%	
<b>Total</b>	<b>84,591</b>	<b>87,772</b>	<b>4%</b>	<b>80,751</b>	<b>9%</b>	<b>330,920</b>	<b>331,380</b>			

Source: Company, Indo Premier

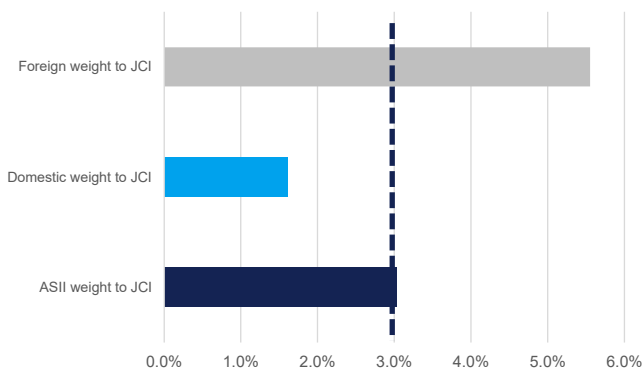
## Share ownership

**Fig. 2: Share ownership since 2013 - By end-Dec25, foreign ownership reached 66%, a level not seen since Nov17**



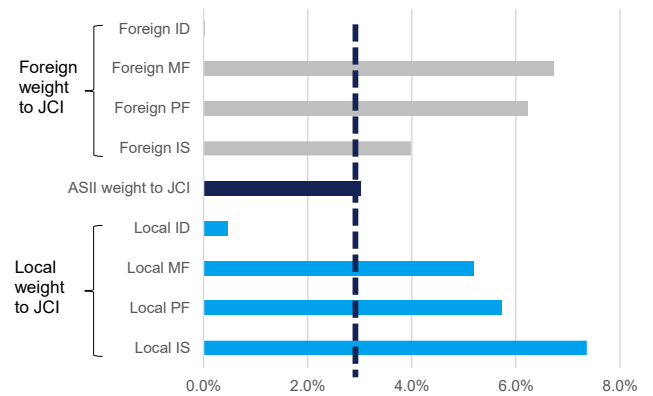
Source: KSEI, Indo Premier

**Fig. 3: Share ownership in Dec25**



Source: KSEI, Indo Premier

**Fig. 4: Share ownership in Dec25**



Source: KSEI, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	316,565	330,920	333,759	343,259	351,202
Cost of sales	(243,255)	(257,363)	(262,864)	(272,225)	(279,204)
<b>Gross profit</b>	<b>73,310</b>	<b>73,557</b>	<b>70,895</b>	<b>71,035</b>	<b>71,999</b>
SG&A Expenses	(29,042)	(31,355)	(33,116)	(33,880)	(34,490)
<b>Operating profit</b>	<b>44,268</b>	<b>42,202</b>	<b>37,779</b>	<b>37,154</b>	<b>37,508</b>
Net interest	(59)	(460)	(273)	(63)	578
Forex gain (loss)	(408)	(532)	(130)	-	-
Others	10,928	11,949	10,888	10,125	10,689
<b>Pre-tax income</b>	<b>54,729</b>	<b>53,159</b>	<b>48,264</b>	<b>47,216</b>	<b>48,775</b>
Income tax	(10,228)	(9,735)	(8,902)	(8,322)	(8,603)
Minority interest	(10,662)	(9,373)	(7,423)	(6,750)	(6,590)
<b>Net income</b>	<b>33,839</b>	<b>34,051</b>	<b>31,939</b>	<b>32,144</b>	<b>33,582</b>
<b>Core net income</b>	<b>33,366</b>	<b>33,440</b>	<b>31,201</b>	<b>32,404</b>	<b>33,876</b>

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalents	41,138	48,439	49,544	71,663	97,748
Receivables	72,227	77,061	82,546	85,432	88,563
Other current assets	52,823	51,431	52,238	53,612	54,636
<b>Total current assets</b>	<b>166,188</b>	<b>176,931</b>	<b>184,328</b>	<b>210,708</b>	<b>240,948</b>
Fixed assets	72,911	78,734	78,019	73,721	64,928
Other non-current assets	206,582	217,260	238,588	246,203	253,823
<b>Total non-current assets</b>	<b>279,493</b>	<b>295,994</b>	<b>316,606</b>	<b>319,924</b>	<b>318,751</b>
<b>Total assets</b>	<b>445,681</b>	<b>472,925</b>	<b>500,934</b>	<b>530,631</b>	<b>559,699</b>
Payables	40,529	40,047	40,903	42,360	43,446
Other payables	53,082	56,454	56,159	55,954	56,053
Current portion of LT loans	31,411	36,802	38,721	40,925	42,475
<b>Total current liab.</b>	<b>125,022</b>	<b>133,303</b>	<b>135,783</b>	<b>139,238</b>	<b>141,974</b>
Long term loans	53,303	50,192	52,796	55,833	57,935
Other LT liab.	16,936	17,934	17,934	17,934	17,934
<b>Total liabilities</b>	<b>195,261</b>	<b>201,429</b>	<b>206,513</b>	<b>213,005</b>	<b>217,843</b>
Equity	9,643	11,049	11,049	11,049	11,049
Retained earnings	188,997	202,116	217,619	234,074	251,715
Minority interest	51,778	58,331	65,754	72,503	79,093
<b>Total SHE + minority int.</b>	<b>250,418</b>	<b>271,496</b>	<b>294,421</b>	<b>317,626</b>	<b>341,856</b>
<b>Total liabilities &amp; equity</b>	<b>445,679</b>	<b>472,925</b>	<b>500,934</b>	<b>530,631</b>	<b>559,699</b>

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net profit	44,501	43,424	39,362	38,894	40,172
Depr. & amortization	9,138	8,636	20,213	21,540	22,592
Changes in working capital	(6,796)	(5,620)	(5,731)	(3,009)	(2,969)
Others					
<b>Cash flow from operating</b>	<b>46,843</b>	<b>46,440</b>	<b>53,844</b>	<b>57,424</b>	<b>59,794</b>
Capital expenditure	(43,767)	(18,411)	(42,019)	(23,396)	(19,652)
Others	(11,385)	(6,726)	1,194	(1,461)	(1,767)
<b>Cash flow from investing</b>	<b>(55,152)</b>	<b>(25,137)</b>	<b>(40,825)</b>	<b>(24,857)</b>	<b>(21,420)</b>
Loans	25,953	8,346	4,523	5,240	3,653
Equity	(11,689)	(7,888)	(7,423)	(6,750)	(6,590)
Dividends	(26,314)	(21,011)	(16,436)	(15,688)	(15,942)
Others	200	6,553	7,423	6,750	6,590
<b>Cash flow from financing</b>	<b>(11,850)</b>	<b>(14,000)</b>	<b>(11,913)</b>	<b>(10,448)</b>	<b>(12,289)</b>
<b>Changes in cash</b>	<b>(20,159)</b>	<b>7,303</b>	<b>1,105</b>	<b>22,119</b>	<b>26,085</b>

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	23.2%	22.2%	21.2%	20.7%	20.5%
Operating margin	14.0%	12.8%	11.3%	10.8%	10.7%
Pre-tax margin	17.3%	16.1%	14.5%	13.8%	13.9%
Net margin	10.7%	10.3%	9.6%	9.4%	9.6%
Core net margin	10.5%	10.1%	9.3%	9.4%	9.6%
ROA	7.5%	7.1%	6.2%	6.1%	6.1%
ROE	16.8%	15.7%	13.6%	13.2%	12.9%
ROIC	13.4%	12.7%	11.0%	11.5%	12.2%

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	0.2	0.1
Interest coverage (x)	19.1	16.1	15.1	15.8	19.6

Source: Company, Indo Premier

## SECTOR RATINGS

- OVERWEIGHT** : An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
- NEUTRAL** : A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
- UNDERWEIGHT** : An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation

## COMPANY 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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