

Stock Data

Target price	Rp5,300
Prior TP	Rp5,300
Current price	Rp5,025
Upside/downside	5.5%
Shares outstanding (mn)	40,484
Market cap (Rp bn)	203,430
Free float	42%
Avg. 6m daily T/O (Rp bn)	216

Price Performance

	3M	6M	12M
Absolute	4.9%	4.7%	7.1%
Relative to JCI	9.5%	5.5%	2.1%
52w low/high (Rp)	4,430 – 5,300		



Major Shareholders

Jardine Cycle & Carriage Ltd	50.1%
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Waiting for strategic review outcome

- ASII anticipates 4W wholesale improvement in 2H25F with a potentially lower market share (still above 50%) and is within our expectations.
- The outcome of its strategic review has yet to be disclosed and may provide better clarity on future capital allocation, growth, and returns.
- For now, we retain our HOLD call with an unchanged TP of Rp5,300. A favorable outcome from strategic review may lead us to revisit our call.

Expecting 4W improvement in 2H25F, but pressure remains

ASII expects volume improvement in 2H25F due to seasonality, though it remains cautious about the potential impact of wider opsen implementation by then. Hence, it guides for FY25F wholesale 4W volume of around 800k units (-8% yoy) which is in-line with ours of 785k units (-9% yoy). It indicates market share may still decline, but remain above 50%, in-line with our expectation of 53.1% in FY25F (vs. 53.8% in 1H25). Furthermore, it expects 4W margins could be pressured due to the ongoing price-cutting trend by Chinese brands. On a more positive note, it expects 2W wholesale volume to improve in 2H25F and deliver positive yoy growth in FY25F, better than our assumption of -2% yoy.

Strategic review may be finalized soon

ASII mentioned that it is currently undergoing a strategic review and may announce the outcome soon. The review could include long-term planning for its business portfolio, capital allocation, earnings, growth, and total shareholder return. The review possibly leads to divestment of assets that no longer align with its long-term targets.

Potential sectors for expansion

ASII noted continued interest in the infra sector, including toll roads—especially in ex-Java areas, and selectively in Java, provided that pricing remains attractive. Other focus areas include data centre and the logistic sectors. As of 21st Jul25, ASII announced it had signed a CSPA to acquire an 83.67% stake in Mega Manunggal Property (MMLP IJ, not-rated)—a modern logistics player in Indonesia. Previously, in Mar25, it also acquired two modern warehouses in Cikarang Park. ASII also indicated interest in expanding further in the healthcare sector, in-line with its goal of developing an HMO ecosystem. It plans to invest up to US\$1bn by 2030F, subject to asset availability. ASII increased its ownership in HEAL to 10% as of 31st Jul25. (Fig 2) It also still targets for lesser coal exposure in the UNTR by adding metal assets investment.

Retain our HOLD call for ASII with an unchanged TP

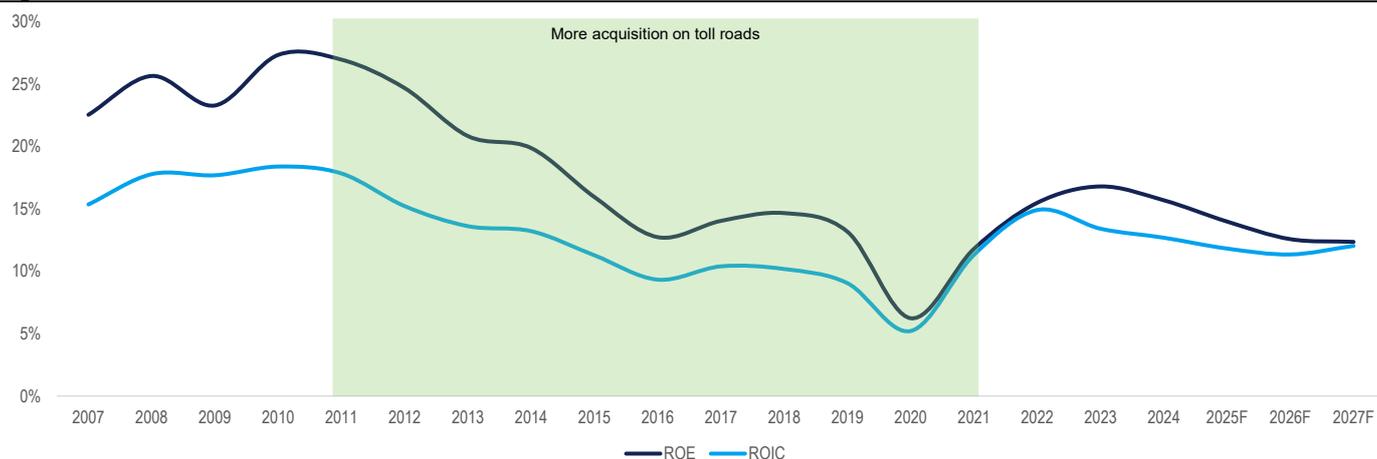
We retain our HOLD call for now, given the limited potential upside to our TP. However, if the outcome of the strategic business review is materially different to its outlook, it may lead us to reassess our view on ASII.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	316,565	330,920	332,027	328,157	334,281
Operating profit	44,268	42,202	38,318	34,358	34,848
Core net profit	33,366	33,440	31,961	30,641	32,208
Core EPS growth	12.1%	0.2%	-4.4%	-4.1%	5.1%
ROE	16.8%	15.7%	14.0%	12.6%	12.4%
PER (x)	6.1	6.1	6.4	6.6	6.3
Dividend yield (%)			8.0	7.5	7.4
IPS vs. consensus			101%	94%	97%

Source: Company, Indo Premier

price closing as of: 04 Aug 2025

Fig. 1: ASII's return trend – historical and outlook



Source: Company, Indo Premier

Fig. 2: ASII acquisition on HEAL

Ownership ASII in HEAL	Investment cost	Additional ownership	#shares (bn)	Px/sh
Direct ownership	1613.25	7.23%	1.11	1,452.30
Indirect ownership (through AHL)				
Initial	N/A	0.73%	0.11	N/A
Additional ownership - Jul 2025	492.56	2.04%	0.31	1,572.32
Total indirect ownership		2.77%	0.43	
Total direct + indirect ownership		10.00%	1.42	

Source: Company, Indo Premier

Fig. 3: SOTP Valuation

In Rp bn, unless stated otherwise	Valuation method	ASII's ownership	12M FWD	% to total valuation	Remarks
Main business portfolio					
Auto distribution and dealerships	5x P/E FY26F	100.00%	7,682	4%	
Astra Daihatsu Motor	5x P/E FY26F	31.90%	1,417	1%	
Astra Honda Motor	5x P/E FY26F	50.00%	26,009	11%	
Astra Otoparts (AUTO IJ)	10x P/E FY26F	80.00%	16,617	8%	core NP growth of 8%/12% yoy in FY24/25F. 0.5x stdev below Indonesia LT mean
Financial services	1.3x P/BV FY26F	100.00%	61,000	27%	LT ROE: 15%, CoE: 12.5%, LT growth: 3%
United Tractors (UNTR IJ)	SOP valuation FY26F	59.50%	58,847	28%	implying 3.3x EV/EBITDA FY24F
Astra Agro Lestari (AALI IJ)	5x EV/EBITDA FY26F	79.68%	19,827	11%	-0.6 s.d. below LT mean
Infrastructure	DCF FY26F		11,769	5%	
SERA Logistics	15x P/E FY26F	100.00%	2,478	1%	
Astra Graphia (ASGR IJ)	11.5x P/E FY26F	76.87%	1,362	1%	-0.9 s.d. below LT mean
Property	60% disc. to NAV		1,118	1%	
Other investment					
GoTo Gojek Tokopedia (GOTO IJ)	SOP valuation FY25F	4.30%	5,634	3%	
Medikaloka Hermina (HEAL IJ)	EV/EBITDA FY26F	10.00%	1,719	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			215,480		
#share outstanding (mn shares)			40.5		
TP (Rp/sh)			5,323		
Implied PBV			0.91		
Implied P/E			6.91		
Implied EV/EBITDA			5.78		

Source: Indo Premier

Fig. 4: ASII's forward P/E (x) band



Source: Company, Indo Premier

Fig. 5: ASII's forward P/B (x) band



Source: Company, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	316,565	330,920	332,027	328,157	334,281
Cost of sales	(243,255)	(257,363)	(261,230)	(260,538)	(265,613)
Gross profit	73,310	73,557	70,798	67,619	68,669
SG&A Expenses	(29,042)	(31,355)	(32,479)	(33,261)	(33,820)
Operating profit	44,268	42,202	38,318	34,358	34,848
Net interest	(59)	(460)	1,658	1,160	1,925
Forex gain (loss)	(408)	(532)	-	-	-
Others	10,928	11,949	8,791	10,304	10,955
Pre-tax income	54,729	53,159	48,767	45,823	47,728
Income tax	(10,228)	(9,735)	(8,997)	(8,030)	(8,336)
Minority interest	(10,662)	(9,373)	(8,070)	(7,411)	(7,453)
Net income	33,839	34,051	31,700	30,382	31,939
Core net income	33,366	33,440	31,961	30,641	32,208

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalents	41,138	48,439	63,133	73,828	97,862
Receivables	72,227	77,061	82,160	83,579	87,285
Other current assets	52,823	51,431	51,998	51,897	52,642
Total current assets	166,188	176,931	197,292	209,304	237,789
Fixed assets	72,911	78,734	76,057	73,675	66,839
Other non-current assets	206,582	217,260	229,556	237,191	245,526
Total non-current assets	279,493	295,994	305,613	310,866	312,365
Total assets	445,681	472,925	502,905	520,171	550,153
Payables	40,529	40,047	40,649	40,541	41,331
Other payables	53,082	56,454	56,193	55,850	55,959
Current portion of LT loans	31,411	36,802	39,396	37,368	39,346
Total current liab.	125,022	133,303	136,237	133,760	136,635
Long term loans	53,303	50,192	53,741	50,945	53,618
Other LT liab.	16,936	17,934	17,934	17,934	17,934
Total liabilities	195,261	201,429	207,912	202,639	208,187
Equity	9,643	11,049	11,049	11,049	11,049
Retained earnings	188,997	202,116	217,543	232,671	249,652
Minority interest	51,778	58,331	66,401	73,812	81,265
Total SHE + minority int.	250,418	271,496	294,993	317,532	341,966
Total liabilities & equity	445,679	472,925	502,905	520,171	550,153

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net profit	44,501	43,424	39,770	37,793	39,392
Depr. & amortization	9,139	8,636	17,570	18,739	19,549
Changes in working capital	(6,796)	(5,620)	(5,326)	(1,768)	(3,553)
Others					
Cash flow from operating	46,844	46,440	52,013	54,765	55,389
Capital expenditure	(43,768)	(18,411)	(28,132)	(22,893)	(18,615)
Others	(11,385)	(6,726)	943	(1,099)	(2,432)
Cash flow from investing	(55,153)	(25,137)	(27,189)	(23,992)	(21,047)
Loans	25,953	8,346	6,142	(4,823)	4,651
Equity	(11,689)	(7,888)	(8,070)	(7,411)	(7,453)
Dividends	(26,314)	(21,011)	(16,273)	(15,254)	(14,958)
Others	200	6,553	8,070	7,411	7,453
Cash flow from financing	(11,850)	(14,000)	(10,130)	(20,077)	(10,308)
Changes in cash	(20,159)	7,303	14,694	10,695	24,034

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	23.2%	22.2%	21.3%	20.6%	20.5%
Operating margin	14.0%	12.8%	11.5%	10.5%	10.4%
Pre-tax margin	17.3%	16.1%	14.7%	14.0%	14.3%
Net margin	10.7%	10.3%	9.5%	9.3%	9.6%
Core net margin	10.5%	10.1%	9.6%	9.3%	9.6%
ROA	7.5%	7.1%	6.4%	5.9%	5.9%
ROE	16.8%	15.7%	14.0%	12.6%	12.4%
ROIC	13.4%	12.7%	11.8%	11.3%	12.0%
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	0.0
Interest coverage (x)	19.1	16.1	16.8	17.0	22.3

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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