

Autopedia Sukses Lestari

Blue Sky Awaits

BUY (Maintain)

Target Price IDR300 (+56.3% ups.)
Current Price IDR192

2Q22 results - in line with estimates given recovery prospects in 2H22.

Autopedia recorded 2Q22 revenue of Rp89.9bn (+29.1% QoQ, +99.7% YoY), which made 1H22 total revenue of Rp159.5bn (+73.2% YoY), reaching 37.7% of our FY22F estimate. The revenue contribution from the auction business (JBA) has decreased from 51% in 1Q22 to 34% in 2Q22. On the other hand, the significant pick-up in sales volume for Caroline (+64.1% QoQ) has substantially alleviated its revenue. For more details, JBA booked revenue of Rp31.0bn (-12.9% QoQ, -31.3% YoY) due to weaker auction volume, making up 1H22 revenue of Rp66.5bn, reaching 45.3% of our FY22F estimate. Caroline booked Rp58.9bn in revenue and totaled Rp93bn in 1H22, meeting 33.6% of our FY22F estimate. ASLC has recorded a decrease in GPM to 32.3% (vs 48.5% in 1Q22) given an increase in revenue contribution from Caroline. On the other hand, Opex was booked at Rp 34.7bn (+15.5% QoQ, +12.1% YoY), mostly driven by an increase in salaries and allowances (+46% YoY) as there has been an increase in headcounts for Caroline during the quarter. ASLC reported a net loss of Rp3.9bn in 2Q22 and a net loss of Rp2.6 billion in 1H22 due to a lower GP that could not cover its G&A expenses.

JBA's sales volume dropped due to the late cycle from the COVID-19 period.

Speaking of volume, JBA sold 7.5k (-12.6% QoQ, -29.9% YoY) of 4W and 8.9k (-7.9% QoQ, -39.2% YoY) of 2W in 2Q22. This summed up to a 1H22 4W/2W volume of 16.0k (-24.7% YoY)/18.6k (-42.2% YoY) and made up 45%/45% of our FY22F volume forecast, respectively. The lower auction volume in 2Q22 was due to fewer days during the Lebaran period and lower leasing company supply. It is worth noting that the lower units financed by leasing companies during the COVID-19 period resulted in lower withdrawn units from non-performing financing.

Caroline's volume came up stronger.

Caroline sold 356 units in 2Q22, bringing a total 1H22 volume of 573 units (33% of our FY22F estimate), showing an increase in monthly sales of 119 units/month (+9.4% Q-Q). Caroline recorded an ASP of Rp165mn/unit (vs. Rp157mn/unit in 1Q22), with a GPM of 5.7% in 2Q22 (vs. 6.4% in 1Q22).

Looking forward to a better performance in 2H22. Maintain BUY.

Overall, we maintain our BUY rating on ASLC with TP of IDR300/share. Despite a lower auction volume, the 2Q22 result was not all bad because 1) we saw a pickup in June auction volume (+34% MoM), which could indicate further recovery in 2H22. 2) Caroline will be able to ramp up its sales performance in 2H22, thanks to Caroline's new branding strategy and increased touch points. Furthermore, now that human resource bottlenecks have been removed, management is confident that the company's performance will accelerate in 2H22, and they are ready to embark on its new branding, improved marketing strategy, and new business initiatives.



Richardson Raymond

richardson.raymond@trimegah.com

Willinoy Sitorus

willinoy.sitorus@trimegah.com

Stock Data & Indices

Bloomberg Code	ASLC IJ
JCI Group	IDXCYC
MSCI Indonesia	No
JII	Yes
LQ45	No
Kompas 100	No

Key Data

Issued Shares (mn)	12,746.4
Free Float (est in %)	20.0
Mkt. Cap (IDRbn)	2,447.3
Mkt. Cap (USDmn)	163.9
ADTV 6 months (IDRbn)	13.7
52 Wk-range	350 / 124

Performance (%)

	YTD	1m	3m	12m
Absolute	-	24.7	-17.9	-
Relative to JCI	-	26.1	-13.4	-

Company Data

Year end Dec	2020A	2021A	2022F	2023F	2024F
Revenue (IDR bn)	187.8	177.6	423.4	752.1	1,185.0
Gross Profit (IDR bn)	149.1	149.6	143.3	192.6	247.0
Net Profit (IDR bn)	20.5	10.5	3.0	20.5	39.0
EPS (IDR)	2.0	0.8	0.2	1.6	3.1
EPS Growth	16.6%	-59.3%	-71.0%	577.6%	90.2%
EV/Sales (x)	12.4	13.3	4.6	2.6	1.6
P/E (x)	95.3	234.1	838.0	119.0	62.6
EV/EBITDA (x)	37.6	45.9	76.2	43.9	30.3
P/BV (x)	8.1	39.7	3.5	3.3	3.2

Income Statement

Year end Dec (IDRbn)	2020A	2021A	2022F	2023F	2024F
Revenue	187.8	177.6	423.4	752.1	1,185.0
Gross profit	149.1	149.6	143.3	192.6	247.0
Operating profit	47.2	37.9	4.4	33.9	64.8
EBITDA	74.2	67.5	36.5	64.5	95.5
Interest income (expense)	7.3	(1.2)	3.1	1.6	0.2
Pretax profit	52.7	35.9	5.4	31.8	59.3
Tax expense	(12.1)	(11.7)	(1.2)	(7.3)	(13.6)
Minority interest	(20.1)	(13.7)	(1.1)	(4.0)	(6.6)
NPATMI	20.5	10.5	3.0	20.5	39.0

Balance Sheet

Year end Dec (IDRbn)	2020A	2021A	2022F	2023F	2024F
Cash	118.1	87.9	499.0	495.4	507.7
Trade receivables	45.0	22.4	39.8	55.6	74.1
Inventory	-	2.2	20.8	39.5	62.4
Net fixed asset	30.9	147.8	181.7	204.4	221.1
Other assets	219.2	128.4	136.3	147.7	161.7
Total assets	413.2	388.7	877.6	942.6	1,027.0
Trade payables	-	-	-	-	-
Short-term debt	-	-	-	-	-
Long-term debt	-	-	-	-	-
Others	171.0	327.1	170.0	211.1	252.9
Total liabilities	171.0	327.1	170.0	211.1	252.9
Shareholder's equity	163.7	31.7	674.7	695.2	734.3
Minority interest	78.6	29.9	32.9	36.2	39.8
Total equity	242.3	61.6	707.6	731.5	774.1

Cash Flow

Year end Dec (IDRbn)	2020A	2021A	2022F	2023F	2024F
Net profit	20.5	10.5	3.0	20.5	39.0
Depreciation	27.0	29.5	32.1	30.6	30.7
Changes in working capital	68.5	171.5	(207.7)	(10.0)	(18.3)
Operating cash flow	116.1	211.5	(172.6)	41.2	51.4
Capital expenditure	(58.6)	(152.9)	(59.9)	(49.9)	(44.9)
Others	(77.1)	102.4	0.5	1.9	2.2
Investing cash flow	(135.8)	(50.5)	(59.4)	(48.0)	(42.7)
Net change in debt	-	-	-	-	-
Changes in equity/capital	-	(90.0)	640.0	-	-
Dividend	(12.8)	(54.0)	-	-	-
Others	8.2	(47.1)	3.0	3.3	3.6
Financing cash flow	(4.5)	(191.1)	643.0	3.3	3.6
Net cash flow	(24.2)	(30.2)	411.0	(3.5)	12.3
Cash at BoY	142.3	118.1	87.9	499.0	495.4
Cash at EoY	118.1	87.9	499.0	495.4	507.7

Ratio Analysis

Year end Dec	2020A	2021A	2022F	2023F	2024F
Profitability					
Gross margin	79.4%	84.2%	33.9%	25.6%	20.8%
Operating margin	25.1%	21.4%	1.0%	4.5%	5.5%
EBITDA margin	39.5%	38.0%	8.6%	8.6%	8.1%
Net margin	10.9%	5.9%	0.7%	2.7%	3.3%
ROA	5.5%	2.6%	0.5%	2.3%	4.0%
ROE	12.5%	33.0%	0.4%	3.0%	5.3%
Solvency					
Net debt to equity (x)	-	-	-	-	-
Net debt to EBITDA (x)	-	-	-	-	-
Interest coverage ratio (x)	27.7	6.9	0.6	4.1	6.5
Efficiency					
Receivable days*	87	46	34	27	23
Inventory days	-	-	28	25	24
Payable days	-	-	-	-	-

*receivable days calculated using revenue not GMV

Company Background

PT Autopedia Sukses Lestari (Autopedia) is an omnichannel automotive platform company. ASL's main businesses are automotive auctions, a digital automotive marketplace, and an AI-based automotive pricing engine. ASL is a part of PT Adi Sarana Armada Tbk (ASSA), a leading car rental and logistics company in Indonesia.

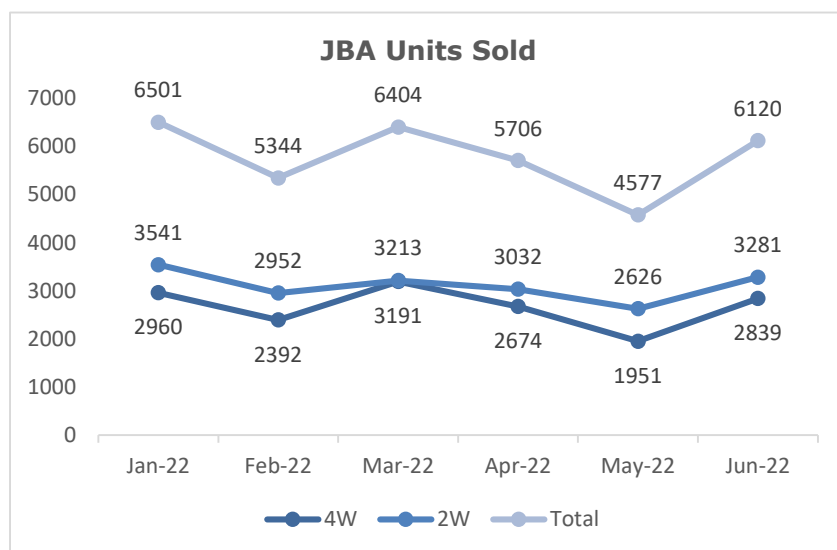
SWOT Analysis

Strength	Weakness
The largest used car auction company with 40% market share	Caroline does not have the first mover advantage in online automotive marketplace
Opportunity	Threat
Growing automotive industry and vast opportunities in 2 new businesses, Caroline and Cartalog	Economic slowdown and lack of technology infrastructure

Figure 1. ASLC 2Q22 Results

PT Autopedia Sukses Lestari (ASLC) - 2Q22 Results									
in IDR bn	2Q21	1Q22	2Q22	QoQ	YoY	6M21	6M22	YoY	% Trim
Revenue	45.0	69.6	89.9	29.1%	99.7%	92.1	159.5	73.2%	37.7%
Cost of revenue	(8.5)	(35.8)	(60.9)	70.0%	614.4%	(15.0)	(96.7)	546.1%	34.5%
Gross profit	36.5	33.8	29.0	-14.2%	-20.5%	77.1	62.8	-18.6%	43.8%
GPM	81.1%	48.5%	32.3%			83.7%	39.4%		
Selling expenses	(2.0)	(0.6)	(1.5)	158.8%	-23.6%	(3.4)	(2.1)	-37.3%	24.5%
G&A expenses	(30.4)	(31.1)	(35.9)	15.5%	18.1%	(55.0)	(67.1)	21.9%	48.2%
Other operating income	1.5	1.6	2.7	67.8%	87.7%	3.2	4.4	38.4%	49.2%
Operating income	5.5	3.7	(5.7)	-254.7%	-204.2%	21.8	(2.0)	-109.3%	n.a
OPM	12.2%	5.3%	-6.4%			23.7%	-1.3%		
Finance income	1.1	2.4	3.1	29.3%	189.4%	1.9	5.56	190.5%	55.7%
Final tax	(0.2)	(0.5)	(0.6)	29.3%	189.4%	(0.4)	(1.11)	190.5%	54.4%
Finance charges	(0.7)	(1.8)	(0.4)	-79.5%	-46.0%	(1.2)	(2.23)	80.9%	32.2%
Income before tax expense	5.7	3.8	(3.6)	-194.9%	-163.6%	22.1	0.2	-99.1%	3.7%
Tax expense	(1.6)	(1.8)	(0.4)			(5.8)	(2.2)		
Net income	4.1	2.0	(4.0)	-298.2%	-197.2%	16.4	(2.0)	-112.1%	n.a
MI	2.5	0.7	(0.1)			8.1	0.6		
NPATMI	1.6	1.3	(3.9)	-394.4%	-342.5%	8.3	(2.6)	-131.4%	n.a
NPM	3.6%	1.9%	-4.4%			9.0%	-1.6%		
Revenue breakdown:									
Auction fee	25.5	20.7	17.1	-17.3%	-32.7%	52.0	37.8	-27.3%	43.2%
Auction admin fee	19.6	14.9	13.9	-6.8%	-29.1%	40.0	28.7	-28.2%	48.4%
Used vehicle sales	-	34.0	58.9	73.1%	n.a	-	92.9	n.a	33.6%
Total	45.0	69.6	89.9	29.1%	99.7%	92.1	159.5	73.2%	37.7%
GPM									
Auction	81.1%	88.9%	82.7%			83.7%	86.0%		
Caroline	n.a	6.4%	5.7%			n.a	5.9%		
Cash	86.2	455.0	415.0			86.2	415.0		
Debt	20.2	12.8	13.6			20.2	13.6		
Equity	260.7	704.1	699.4			260.7	699.4		
Gearing (%)	7.8%	1.8%	2.0%			7.8%	2.0%		
Net Gearing (%)	-25%	-63%	-57%			-25%	-57%		

Source: Company, Trimegah Research

Figure 2. JBA Units Sold


Source: Company, Trimegah Research

Research Team

Willinoy Sitorus	Head of Research, Strategy	willinoy.sitorus@trimegah.com	+62-21 2924 9107
Fakhrul Fulvian	Economics, Fixed Income	fakhrul.fulvian@trimegah.com	+62-21 2924 9097
Adi Prabowo	Banks, and Financial-related	adi.prabowo@trimegah.com	+62-21 2924 9105
Heribertus Ariando	Consumer, Media and Healthcare	heribertus.ariando@trimegah.com	+62-21 2924 9106
Richardson Raymond	Telco, Tower, and Digital Media	richardson.raymond@trimegah.com	+62-21 2924 6325
Kharel Devin Fielim	Property, Construction and Infra	kharel.devin@trimegah.com	+62-21 2924 9106
Hasbie	Commodities-related and Small Caps	hasbie@trimegah.com	+62-21 2924 6322
Alpinus Dewangga	Commodities-related and Small Caps	alpinus.raditya@trimegah.com	+62-21 2924 6322
Kimberly Bianca	Banks and Economics	kimberly.bianca@trimegah.com	+62-21 2924 6325
Ignatius Samon	Consumer, Healthcare and Media & Tech	ignatius.samon@trimegah.com	+62-21 2924 9143
Amyra Ibrahim	Economics and Fixed Income	amyra.ibrahim@trimegah.com	+62-21 2924 6323
Sabrina	Telco, Tower, and Digital Media	sabrina@trimegah.com	+62-21 2924 6325

Corporate Access

Nur Marini	Corporate Access	marini@trimegah.com	+62-21 2924 6323
------------	------------------	---------------------	------------------

Institutional Sales Team

Beatrix Susanto	Head of Institutional Sales	beatrix.susanto@trimegah.com	+62-21 2924 9086
Henry Sidarta, CFTe	Head of Institutional Dealing	henry.sidarta@trimegah.com	+62-21 3043 6309
Raditya Andyono	Equity Institutional Sales	raditya.andyono@trimegah.com	+62-21 2924 9146
Calvina Karmoko	Equity Institutional Sales	calvina.karmoko@trimegah.com	+62-21 2924 9080
Morgan Gindo	Equity Institutional Sales	morgan.gindo@trimegah.com	+62-21 2924 9076
Mabelista Bisset	Equity Institutional Sales	mabelista.bisset@trimegah.com	+62-21 2924 9081

Retail Sales Team

Billy Budiman	Head of Retail Equity Sales	billy.budiman@trimegah.com	+62-21 3043 6310
Hasbie Sukaton	Deputy Head of Retail Sales	hasbie.sukaton@trimegah.com	+62-21 2924 9088
Untung Wijaya	Area Manager (Indonesia Timur)	untung.wijaya@trimegah.com	+62-31 2971 8000
Jakarta Area			
Ignatius Candra Perwira	Kelapa Gading, Jakarta	ignatius.perwira@trimegah.com	+62-21 8061 7270
Ariffianto	BSD, Jakarta	ariffianto@trimegah.com	+62-21 5089 8959
Sumatera			
Juliana Effendy	Medan, Sumatera Utara	juliana.effendi@trimegah.com	+62-61 4100 0000
Eastern Indonesia			
Carlo Ernest Frits Coutrier	Makasar, Sulawesi Selatan	carlo.coutrier@trimegah.com	+62-411 3604 379
East Java			
Pandu Wibisono	Surabaya, Jawa Timur	pandu.wibisono@trimegah.com	+62-31 2973 18000
Central Java, Area			
Aloysius Primasyah	Semarang, Jawa Tengah	primasyah.kristanto@trimegah.com	+62-24 8600 2310
Laili Ma'muroh	Solo, Jawa Tengah	laili.mamuroh@trimegah.com	+62-271 6775 590
West Java			
Bhisma Herlambang	Bandung, Jawa Barat	bhisma.herlambang@trimegah.com	+62-22 8602 6290
Renny Nurhayati Hidayat	Cirebon, Jawa Barat	renny.nurhayati@trimegah.com	+62-231 8851 009

Disclaimer

This report has been prepared by PT Trimegah Sekuritas Indonesia Tbk on behalf of itself and its affiliated companies and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell, or a solicitation of any offer to buy. This report has been produced independently and the forecasts, opinions and expectations contained herein are entirely those of PT Trimegah Sekuritas Indonesia Tbk.

While all reasonable care has been taken to ensure that information contained herein is not untrue or misleading at the time of publication, PT Trimegah Sekuritas Indonesia Tbk makes no representation as to its accuracy or completeness and it should not be relied upon as such. This report is provided solely for the information of clients of PT Trimegah Sekuritas Indonesia Tbk who are expected to make their own investment decisions without reliance on this report. Neither PT Trimegah Sekuritas Indonesia Tbk nor any officer or employee of PT Trimegah Sekuritas Indonesia Tbk accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. PT Trimegah Sekuritas Indonesia Tbk and/or persons connected with it may have acted upon or used the information herein contained, or the research or analysis on which it is based, before publication. PT Trimegah Sekuritas Indonesia Tbk may in future participate in an offering of the company's equity securities.

This report is not intended for media publication. The media is not allowed to quote this report in any article whether in full or in parts without permission from PT Trimegah Sekuritas Indonesia Tbk. For further information, the media can contact the head of research of PT Trimegah Sekuritas Indonesia Tbk.

This report was prepared, approved, published and distributed by PT Trimegah Sekuritas Indonesia Tbk located outside of the United States (a "non-US Group Company"). Neither the report nor any analyst who prepared or approved the report is subject to U.S. legal requirements or the Financial Industry Regulatory Authority, Inc. ("FINRA") or other regulatory requirements pertaining to research reports or research analysts. No non-US Group Company is registered as a broker-dealer under the Exchange Act or is a member of the Financial Industry Regulatory Authority, Inc. or any other U.S. self-regulatory organization.

INVESTMENT RATING RULE:

- | | |
|-----------|---------------------------------------------------------------------------------------|
| Buy | : Share price is expected to exceed more than 10% over the next 12 months |
| Neutral | : Share price is expected to trade within the range of 0%-10% over the next 12 months |
| Sell | : Share price is expected to trade below 0% over the next 12 months |
| Not Rated | : The company is not within Trimegah research coverage |

Analysts Certification

The research analyst(s) of PT Trimegah Sekuritas Indonesia Tbk. primarily responsible for the content of this research report, in whole or in part, certifies that with respect to the companies or relevant securities that the analyst(s) covered in this report: (1) all of the views expressed accurately reflect his or her personal views on the company or relevant securities mentioned herein; (2) no part of his or her remuneration was, is, or will be, directly or indirectly, connected with his or her specific recommendations or views expressed in the research report; and (3) the report does not contain any material non-public information. The disclosure column in the following table lists the important disclosures applicable to each company that has been rated and/or recommended in this report:

Company Ticker	Disclosure (as applicable)
ASLC	1, 2, 3

Trimegah Disclosure Data

Trimegah represents that:

1. Within the past year, it has managed or co-managed a public offering for this company, for which it received fees.
2. It had an investment banking relationship with this company in the last 12 months.
3. It received compensation for investment banking services from this company in the last 12 months.
4. It expects to receive or intends to seek compensation for investment banking services from the subject company/ies in the next 3 months.
5. It beneficially owns 1% or more of any class of common equity securities of the subject company.
6. It makes a market in securities in respect of this company.
7. The analyst(s) or an individual who assisted in the preparation of this report (or a member of his/her household) has a financial interest position in securities issued by this company. The financial interest is in the common stock of the subject company, unless otherwise noted.
8. The analyst (or a member of his/her household) is an officer, director, employee or advisory board member of this company or has received compensation from the company