

Astra Agro Lestari Tbk (AALI)

Masih Menghadapi Tantangan

Penjualan AALI sepanjang 6M23 mengalami penurunan 14,4% YoY dengan semua segmen kompak terkontraksi hal ini membawa bottom line AALI pun ikut terkontraksi 54,6% YoY. Adapun dari sisi produksi, produksi Tandan Buah Segar (TBS) pada 2Q23 tercatat 1,16 juta ton (vs 2Q22: 1,11 juta ton) yang mengalami pertumbuhan baik secara QoQ (22,5%) maupun YoY (4,8%). Produksi CPO pada 2Q23 tercatat 351 ribu ton naik dibanding kuartal sebelumnya yang tercatat 268 ribu ton.

Semua Segmen Kompak Menurun

- AALI membukukan pendapatan 2Q23 sebesar Rp4,6 triliun (-2,8% QoQ; +5,6% YoY) dengan akumulatif 6M23 penjualan turun 14,4% YoY menjadi Rp9,4 triliun yang mana semua segmen kompak mengalami penurunan.
- Penjualan Palm Kernel memimpin penurunan pada 6M23 sebesar 50,3% YoY diikuti oleh CPO (-9,1% YoY) dan lainnya (-1,7% YoY). Hanya penjualan di daerah Sulawesi yang mengalami peningkatan penjualan sepanjang 6M23 sebesar 12,4% YoY sementara Sumatera dan Kalimantan kompak terkontraksi, masing-masing sebesar 27,9% YoY dan 6,4% YoY.
- Penurunan biaya produksi pada 6M23 sebesar 21,1% YoY menyebabkan COGS turun 8,5% YoY menjadi Rp8,4 triliun, namun hal ini tidak mampu membawa laba kotor 6M23 tumbuh yang justru mengalami penurunan sebesar 43,6% YoY menjadi Rp1,0 triliun sementara secara kuartal 2Q23 laba kotor tercatat Rp517,6 miliar (+1,5% QoQ; -37,4% YoY) dengan GPM 2Q23 tercatat lebih rendah yaitu 11,2% (vs 2Q22: 18,8%).
- Meningkatnya beban penjualan sebesar 48,2% YoY pada 6M23 menyebabkan laba usaha terkontraksi 71,9% YoY menjadi Rp331,1 miliar. Catatan, beban penjualan AALI terutama berasal dari beban pengiriman dan ongkos angkut. Secara kuartalan, laba usaha 2Q23 tercatat Rp172,3 miliar (+8,5% QoQ; -65,5% YoY) dengan OPM mengalami penurunan menjadi 3,7% (vs 2Q22: 11,4%).
- Bottom line AALI di sepanjang 6M23 pun ikut terkontraksi 54,6% YoY menjadi Rp367,6 miliar diikuti oleh kinerja kuartalan yang mana laba bersih 2Q23 baik secara QoQ maupun YoY turun masing-masing 36,4% QoQ dan 56,2% YoY menjadi Rp142,9 miliar. Hal ini turut membawa NPM 2Q23 tercatat lebih rendah yaitu 3,1% (vs 2Q22: 7,4%).

Implementasi B35 di Indonesia

- Dari sisi produksi, produksi Tandan Buah Segar (TBS) pada 2Q23 tercatat 1,16 juta ton (vs 2Q22: 1,11 juta ton) yang mengalami pertumbuhan baik secara QoQ (22,5%) maupun YoY (4,8%). Produksi CPO pada 2Q23 tercatat 351 ribu ton naik dibanding kuartal sebelumnya yang tercatat 268 ribu ton.
- Secara akumulatif 6M23, produksi Tandan Buah Segar (TBS) tercatat 2,11 juta ton atau tumbuh 7,9% YoY. Adapun akibat rata-rata utilisasi produk yang lebih rendah menyebabkan produksi CPO sepanjang 6M23 turun 3,1% YoY menjadi 619 ribu ton.
- Di tengah permintaan minyak sawit mentah yang lesu, sentimen positif datang dari dalam negeri mengenai Program B35. Pemerintah sendiri resmi menerapkan penggunaan campuran 35% minyak sawit dalam bahan bakar atau biodiesel 35% (B35) secara massif mulai 1 Agustus 2023. Dengan adanya program ini tentu dapat mendorong permintaan akan minyak sawit dalam negeri dan dapat membantu menjaga harga CPO.
- Dari segi cuaca, berakhirnya La Nina diharapkan akan membawa pemulihan operasional. Ditambah peluang terjadinya El Nino pada semester 2 2023 yang dikenal dengan cuaca ekstrem juga diharapkan akan membawa dampak positif dalam hal penguatan harga.

Rekomendasi HOLD dengan TP Rp8.000

- Kami memberikan rekomendasi HOLD untuk AALI dengan target price Rp8.000/saham yang mengimplikasikan PE 13,9x dengan potensi kenaikan sebesar 4,2%. Adapun risiko dari rekomendasi kami yaitu volatilitas harga komoditas, penurunan produksi serta kebijakan pemerintah.

Astra Agro Lestari Tbk | Summary (IDR bn)

	2022A	2023F	2024F	2025F
Sales	21,829	20,436	21,046	21,681
Growth	-10.3%	-6.4%	3.0%	3.0%
Net Profit	1,727	802	1,117	1,901
Growth	-12.4%	-53.5%	39.2%	70.2%
EPS (IDR)	897	417	580	988
P/E	8.9x	19.2x	13.8x	8.1x
P/BV	0.7x	0.7x	0.6x	0.6x
EV/EBITDA	17.7x	31.2x	22.7x	18.2x
ROE	8.5%	3.7%	4.9%	7.9%
ROA	5.9%	2.7%	3.8%	6.2%
Dividend Yield	5.5%	4.9%	3.1%	3.3%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

Company Report | August 24, 2023

HOLD

Target Price (IDR)	8,000
Consensus Price (IDR)	8,043
TP to Consensus Price	-0.5%
Potential Upside	4.2%

Shares data

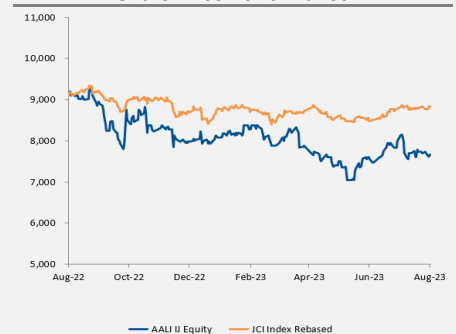
Last Price (IDR)	7,675
Price date as of	August 23, 2023
52 wk range (Hi/Lo)	9,375 / 7,050
Free float (%)	20.3
Outstanding sh.(mn)	1,925
Market Cap (IDR bn)	14,772
Market Cap (USD mn)	966
Avg. Trd Vol - 3M (mn)	0.9
Avg. Trd Val - 3M (bn)	7.2
Foreign Ownership	3.1%

Agriculture

Plantation

Bloomberg	AALI.IJ
Reuters	AALI.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-4.7%	-5.5%	2.3%	-16.1%
Rel. Ret.	-5.7%	-5.9%	-0.4%	-12.7%

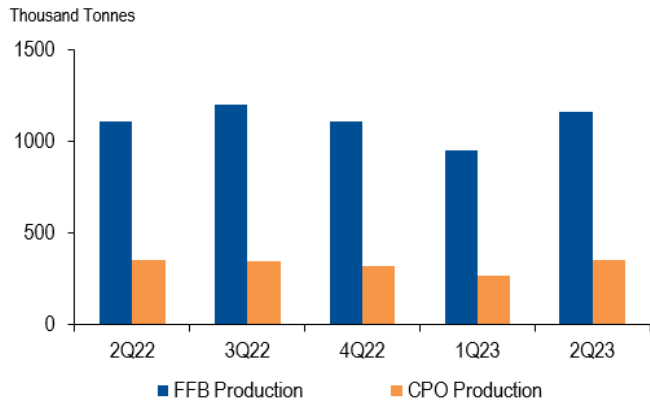
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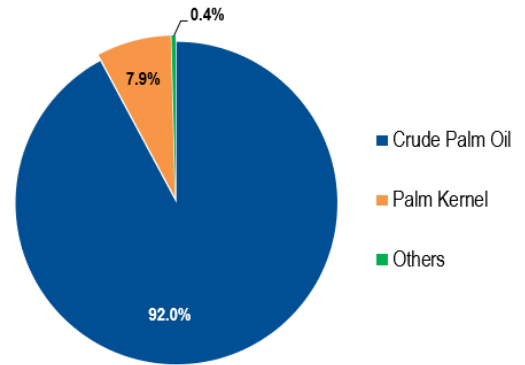
Performance Highlights

Production | 2Q22-2Q23



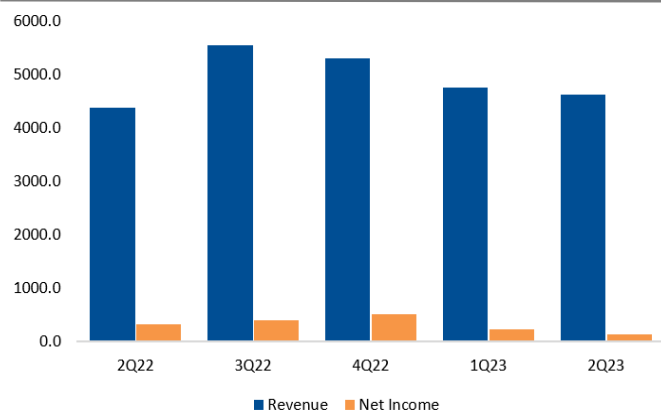
Source: Company, NHKSI Research

Revenue Breakdown | 6M23



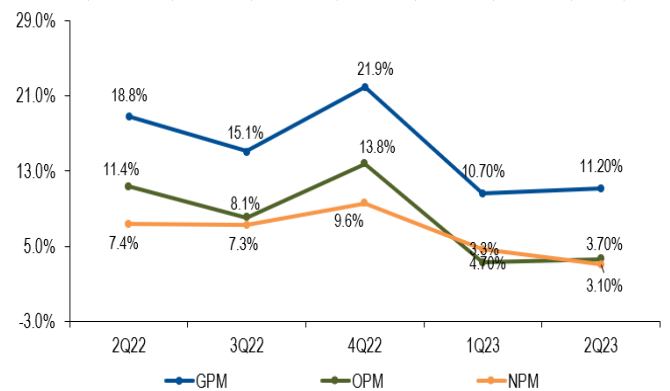
Source: Company, NHKSI Research

Revenue vs Net Income (IDR Bn) | 2Q22-2Q23



Source: Company, NHKSI Research

Margin Ratio | 2Q22-2Q23



Source: Company, NHKSI Research

Forward P/E Band



Source: Company, NHKSI Research

Dynamic Forward P/E Band



Source: Company, NHKSI Research

Summary of Financials

INCOME STATEMENT					PROFITABILITY & STABILITY				
(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F		2022/12A	2023/12F	2024/12F	2025/12F
Revenue	21,829	20,436	21,046	21,681	ROE	8.5%	3.7%	4.9%	7.9%
<i>Growth</i>	-10.3%	-6.4%	3.0%	3.0%	ROA	5.9%	2.7%	3.8%	6.2%
COGS	(18,006)	(18,180)	(18,100)	(17,996)	Inventory Turnover	5.3x	5.0x	4.9x	4.6x
Gross Profit	3,822	2,257	2,946	3,686	Receivable Turnover	25.7x	24.3x	22.8x	21.5x
<i>Gross Margin</i>	17.5%	11.0%	14.0%	17.0%	Payables Turnover	14.7x	20.3x	19.2x	18.3x
EBIT	2,360	737	1,551	2,248	Dividend Yield	5.5%	4.9%	3.1%	3.3%
<i>EBIT Margin</i>	10.8%	3.6%	7.4%	10.4%	Payout Ratio	49.5%	93.3%	31.1%	25.5%
Depreciation	1,296	1,346	1,308	1,317	DER	31.5%	28.8%	27.2%	26.1%
EBITDA	3,657	2,082	2,859	3,565	Net Gearing	5.1%	5.3%	4.7%	4.6%
<i>EBITDA Margin</i>	16.8%	10.2%	13.6%	16.4%	Equity Ratio	76.0%	77.6%	78.6%	79.3%
Interest Expenses	417	630	526	605	Debt Ratio	16.7%	16.0%	15.3%	14.6%
EBT	2,429	1,113	1,751	2,544	Financial Leverage	132.2%	128.0%	119.8%	117.9%
Income Tax	(637)	(289)	(591)	(586)	Current Ratio	360.0%	539.4%	613.8%	708.0%
Minority Interest	(65)	(22)	(44)	(57)	Par Value (IDR)	500	500	501	502
Net Profit	1,727	802	1,117	1,901	Total Shares (mn)	1,925	1,925	1,925	1,925
<i>Growth</i>	-12.4%	-53.5%	39.2%	70.2%	Share Price (IDR)	8,025	8,000	8,000	8,000
<i>Net Profit Margin</i>	7.9%	3.9%	5.3%	8.8%	Market Cap (IDR tn)	15.4	15.4	15.4	15.4

BALANCE SHEET					VALUATION INDEX				
(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F		2022/12A	2023/12F	2024/12F	2025/12F
Cash	1,620	2,766	3,628	3,646	Price/Earnings	8.9x	19.2x	13.8x	8.1x
Receivables	849	840	923	1,010	Price/Book Value	0.7x	0.7x	0.6x	0.6x
Inventories	3,395	3,636	3,670	3,944	PE/EPS Growth	-0.1x	0.0x	0.0x	0.0x
Total Current Assets	7,391	9,081	10,325	11,852	EV/EBITDA	17.7x	31.2x	22.7x	18.2x
Net Fixed Assets	16,474	16,086	15,783	15,519	EV/EBIT	27.5x	88.1x	41.8x	28.9x
Other Non Current Assets	5,385	5,018	5,201	5,109	EV (IDR bn)	64,878	64,879	64,880	64,881
Total Non Current Assets	21,859	21,104	20,984	20,628	Sales CAGR (3-Yr)	101.5%	-1.2%	-17.3%	3.3%
Total Assets	29,249	30,185	31,309	32,481	Net Income CAGR (3-Yr)	21.2%	-8.7%	-15.2%	-1.2%
Payables	1,224	897	942	986	Basic EPS (IDR)	897	417	580	988
Other Liabilities	829	787	740	688	BVPS (IDR)	11,557	12,174	12,789	13,387
LT Debt	4,049	4,049	4,049	4,049	DPS (IDR)	444	389	252	267
Total Liabilities	7,006	6,753	6,693	6,714					
Capital Stock	962	962	962	962					
Additional Paid-in Capital	3,879	3,879	3,879	3,879					
Retained Earnings	16,920	18,186	19,331	20,501					
Shareholders' Equity	22,243	23,432	24,615	25,766					

CASH FLOW STATEMENT					TOP OWNERSHIP				
(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F					
Operating Cash Flow	1,418	1,234	2,042	1,700	Shareholders				%
Investing Cash Flow	(1,142)	(232)	(1,072)	(732)	Astra International Tbk				79.7
Financing Cash Flow	(2,589)	144	(108)	(950)	Vanguard Group				0.8
Net Changes in Cash	(2,313)	1,147	862	18	Dimensional Fund Advisors LP				0.6
					Macquarie Group Ltd				0.5
					By Geography				%
					Indonesia				96.9
					United States				2.5
					Luxembourg				0.2
					Ireland				0.1

Source: Bloomberg, NHKSI research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
2. Rating system based on a stock's potential upside from the date of publication
 - Buy : Greater than +15%
 - Overweight : +5% to 15%
 - Hold : -5% to +5%
 - Underweight : -5% to -15%
 - Sell : Less than -15%

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