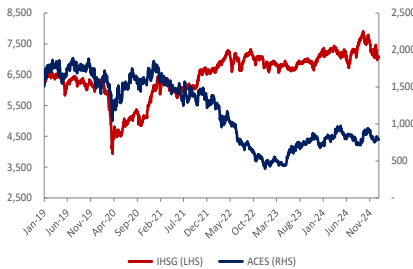


Buy

Price (Jan 8 th , 25)	705
Target Price	955
Potential Upside	35.46%
Market Cap	12.09 T
Number of Share	17.15 B
52w Lo/Hi	700/ 995

Source : IDX | Phintraco Sekuritas Research
| as of Jan 8th, 2025

IHSG vs ACES



Source : IDX

Shareholder	%
PT Kawan Lama Sejahtera	59.97
Kuncoro Wibowo	0.00
Saham Treasuri	0.17
Public	39.86

Source : Company | as of fin. statement 9M24

EPS Consensus vs Forecast

	AT	Consensus*	%Diff
2024F	53.21	50.27	+5.85%
2025F	59.92	57.50	+4.20%

Source : *marketscreener | as of Jan 8th, 2025

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PT Aspirasi Hidup Indonesia Tbk

(ACES.JK / ACES.IJ)

Rebranding to AZ-KO Brand Potentially Reduces Operating Expenses

ACES recorded revenue of IDR6.23 trillion in 9M24, growing 13.37% YoY. The revenue growth was driven by the Lifestyle Products segment, which grew 20.55% YoY to IDR2.7 trillion in 9M24 (vs. IDR2.24 trillion in 9M23), and the Home Improvement Products segment, which grew 9.10% YoY to IDR3.18 trillion in 9M24 (vs. IDR2.92 trillion in 9M23). Meanwhile, the Toys Products and Consignment Sales segments grew by 2.03% YoY and 3.29% YoY, respectively.

ACES recorded higher operating profit amid higher operating expenses in 9M24. ACES's operating profit grew 20.27% YoY to Rp748 billion in 9M24 (vs. Rp622 billion in 9M23) amid a 14.2% YoY increase in operating expenses to Rp1.9 trillion in 9M24 (vs. Rp1.67 trillion in 9M23). The increase in operating expenses was due to a 14.64% YoY increase in selling expenses to IDR1.4 trillion in 9M24 (vs. IDR1.23 trillion in 9M23), and general and administrative expenses grew 10.79% YoY to IDR587 billion in 9M24 (vs. IDR530 billion in 9M23). We assess that ACES's operating profit growth was driven by top-line growth. Meanwhile, ACES's net profit grew 16.64% YoY to Rp568 billion in 9M24 as non-operating performance stabilized.

ACES officially released the ACE Hardware license by introducing a new brand called AZ-KO. After working together for approximately 29 years, ACES decided not to continue the license agreement with ACE Hardware International Holdings Ltd., which ended on December 31, 2024. Along with the release of the ACE Hardware license, ACES launched a new brand called AZ-KO in early 2025 to bring a variety of product and service innovations that align with the needs and life aspirations of customers in Indonesia. In the long term, we assess that the license termination with ACE Hardware will reduce ACES's operating expenses and potentially improve profitability. However, in the short term, ACES's advertising and promotion expenses could potentially increase along with introducing the new

ACES plans to continue expanding to reach more customers. As of October 2024, ACES has opened 15 new stores in various cities in Indonesia, such as Banyuwangi, Tanjung Pinang, Ternate, Pare-pare, Banjarmasin, and Pontianak, with Same-Store Sales Growth (SSSG) of 9.3% YTD in 10M24 (vs. 8% Guidance 2024). We assess that ACES's expansion plans amidst the transition to a new brand can strengthen ACES's presence in the market and potentially drive future financial performance.

Using the Discounted Cash Flow method with a Required Return of 7.81% and Terminal Growth of 3.06%, we estimate ACES's fair value at IDR955 per share (Expected PE at 17.29x and EV/EBITDA at 8.93x in FY24). We give ACES a Buy rating with a potential upside 35.46%.

Company Overview

Company Profile



PT Aspirasi Hidup Indonesia Tbk, or ACES, is a company engaged in the business of home equipment and lifestyle. It is a subsidiary of PT Kawan Lama Sejahtera. Established in 1995, ACES, originally named PT ACE Hardware Indonesia, was trusted by ACE Hardware International Holdings Ltd. to be the sole licensee in Indonesia for a period of 15 years. In 2010, ACES extended the license period of ACE Hardware until December 31, 2024. ACES then discontinued the license agreement and launched a new brand called AZ-KO in early 2025.

With the new identity, ACES is committed to being a source of inspiration, innovation, and solutions to realizing people's aspirations for a better life. ACES offers various products that enable customers to express and fulfill their needs. Until October 2025, ACES opened 15 new stores in several cities in Indonesia, bringing the total number of stores to 243, spread across 29 Provinces and 69 cities.

Business Segment

Home Improvements

This segment is one of the main pillars of ACES's business, including products for daily home needs. It includes various categories such as kitchenware, home maintenance, and home décor. In terms of sales performance, this segment recorded sales growth of 9.10% YoY to IDR3.18 trillion, contributing 51.1% to ACES's total sales in 9M24.

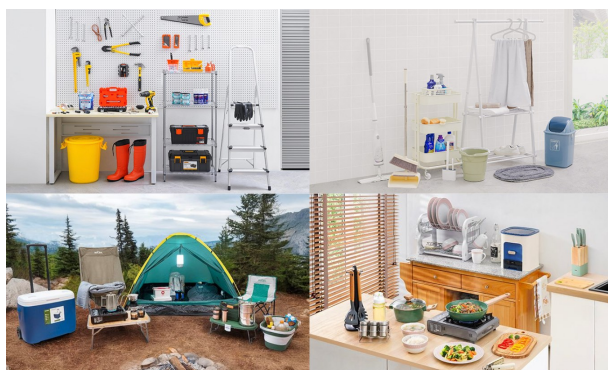
Lifestyle

This segment includes products that support customers' active lifestyles, hobbies, and personal needs. Products in this segment are very diverse, such as electronic accessories, sports and fitness, and travel gear. In terms of sales performance, this segment recorded sales growth of 20.55% YoY to IDR2.7 trillion, contributing 43.41% to ACES's total sales in 9M24.

Toys

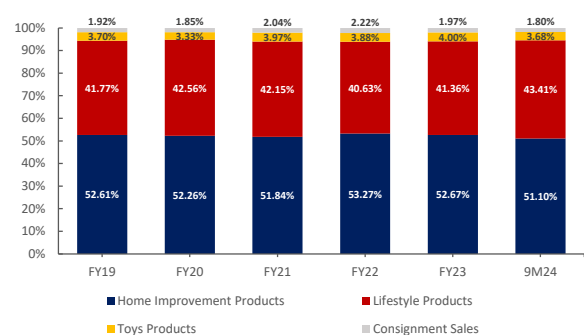
In 2010, ACES established PT Toys Games Indonesia (Toys Kingdom) as a subsidiary that provides various toy products. Through its subsidiary, ACES offers various types of toys, including educational toys, creative toys, and outdoor games. In terms of sales performance, ACES's toys segment recorded limited sales growth of 2% YoY and contributed 3.68% to ACES's total sales in 9M24.

Figure 1. Home Improvement & Lifestyle Product Examples



Source : Company

Figure 2. Revenue Contributions



Source : Company | Phintraco Sekuritas Research

New Concept Store

ACES stores utilize a new shopping concept to create an exceptional in-store experience. ACES stores adopt an open-floor-plan concept that provides a spacious layout and view of ACES products with interactive displays and informative visualizations of products and brands. The new concept stores were launched in April 2023, and by 10M24, ACES had opened 15 new stores and renovated 11 stores into the new concept. Currently, ACES is on

Figure 3. New Concept Store



Source : Company

ACES Omni-Channel

ACES provides an integrated shopping experience to its customers across digital and physical channels through its Omni-Channel strategy. ACES's Omni-Channel strategy is also the right step to adapt to modern consumers who want an easy, convenient, and flexible shopping experience. With this strategy, it allows ACES to increase market reach, especially in locations that do not have physical stores. This strategy also includes loyalty programs such as awarding points on every transaction customers have made. The points can later be reused as a payment method in physical and online stores. This strategy can potentially increase customer loyalty and thus boost ACES's performance.

Figure 4. ACES Omni-Channel



Source : Company

Performance Highlight

Table 1. Financial Results in 9M24

(in Billion Rupiah)						
INCOME STATEMENT	2Q24	3Q24	QoQ (%)	9M23	9M24	YoY (%)
Revenue	2,142	2,093	-2.29%	5,494	6,228	13.37%
Cost of Goods Sold	(1,102)	(1,081)	-1.87%	(2,849)	(3,208)	12.60%
Gross Profit	1,041	1,012	-2.73%	2,644	3,020	14.20%
EBITDA	330	396	20.04%	975	1,113	14.20%
EBIT	208	274	31.67%	622	748	20.27%
Profit Before Tax	199	261	30.84%	589	715	21.35%
Net Profit	158	206	30.52%	487	568	16.64%
Margin (%)						
Gross Profit Margin (%)	48.58%	48.36%		48.13%	48.49%	
Operating Profit Margin (%)	9.72%	13.10%		11.32%	12.01%	
Net Profit Margin (%)	7.38%	9.86%		8.86%	9.12%	

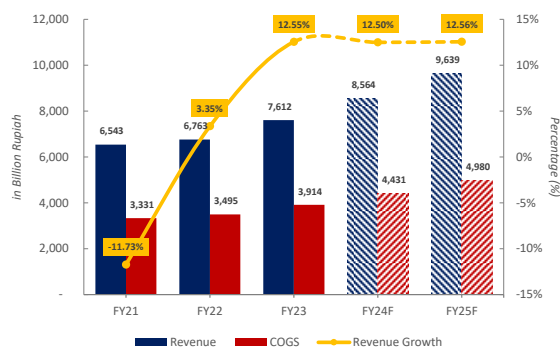
Source : Company | Phintraco Sekuritas Research

Table 2. Revenue by Segment

(in Billion Rupiah)						
Revenue by Segment	2Q24	3Q24	QoQ (%)	9M23	9M24	YoY (%)
Home Improvement Products	1,070	1,070	-0.02%	2,917	3,183	9.10%
Lifestyle Products	949	914	-3.76%	2,243	2,704	20.55%
Toys Products	85	73	-14.17%	225	229	2.03%
Consignment Sales	38	37	-2.94%	109	112	3.29%

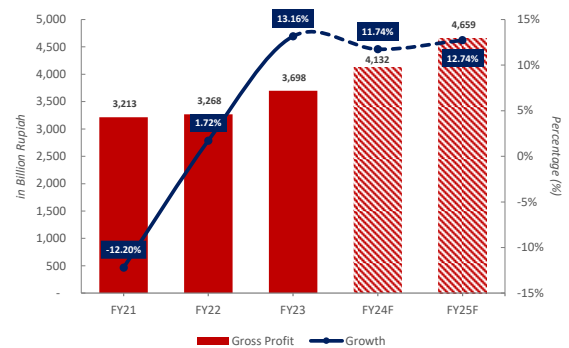
Source : Company | Phintraco Sekuritas Research

Figure 5. Revenue & COGS



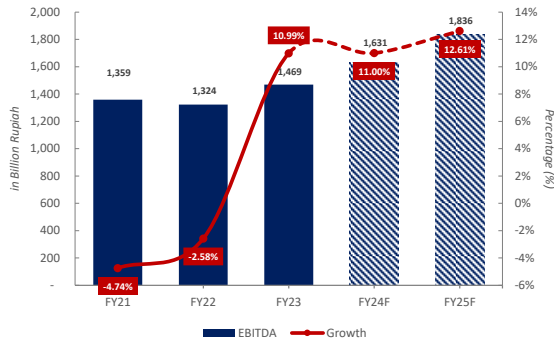
Source : Company | Phintraco Sekuritas Research

Figure 6. Gross Profit & Growth



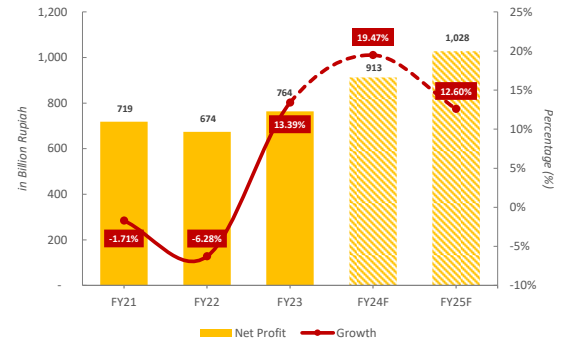
Source : Company | Phintraco Sekuritas Research

Figure 7. EBITDA & Growth



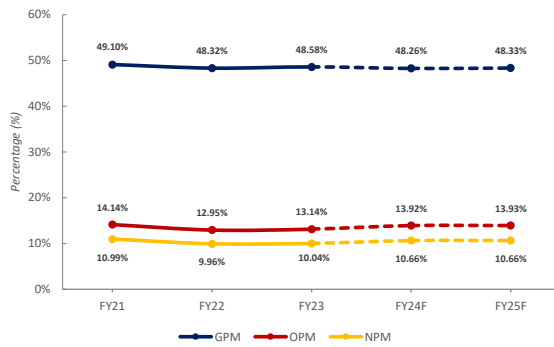
Source : Company | Phintraco Sekuritas Research

Figure 8. Net Profit & Growth



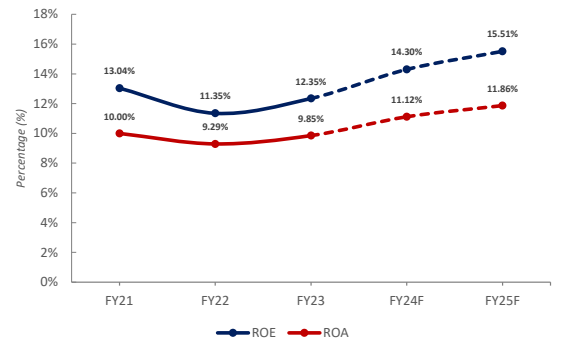
Source : Company | Phintraco Sekuritas Research

Figure 9. Profitability Margin



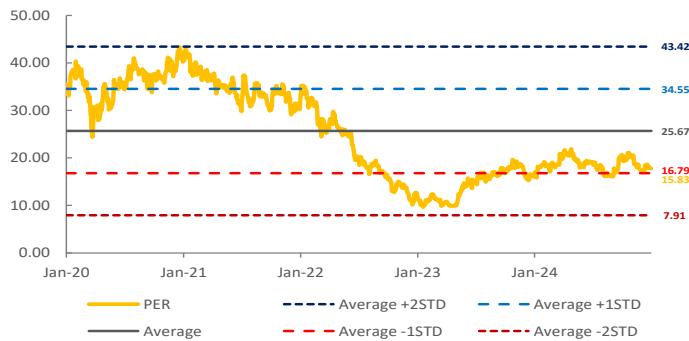
Source : Company | Phintraco Sekuritas Research

Figure 10. ROE & ROA



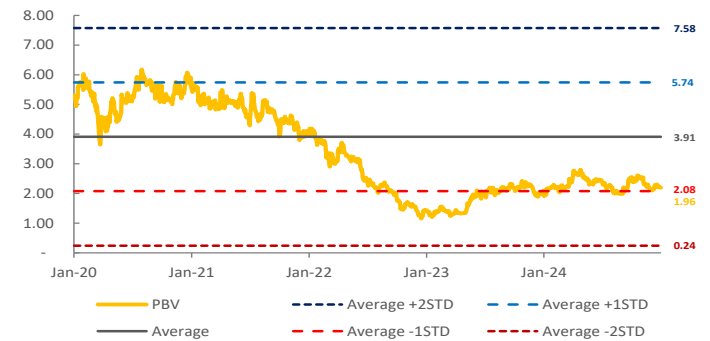
Source : Company | Phintraco Sekuritas Research

ACES PER Band (5 Years)



Source : IDX | Company | Phintraco Sekuritas Research

ACES PBV Band (5 Years)



Source : IDX | Company | Phintraco Sekuritas Research

Key Financial Figures

		(in Billion Rupiah)					
INCOME STATEMENT		FY21	FY22	FY23	9M24	FY24F	FY25F
Revenue		6,543	6,763	7,612	6,228	8,564	9,639
	<i>Growth</i>	-11.73%	3.35%	12.55%	0.00%	12.50%	12.56%
Cos of Goods Sold		(3,331)	(3,495)	(3,914)	(3,208)	(4,431)	(4,980)
Gross Profit		3,213	3,268	3,698	3,020	4,132	4,659
	<i>GPM</i>	49.10%	48.32%	48.58%	48.49%	48.26%	48.33%
EBITDA		1,359	1,324	1,469	1,113	1,631	1,836
	<i>EBITDA Margin</i>	20.76%	19.57%	19.30%	17.88%	19.04%	19.05%
EBIT		925	876	1,000	748	1,192	1,342
	<i>EBIT Margin</i>	14.14%	12.95%	13.14%	12.01%	13.92%	13.93%
Other Income/Charge:							
Interest Income		48	47	74	67	69	77
Interest Expense		(112)	(97)	(117)	(100)	(133)	(150)
Net Interest Income (Expenses)		(64)	(51)	(43)	(33)	(64)	(73)
Non Operating Income (Expenses)		-	-	-	-	-	-
Profit Before Tax		862	826	957	715	1,127	1,269
	<i>EBT Margin</i>	13.17%	12.21%	12.58%	11.49%	13.16%	13.17%
Net Profit After Tax		719	674	764	568	913	1,028
	<i>NPM</i>	10.99%	9.96%	10.04%	9.12%	10.66%	10.66%

Source : Company | Phintraco Sekuritas Research

		(in Billion Rupiah)					
BALANCE SHEET		FY21	FY22	FY23	9M24	FY24F	FY25F
Asset							
Cash		2,544	2,133	2,312	1,729	2,198	2,084
Accounts Receivable		67	86	199	124	173	211
Inventories		2,368	2,811	2,665	3,186	2,962	3,362
Total Current Assets		5,192	5,363	5,662	5,602	5,906	6,262
Fixed Assets		1,321	1,261	1,512	1,553	1,610	1,625
Long-term Investments		-	-	-	-	-	-
Other Assets		329	290	255	274	288	324
Total Non Current Assets		1,998	1,886	2,091	2,137	2,303	2,399
Total Asset		7,190	7,249	7,753	7,739	8,209	8,661
Liabilities							
Short-term Debt		-	-	-	-	-	-
Accounts Payable		127	144	126	153	191	216
Accrued Payroll		64	53	74	77	77	89
Total Current Liabilities		723	670	764	569	889	960
Long-term Debt		571	450	601	777	700	815
Provision for Risks & Charges		378	191	196	211	232	255
Total Non Current Liabilities		955	645	803	996	938	1,077
Total Liabilities		1,677	1,315	1,567	1,564	1,827	2,037
Equity		5,513	5,934	6,186	6,175	6,382	6,624

Source : Company | Phintraco Sekuritas Research

		(in Billion Rupiah)					
CASH FLOW		FY21	FY22	FY23	9M24	FY24F	FY25F
Cash Flow from Operating							
Net Income		704	664	764	574	907	1,021
Depreciation & Amortization		104	54	82	179	439	494
Working Capital		105	(455)	35	(415)	(203)	(402)
Others		(68)	(174)	(77)	(122)	(42)	(8)
Net-CFFO		846	89	804	217	1,101	1,106
Cash Flow from Investing							
CAPEX		53	5	(334)	(220)	(536)	(509)
Others		58	52	47	(5)	(115)	(81)
Net-CFFI		111	57	(287)	(225)	(651)	(590)
Cash Flow from Financing							
Chg. in Long-term liabilities		1	(126)	167	(6)	110	127
Chg. in other non-current liabilities		(220)	(187)	6	17	37	24
Equity		(414)	(243)	(511)	(586)	(711)	(780)
Net-CFFF		(633)	(557)	(338)	(575)	(565)	(629)
Net Cash Flow		324	(410)	179	(584)	(115)	(114)

Source : Company | Phintraco Sekuritas Research

		(in Billion Rupiah)					
RATIOS		FY21	FY22	FY23	9M24	FY24F	FY25F
Profitability Ratio (%)							
<i>GPM</i>		49.10%	48.32%	48.58%	48.49%	48.26%	48.33%
<i>OPM</i>		14.14%	12.95%	13.14%	12.01%	13.92%	13.93%
<i>NPM</i>		10.99%	9.96%	10.04%	9.12%	10.66%	10.66%
<i>ROA</i>		10.00%	9.29%	9.85%	7.34%	11.12%	11.86%
<i>ROE</i>		13.04%	11.35%	12.35%	9.20%	14.30%	15.51%
Activity Ratio (X)							
<i>Inventory Turnover</i>		1.41	1.24	1.47	1.01	1.50	1.48
<i>Receivables Turnover</i>		97.99	78.77	38.33	50.39	49.52	45.70
<i>Payables Turnover</i>		26.28	24.21	31.15	20.93	23.19	23.09
<i>Days of Inventory</i>		259.49	293.55	248.53	362.43	244.00	246.42
<i>Days of Receivables</i>		3.72	4.63	9.52	7.24	7.37	7.99
<i>Days of Payables</i>		13.89	15.08	11.72	17.44	15.74	15.81
<i>Cash Operating Cycle</i>		249.33	283.11	246.34	352.23	235.62	238.60
Leverage Ratio (%)							
<i>Debt to Asset Ratio</i>		11.60%	9.77%	11.29%	11.23%	12.00%	12.84%
<i>Debt to Equity Ratio</i>		15.14%	11.94%	14.15%	14.07%	15.44%	16.79%
<i>Liabilities to Asset Ratio</i>		23.33%	18.14%	20.21%	20.21%	22.26%	23.52%
<i>Liabilities to Equity Ratio</i>		30.42%	22.16%	25.33%	25.33%	28.63%	30.76%
<i>Interest Rate</i>		13.42%	13.76%	13.33%	11.51%	13.51%	13.51%
Liquidity Ratio (X)							
<i>Current Ratio</i>		11.30	13.04	11.56	11.76	9.79	9.45
<i>Quick Ratio</i>		6.14	6.20	6.12	5.07	4.88	4.37
<i>Cash Ratio</i>		5.53	5.19	4.72	3.63	3.64	3.14
Price Ratio							
<i>Share Price (IDR)</i>		1,280	496	720	920	920	920
<i>Outstanding Shares (in Billion)</i>		17.15	17.15	17.15	17.15	17.15	17.15
<i>EPS (IDR) (annualized)</i>		42	39	45	33	53	60
<i>BVPS (IDR)</i>		321	346	361	360	372	386
<i>Sales Per Share (IDR)</i>		382	394	444	363	499	562
<i>PER (X)</i>		30.54	12.63	16.16	27.79	17.29	15.35
<i>PBV (X)</i>		3.98	1.43	2.00	2.56	2.47	2.38
<i>PSR (X)</i>		3.35	1.26	1.62	2.53	1.84	1.64
<i>EV/EBITDA (annualized)</i>		14.90	5.35	7.43	13.40	8.93	8.06
Dividends							
<i>DPS</i>		21	31	34	-	41	46
<i>DPR</i>		49.13%	79.07%	75.21%	-	76.56%	76.95%
<i>Div. Yield</i>		1.61%	6.26%	4.65%	-	4.43%	5.01%

Source : Company | Phintraco Sekuritas Research

Glossarium

BVPS	: <i>Book Value per Share</i>
CFFF	: <i>Cash Flow from Financing</i>
CFFI	: <i>Cash Flow from Investing</i>
CFFO	: <i>Cash Flow from Operating</i>
DPR	: <i>Dividend Payout Ratio</i>
DPS	: <i>Dividend per Share</i>
EBIT	: <i>Earning Before Interest & Tax</i>
EBITDA	: <i>Earning Before Interest, Tax, Depreciation & Amortization</i>
EBT	: <i>Earning Before Tax</i>
EPS	: <i>Earning per Share</i>
EV	: <i>Enterprise Value</i>
NPM	: <i>Net Profit Margin</i>
NPM	: <i>Net Profit Margin</i>
OPM	: <i>Operating Profit Margin</i>
PBV	: <i>Price to Book Value</i>
PER	: <i>Price to Earning Ratio</i>
PSR	: <i>Price to Sales Ratio</i>
ROA	: <i>Return on Asset</i>
ROE	: <i>Return on Equity</i>



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Rating for Stocks :

- Buy : The stock is expected to give total return (price appreciation + dividend yield) of $> +10\%$ over the next 12 months.
- Hold : The stock is expected to give total return of $> 0\%$ to $\leq +10\%$ over the next 12 months.
- Sell : The stock is expected to give total return of $< 0\%$ over the next 12 months.
- Outperform : The stock is expected to do slightly better than the market return. Equal to "moderate buy"
- Underperform : The stock is expected to do slightly worse than the market return. Equal to "moderate sell"

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Kantor Cabang & Mitra GI BEI



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