

Adi Sarana Armada

Anteraja's collaboration with Grab and Gojek

Flash Note



What's new?

ASSA's last-mile arm, Anteraja (AA), announced partnerships with Indonesia's biggest online transportation players, Grab and Gojek. The partnerships will help AA's delivery packages business in terms of capacity and flexibility, especially during peak season. Note that Grab and Gojek have been downloaded by more than 100mn times.

Details on collaboration with Gojek and Grab

AA's collaboration with Gojek's logistics services, GoSend Instant, and GoSend Sameday services will commence in the Jabodetabek area starting this month (Aug 2021). AA and Gojek are going to announce their partnership details later. Meanwhile, AA's collaboration with Grab's intercity services (regular and next day) is already available through Grab's apps. Grab's customers can deliver their goods with a max weight of 50kg throughout Indonesia. In addition, they are going to provide an unconditional delivery promo of up to 60% on Grab until 31 Aug 2021 to gain volume faster. Currently, there are 2 third parties services which has collaboration with Grab, which are Ninja Xpress and Anteraja. We did a quick test on the delivery within Jakarta and Jakarta-Bandung areas. The result is AA provides ~21% cheaper for its next-day services and ~42% cheaper for its regular service compared to Ninja Xpress (figure 3). Hence, we believe AA could become Grab's intercity main option. We don't know how the profit-sharing scheme is implemented between AA with Grab or Gojek. However, we see this strategy is more efficient and effective to propel AA's growth and provide larger diversification of parcel sources.

Maintain BUY with TP of Rp3.3k

We maintain our Buy call with SOP based TP of Rp3.3k. The TP is mainly premised on 50% discount to Anteraja's 2.2m parcel/day target by 2024F coupled with valuation/delivery transactions/year of \$2.74 (pegged to SiCepat latest valuation). Our TP implies 11.5x EV/EBITDA 2022F.



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Stock Data & Indices

Bloomberg Code	ASSA.IJ
JCI Member	JAKINFR
MSCI Indonesia	No
JII	No
LQ45	No
Kompas 100	No

Key Data

Issued Shares (mn)*	3.998
Free Float (est)	54.9
Mkt. Cap (IDRbn)	10,274
Mkt. Cap (USDmn)	708.5
ADTV 6 months (USDmn)	48.2
52 Wk-range	2760/ 450
<i>*Including new shares from convertible</i>	

Performance (%)

	YTD	1m	3m	12m
Absolute	304	4.0	8	367
Relative to JCI	301	1.3	23	347

Company Data

Year end Dec	2019	2020	2021F	2022F	2023F
Revenue (IDR bn)	2,334	3,037	4,013	5,490	7,330
EBITDA (IDR bn)	866	868	1,105	1,381	1,683
Net Profit (IDR bn)	111	87	167	218	268
EPS Growth (%)	-22.9	-21.2	91.2	31.1	22.9
P/E (x)	78.9	100.2	61.6	47.0	38.3
P/BV (X)	7.3	6.8	4.7	4.3	3.9
EV/EBITDA	13.1	13.3	11.6	9.4	7.9
ROAE (%)	8.9	6.3	8.9	9.2	10.7

Income Statement

Year end Dec (IDR bn)	2019	2020	2021F	2022F	2023F
Revenue	2,334	3,037	4,013	5,490	7,330
Gross Profit	745	790	1,024	1,355	1,656
Opr. Profit	350	313	479	657	808
EBITDA	866	868	1,105	1,381	1,683
Net Int Inc/(Exp)	-229	-242	-243	-278	-319
Other Income (Expense)	(2)	0	0	0	0
Pre-tax Profit	118	68	236	379	489
Income Tax Expense	(26)	(5)	(47)	(76)	(98)
Minority Interest	19	23	(22)	(85)	(123)
Net Profit	111	87	167	218	268
Dividend payout ratio (%)	0	0	0	0	0

Balance Sheet

Year end Dec (IDR bn)	2019	2020	2021F	2022F	2023F
Cash and equivalents	255	192	434	813	872
Other curr asset	398	436	525	571	693
Net fixed asset	3,894	4,060	4,569	4,868	5,237
Other non-current assets	303	483	483	483	483
Total Asset	4,849	5,171	6,011	6,735	7,285
ST debt	847	900	1,050	1,300	1,400
Other curr liab	394	537	547	588	642
LT debt	2,064	2,087	1,903	2,203	2,453
Other LT Liab	207	208	208	208	208
Minority interest	3,511	3,732	3,708	4,298	4,702
Total Liabilities	146	156	134	49	(74)
Shareholders Equity*	1,192	1,284	2,170	2,389	2,657
Net debt / (cash)	2,656	2,795	2,518	2,690	2,980
Total cap employed	3,609	3,734	4,414	4,848	5,243
Net Working capital	(588)	(809)	(638)	(504)	(477)

*We assume convertible bonds holders to convert its bonds to equity by this year

Cash Flow

Year end Dec (IDR bn)	2019	2020	2021F	2022F	2023F
Net Profit	111	87	167	218	268
Depr / Amort	517	555	625	724	874
Chg in Working Cap	(99)	106	(78)	(6)	(67)
Others	(675)	(447)	(296)	(213)	(255)
CF's from oprs	(146)	301	418	723	821
Capex	(590)	(328)	(839)	(809)	(988)
Others	442	187	0	0	0
CF's from investing	(148)	(141)	(839)	(809)	(988)
Net change in debt	560	77	(34)	550	350
Others	(237)	(300)	38	(85)	(123)
CF's from financing	323	(224)	3	465	227
Net cash flow	29	(63)	(417)	379	59
Cash at BoY	228	255	192	(226)	153
Cash at EoY	257	191	(226)	153	212

Ratio Analysis

Year end Dec	2019	2020	2021F	2022F	2023F
Profitability					
Gross Margin (%)	31.9	26.0	25.5	24.7	22.6
Opr Margin (%)	15.0	10.3	11.9	12.0	11.0
EBITDA Margin (%)	37.1	28.6	27.5	25.2	23.0
Core Net Margin (%)	4.7	2.9	4.2	4.0	3.7
ROE (%)	9.7	7.0	11.9	13.5	14.4
ROA (%)	2.5	1.7	3.2	3.8	4.2
Stability					
Current ratio (x)	0.5	0.4	0.2	0.4	0.4
Net Debt to Equity (x)	2.2	2.2	2.1	1.9	1.8
Net Debt to EBITDA (x)	3.1	3.2	2.9	2.4	2.2
Interest Coverage (x)	1.4	1.2	1.9	2.3	2.4
Efficiency					
Account Payable (days)	12	13	13	13	13
Account Receivable (days)	39	38	38	30	28
Inventory Day (days)	8	2	2	2	2

Company Background

PT Adi Sarana Armada Tbk (ASSA) is one of the largest car rental company with >20k rental units and 44 branch & service points. It entered the car auction business back in 2014.

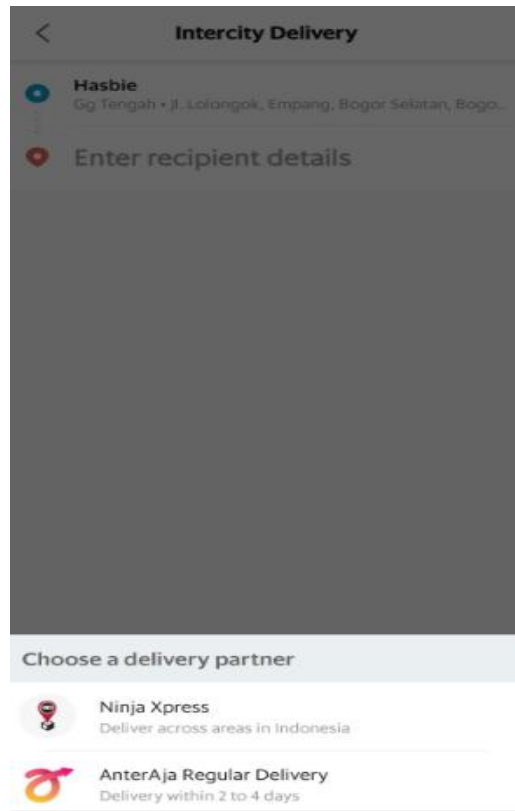
Major Shareholders

PT Adi Dinamika Investindo	25.1%
PT Daya Adicipta Mustika	19.2%
Drs. Prodo Sunarjanto SP	9.9%
Public	45.8%

SWOT Analysis

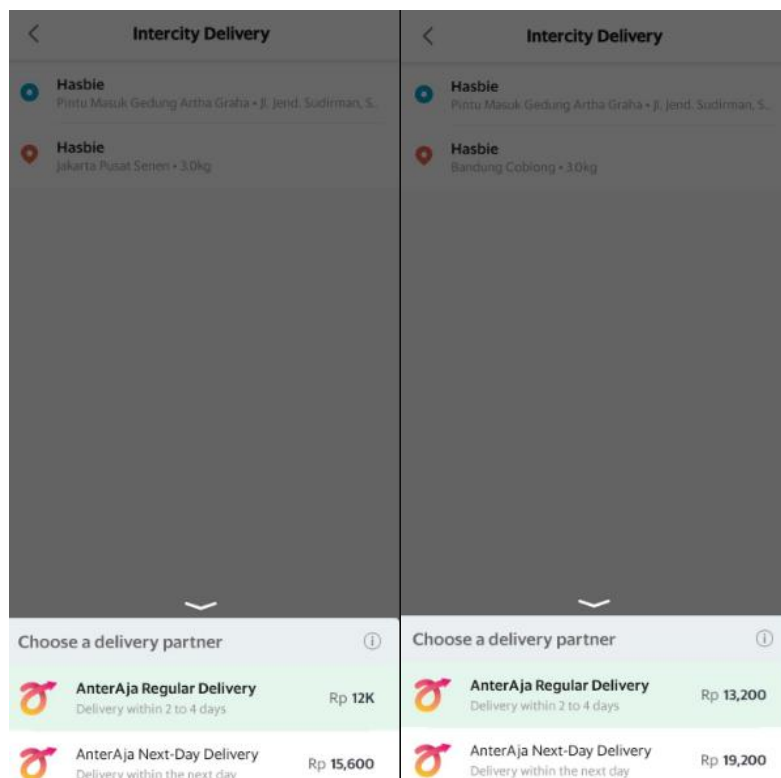
<p>Strength</p> <ul style="list-style-type: none"> -Strong customer base (corporate). -Lower car acquisition price -Synergy within business units -technology driven 	<p>Weakness</p> <ul style="list-style-type: none"> -Exposure to change in interest rates.
<p>Opportunity</p> <ul style="list-style-type: none"> -Increase in second hand car price. -Trend to outsource transportation needs (increase in potential customer base) -Monetize technology to make businesses more efficient 	<p>Threat</p> <ul style="list-style-type: none"> -Increase in cost of funds. -High discount for new car.

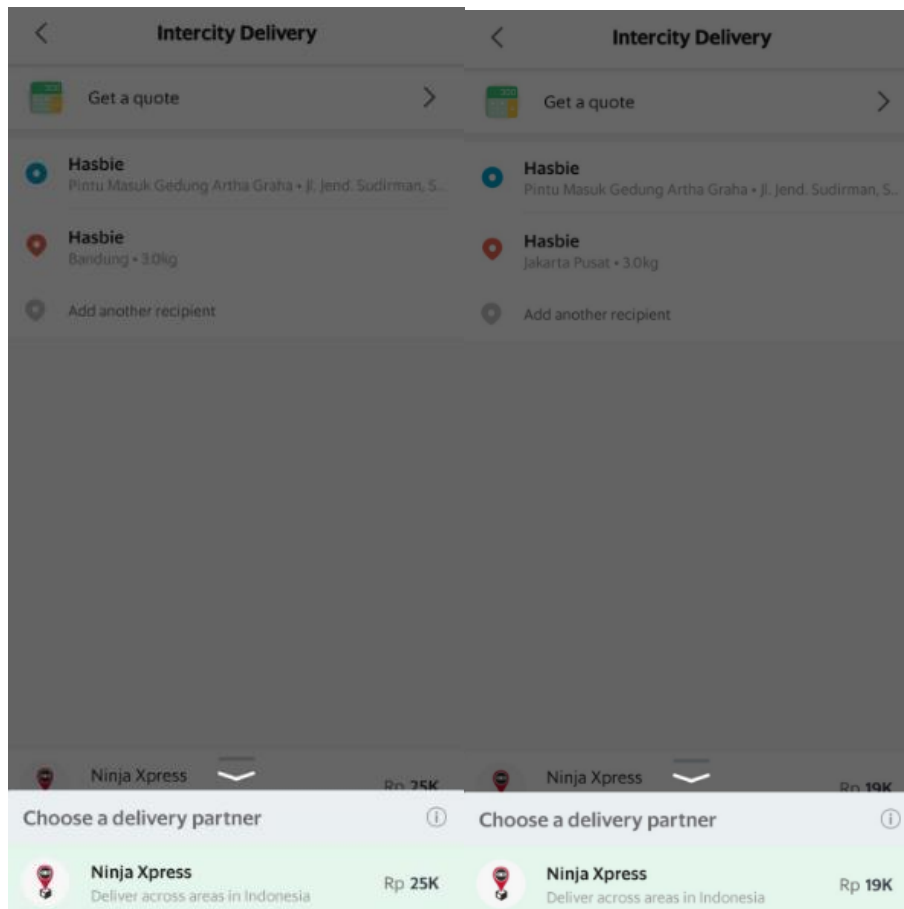
Figure 1. Anteraja's present on Grab apps



Source: Trimegah Research, Grab's app

Figure 2. Anteraja and Ninja Xpress cost comparisons for Jakarta to Jakarta and Jakarta to Bandung





Source: Trimegah Research, Grab's app

Figure 3. Anteraja's price comparison with Ninja Xpress

In RP (the goods' weight is 3kg)	Jakarta - Jakarta	Jakarta - Bandung	Average
Ninja Xpress	19,000	25,000	22,000
Anteraja Regular Delivery	12,000	13,200	12,600
<i>Anteraja Regular Delivery (%) vs Ninja</i>	<i>-37%</i>	<i>-47%</i>	<i>-42%</i>
Anteraja Next-Day Delivery	15,600	19,200	17,400
<i>Anteraja Next-Day Delivery (%) vs Ninja</i>	<i>-18%</i>	<i>-23%</i>	<i>-21%</i>

Source: Trimegah Research, Grab's app

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