

Neutral

Car Awards Category

Category	Brand
Best APM Indoor Booth Activity	Mitsubishi
Best APM Outdoor Activity	Suzuki
Best Booth Car 750-1000 sqm	Wuling
Best Booth Car < 750 sqm	VinFast
Best Booth car > 1000 sqm	BYD
Best Big SUV	Hyundai Palisade
Best Crossover SUV	Chery Omoda 5 GT
Best Multipurpose SUV	Suzuki Jimny 5 Doors
Best SUV	Honda CR-V Hybrid
Best Low MVP	Suzuki Ertiga Cruise
Best Medium MVP	Toyota Kijang Innova Zenix
Best Premium MVP	Toyota Vellfire HEV
Best City Car	Honda Brio RS
Best Hatchback	Toyota GR Corolla
Best Sedan	Honda Civic RS
Best Sports Car	Subaru BRZ
Favorite Commercial Vehicle	Toyota Hilux Rangga
Favorite New Car Launch	BYD
Most Affordable Crossover	Suzuki XL7
Most Tested Car Choice	Chery Omoda E5

Electric Vehicle (EV) Category

Category	Brand
Best Medium EV	BYD Atto 3
Best Big SUV EV	KIA EV9 GT-Line
Best Compact EV SUV	Chery Omoda E5
Best City Car EV	Wuling Air EV
Best EV Commercial Car	Mitsubishi L100 EV
Best EV MPV	MG Maxus 9
Best EV Sedan	BYD Seal
Best Luxury EV	BMW i7
Most Affordable Crossover EV	MG 4 EV
Most Affordable EV	Wuling Binguo EV

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IIMS 2024: EV Steals the Show

We visited the 2024 Indonesia International Motor Show (IIMS), which was held on February 15-25, 2024, and featured 23 4W brands and 22 2W brands. The event was a success, with more than 500 thousand attendees and a total transaction value of IDR 3.1 trillion (as of February 24). Here are our notes from the event.

- New Electric Star in Town:** We noticed that many 4W brands in IIMS 2024 relied on electric-powered models as their stars of the show, with MG, Wuling, Hyundai, Chery, and many others showcasing their latest EV models. The event also saw two newcomers in the Indonesian EV market, BYD (China) and VinFast (Vietnam), who have established themselves as major players in the global EV market.
- Dark Horse from China:** BYD marked its Indonesian debut in IIMS 2024 by launching three new EV models: Dolphin, Atto 3, and Seal. BYD Dolphin is a 5-seater hatchback with 490-km battery range offered for IDR 425mn, BYD Atto 3 is a 5-seater medium SUV with 480-km battery range offered for IDR 510mn, and Seal is a high-performance sedan offered in two variants: Premium (230 kW, 650-km battery range, IDR 629mn) and Performance (390 kW, 580-km battery range, IDR719mn). Aside from the three models, BYD also displayed its 7-seater electric-powered luxury MPV model (Denza D9), which will be launched sometime next year. All of these models are equipped with BYD's own 'blade battery,' which is claimed to be safer, more powerful, and more durable than traditional EV batteries. To support its operations in Indonesia, BYD has opened eight dealers across the country, with plans to add more in the near future.
- A Vietnamese Newcomer:** VinFast, a Vietnamese automaker founded in 2017, brought six SUV models to the show, two of which would be sold in Indonesia immediately: VinFast VF5 (IDR 225-250mn) and VinFast VF e34 (IDR 288-300mn). VinFast also introduced a new concept of 'battery lease'; instead of buying the battery pack, VinFast users can lease the battery separately for IDR 1mn per month (0-3,000 km) and IDR 1.5mn per month (3,000 km – unlimited), with offers for free replacement whenever the battery health falls below 70%. This concept helps bring down prices for VinFast's products and practically releases its users from all risks related to the batteries. To support its operations in Indonesia, VinFast plans to open seven showrooms and a 50,000 units-per-year factory in the country.
- New Models from Existing Brands:** Aside from the two newcomers, other brands also showcased their latest EV models in the show. Some of these include New Hyundai Kona Electric (price estimate: IDR 550mn), Wuling Cloud EV (no price estimate yet), Chery Omoda E5 BEV (~IDR 488mn), and MG 4 EV (IDR 433mn).
- ICEs and Hybrids:** Although EVs dominated the event, there was an ICE-powered hit at the show: Suzuki launched the 5-door variant of the Jimny, which was hugely popular, with more than 1,200 orders. The 5-door Jimny was offered in four variants, with prices ranging from IDR 462mn – IDR 478.6mn. Some of these include Honda BR-V N7X (IDR 319-363mn), Toyota Vellfire Hybrid (IDR 1.7-1.8bn) and Toyota Corolla GR (IDR 1.2-1.3 bn).
- 2W EVs:** We took a quick look at the 2W section of the event, which had 22 brands participating. Some of the 2W EV models showcased at the event include the Honda EM1 e (IDR 40mn), Polytron Fox-S (IDR 16mn), and Gesits G1 (~IDR 30mn).

We maintain a NEUTRAL stance on the auto sector due to the increased competitiveness of Chinese electric vehicle (EV) competitors, which may progressively reduce ASII's market share by 3-4% over the next two years. We believe that ASII, at its current valuation (FY24 PE of 6.7x), presents minimal downside risks. However, due to its late entry into the expanding EV market, there is a lack of positive catalysts in the near term. As a result, we have decided to downgrade our rating for ASII from BUY to HOLD and reduce our target price to IDR 5,600 (+7.2% upside potential) per share from IDR 7,600 per share. However, the growing popularity of EVs will benefit DRMA as the component manufacturer expands its business to the EV ecosystem (with battery packs, battery swap, and battery management devices). We maintain our BUY rating on DRMA with a TP of IDR 1,600, implying 10.3x FY24 PE (20% premium compared to peers, supported by the company's above-average FY24F ROE of 28.8%).

Figure 1. BYD



In IIMS 2024, BYD introduced three models: Dolphin, Atto 3 & Seal

Aside from the three, BYD also brought its 7-seater luxury MPV Denza D9, which would be launched sometime next year

Source: SSI Research

Figure 2. VinFast



VinFast will start its penetration into the Indonesian market with two models: VF5 and VF e34

Source: SSI Research

Figure 3. 4W EV



Aside from the newcomers (VinFast and BYD), several other brands also brought their latest EV models to the event

Source: SSI Research

Figure 4. 4W Hybrid & ICE in IIMS 2024



5-door Jimny was a huge hit at the event, with more than 1,200 SPK

Source: SSI Research

Figure 5. 2W EV in IIMS 2024

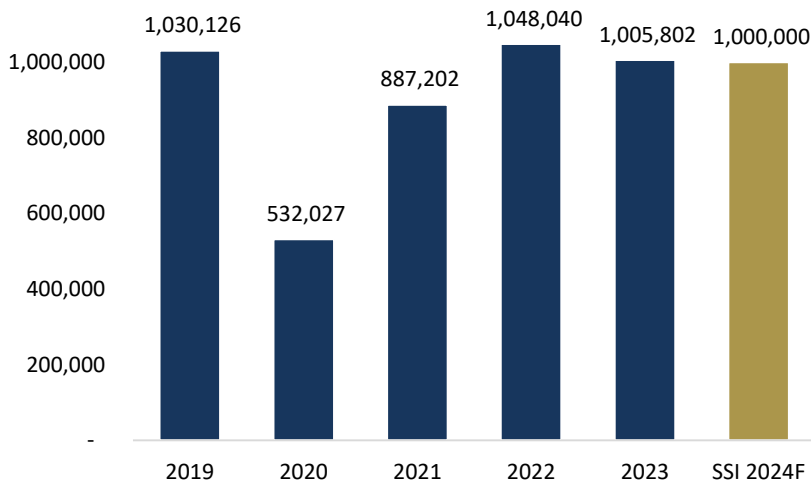
Polytron FOXR Honda EM1 e Yamaha EO1



Several 2W brands brought their EV models to IIMS 2024

Source: SSI Research

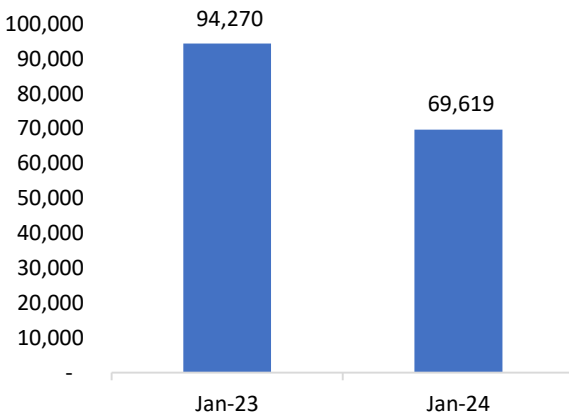
Figure 6. 4W Sales, FY19 – 24F



In FY23, domestic 4W sales came in at 1,005,802 units (-4.0% YoY), and...

Source: Gaikindo, SSI Research

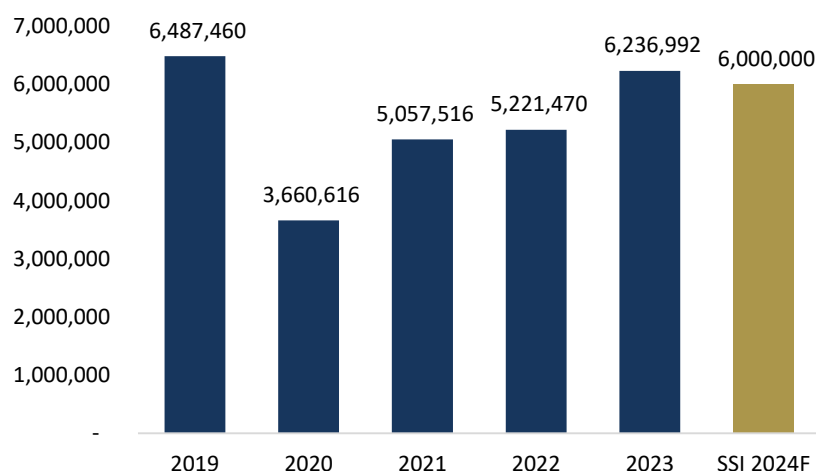
Figure 7. 4W Sales, Jan '24



... Jan-24 domestic 4W sales dropped - 26.1% YoY, mainly due to the impact of economic growth slowdown and election-related wait-and-see attitude from consumers

Source: Gaikindo, SSI Research

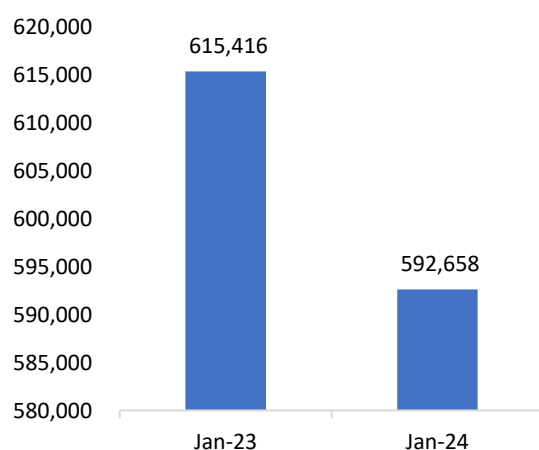
Figure 8. 2W Sales, FY19 – 24F



In FY23, domestic 2W sales came in at 6,236,992 units (+19.4% YoY), but...

Source: AISI, SSI Research

Figure 9. 2W Sales, Jan'24



... Jan-24 domestic 2W sales dropped -3.7% YoY, with many customers deciding to postpone major purchases until after the February 14, 2024 elections

Source: AISI, SSI Research

Table 1. Peers Comparison

Company	Market Cap (IDR Bn)	P/E (x)		P/BV (x)		ROE (%)	
		24F	25F	24F	25F	24F	25F
Astra International Tbk, PT	218,611	6.5	8.0	1.0	0.9	14.6	11.5
Dharma Polimetal Tbk, PT	5,788	8.0	6.8	2.3	1.8	28.8	26.6
Average		6.5	8.0	1.0	0.9	15.0	11.9

Company	Market Cap (USD Mn)	P/E (x)		P/BV (x)		ROE (%)	
		24F	25F	24F	25F	24F	25F
Hyundai Mobis Co Ltd	16,606	6.0	5.6	0.5	0.5	8.7	8.6
KIA Corp	34,091	5.0	5.2	0.7	0.7	16.3	14.4
Toyota Industries Corp	32,883	18.2	17.0	1.0	1.0	5.8	5.9
Ford Motor Co Common Shares	47,684	6.7	6.5	0.9	0.9	13.8	12.9
Mitsubishi Motors Corp	4,516	4.9	4.7	0.6	0.6	14.2	13.0
Nissan Motor Co Ltd	15,501	5.3	4.8	0.4	0.3	7.6	8.2
Suzuki Motor Corp	21,420	10.8	10.2	1.2	1.1	12.2	11.8
Honda Motor Co Ltd	64,180	8.2	7.8	0.7	0.6	8.4	8.2
Average		8.7	8.3	0.8	0.8	10.7	10.2

Source: SSI Research

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