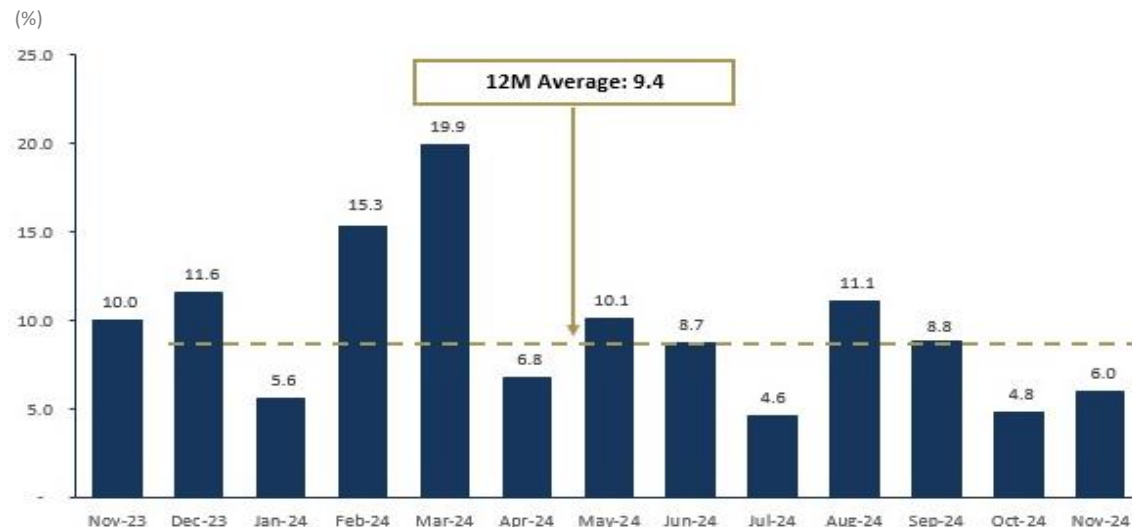


Ace Hardware Indonesia (ACES): IDR 800 — BUY, SSI TP: IDR 1,000; Cons. TP: IDR 1,045



Monthly SSSG, Dec'23 - Nov'24: 12M avg. (9.4%), SSI's FY24 (8.9%)



Peer Comparables

Company Ticker	Rating	Market Cap (IDR Tn)	Last Price (IDR)	TP (IDR)	2025F				
					EPS Gwt (%)	P/E (x)	P/S (x)	Div. Yield (%)	ROE (%)
AMRT IJ	BUY	116.7	2,810	4,300	20.1	24.9	0.9	1.3	24.9
MAPI IJ	BUY	22.9	1,380	1,600	28.6	9.3	0.5	1.2	19.3
ACES IJ	BUY	13.7	800	1,000	14.5	13.6	1.5	4.2	14.7
MIDI IJ	BUY	14.0	418	580	8.4	19.9	0.6	1.7	15.5
ERAA IJ	BUY	6.5	408	560	4.8	5.2	0.1	4.5	11.7
Sector		173.8			19.3	20.8	0.8	1.7	22.1

SWOT Analysis of the Results

Strength

Nov-24 SSSG of 6.0% (Oct-24: 4.8%), with positive MoM performances across all regions, on the back of solid demand for home appliances, electrical goods, etc in the lead up to year-end festivities

Weakness

Ex-Java regions reported 11M24 SSSG of 11.3% (11M23: 12.7%); we believe the slowdown, attributed to high-base effect from pent-up demand in FY23, may lead to relatively moderate Dec-24F SSSG readings

Opportunity

We expect ex-Java markets to maintain their upbeat momentum, driven by holiday season; potential improvement in purchasing power among mid-to-high income segments should support sales going forward, allowing for further reversal from recent underperformance

Threat

Potential decline in commodity prices may adversely impact farmers' incomes, posing risks to ACES' ex-Java stores; import tax on Chinese products and potentially weaker 4Q results and beyond due to softer purchasing power caused by slower economic growth

Relative YTD Performance vs JCI

