



KSI Research

ADHI Flash Update

KIWOOM
SEKURITAS INDONESIA

PT Adhi Karya (Persero) Tbk (ADHI)

Operational Recovery Held Back by Revenue Pressure & Liquidity Constraints

Published on 25 July 2025

**Sukarno Alatas**

Senior Equity Analyst

sukarno@kiwoom.co.id**Stock Rate**

Industry

Not Rated

Neutral

TP 12M
vs. Last PriceIDR 300
+20%**Stock Data**

Ticker Code

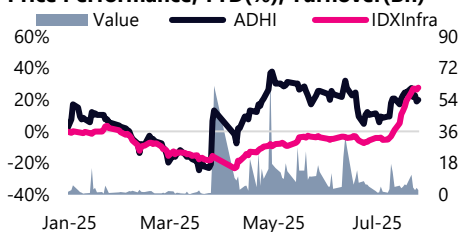
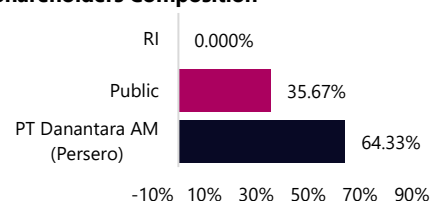
ADHI

Sub Sector

Heavy Const. & Civil Eng.

Sector

Infrastructures

Market Cap (IDR.Tn)
Shares Issued (Bn)
AVG 3M Turnover (Bn)2.2
8.41
10.8**Price (IDR)****Price Performance, YTD(%), Turnover(Bn)****Shareholders Composition****ESG Rating**Environmental 2.06
Social 2.56
Governance 4.98

6M25 Result: Top Line and Bottom Line Declined Significantly. ADHI recorded revenue of IDR 3.8 trillion in 6M25, a decline of -33% y/y from IDR 5.6 trillion in 6M24. On a quarterly basis, revenue in Q2-25 improved to IDR 2.1 trillion (+26% q/q, but still down -30% y/y). The revenue decline in 6M25 was mainly driven by lower performance across all business segments: Engineering & Construction dropped by -30% y/y (from IDR 4.46 trillion to IDR 3.12 trillion), Manufacturing declined -48% y/y (from IDR 731 billion to IDR 383 billion), Property & Services fell -27% y/y (from IDR 242 billion to IDR 177 billion), and Investment & Concession dropped -45% y/y (from IDR 249 billion to IDR 136 billion), reflecting project delays and weak demand across segments. Despite the revenue drop, gross profit in 6M25 increased by +10% y/y to IDR 573 billion, driven by a sharper decline in COGS of -37% y/y, leading to an improved GPM of 15% (vs. 9% in 6M24). Operating profit rose significantly to IDR 107 billion (+793% y/y), resulting in an OPM of 2.79% (vs. 0.21% in 6M24). However, net profit declined to IDR 7.55 billion (-45% y/y), with the NPM dropping slightly to 0.20% (vs. 0.24% in 6M24).

Decline in Liabilities and Assets Driven by Lower Debt and Cash. Total liabilities decreased from IDR 25.4 trillion in FY24 to IDR 24.7 trillion in Q2, while short- and long-term debt declined to IDR 8.6 trillion (-3% y/y). This reduction in debt slightly improved financial expenses in 6M25, which fell to IDR 340 billion (-13% y/y). Equity edged up from IDR 9.68 trillion to IDR 9.70 trillion (+0.2% y/y), resulting in total assets decreasing to IDR 34.4 trillion (-2% y/y) in line with the drop in cash and cash equivalents.

Financial Structure Slightly Improved, but Cash Position Remains a Concern. ADHI showed a slight improvement in its financial structure in 6M25, with the Debt-to-Equity Ratio declining from 2.62x to 2.55x and Debt-to-Equity from 0.92x to 0.89x. The Interest Coverage Ratio (ICR) also improved from 0.56x to 0.88x, indicating better ability to cover interest expenses, although still at a relatively low level. Liquidity remained relatively stable, with the Current Ratio increasing slightly to 1.14x, but the Cash Ratio declined from 11% to 8%, signaling a reduction in cash available for short-term needs.

Key Takeaways

- ADHI's revenue declined by 33% y/y to IDR 3.81 trillion in 6M25, reflecting a broad-based weakness across all business segments.
- Gross and operating profit improved, supported by more efficient COGS, resulting in a GPM increase to 15% and OPM to 2.8%.
- Net profit fell by 45% y/y to IDR 7.55 billion, putting pressure on overall profitability despite margin recovery.
- Liabilities and debt decreased, with total debt at IDR 8.6 trillion (-3% y/y) and interest expenses down by 13%.
- Financial structure improved, as reflected in a lower DER of 2.55x and higher ICR of 0.88x.
- Liquidity remained stable, with a Current Ratio of 1.14x, although the Cash Ratio declined to 8%, signaling tighter short-term cash availability.

Valuation "Undervalued"

At the current price of IDR 250, ADHI is trading at a 12-month P/E ratio of 8.53x (vs. peers' average of 9.14x) and a PBV of 0.23x (vs. peers' average of 0.64x). *Downside risks include delays in government projects, cash flow pressure, high debt burden, weak property demand, thin margins in the construction sector, and collection risks from project receivables.*

Financial Highlight

End 31 Dec	2022A	2023A	2024A	6M24	6M25
Revenue (IDR bn)	13,549	20,073	13,352	5,681	3,812
EBITDA (IDR bn)	1,879	1,093	466	7	298
Net Profit (IDR bn)	81	214	253	14	8
NPM (%)	0.6%	1.1%	1.9%	0.2%	0.2%
ROE (%)	0.92%	2.32%	2.61%	0.3%	0.2%
PE (x)	27.39x	12.25x	7.06x	7.69x	8.06x
PBV (x)	0.48x	0.30x	0.20x	0.19x	0.22x

Source: Bloomberg and KSI Research



ADHI Flash Update

Published on 25 July 2025

KIWOOM
SEKURITAS INDONESIA

Result 2Q2025

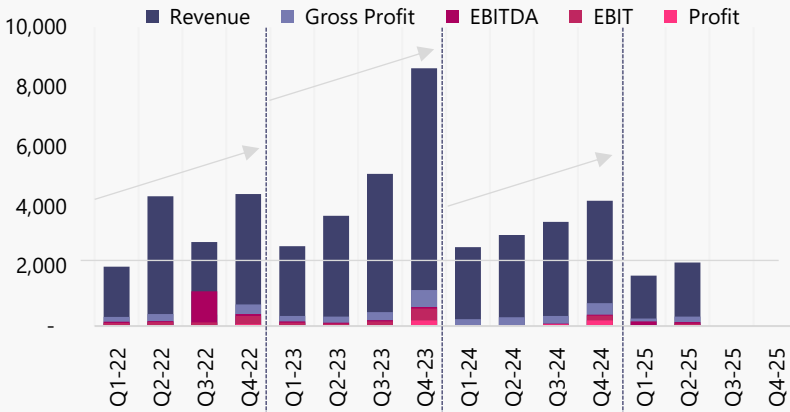
PT Adhi Karya Persero Tbk (ADHI)

IDR Bn	6M24	6M25	yoy	2Q24	1Q25	2Q25	q/q	y/y
Revenue	5,681	3,812	-33%	3,045	1,684	2,128	26%	-30%
<i>Cost of Revenue</i>	5,159	3,239	-37%	2,750	1,429	1,810	27%	-34%
Gross Profit	522	573	10%	295	255	318	25%	8%
Selling, General & Adm. Exp.	309	334	8%	148	162	172	6%	17%
EBIT	12	107	793%	13	29	77	165%	474%
<i>Finance Cost</i>	392	340	-13%	212	161	179	12%	-16%
<i>Pre-Tax Income</i>	35	25	-30%	16	9	16	68%	-4%
EBITDA	7	298	4485%	0	160	138	-14%	100%
Net income	14	8	-45%	4	0	7	2159%	100%
EPS (Full IDR)	2	1	-45%	0	0	1	2050%	100%
	FY2024	6M25		2Q24	1Q25	2Q25		
Cash and Cash Equivalents	2,244	1,477	-34%	2,667	1,629	1,477	-9.3%	-45%
Short Term Debt	4,499	4,110	-9%	5,909	4,228	4,110	-2.8%	-30%
Long Term Debt	4,440	4,550	2%	3,765	4,450	4,550	2.3%	21%
Liabilities	25,368	24,687	-3%	26,944	24,816	24,687	-0.5%	-8%
Equity	9,675	9,695	0%	9,248	9,682	9,695	0%	5%
Total Asset	35,043	34,382	-2%	36,192	34,498	34,382	0%	-5%
	6M24	6M25		2Q24	1Q25	2Q25		
<i>GPM %</i>	9%	15%	6%	10%	15%	15%	0%	5%
<i>OPM %</i>	0%	3%	3%	0%	2%	4%	2%	3%
<i>NPM %</i>	0%	0%	0%	0%	0%	0%	0%	0%
<i>EBITDA %</i>	0%	8%	8%	0%	9%	6%	-3%	6%
<i>ROE (%)</i>	0.3%	0.2%	0%	0.2%	0.0%	0.3%	0%	0%
<i>ROA (%)</i>	0.1%	0.0%	0%	0.0%	0.0%	0.1%	0%	0%
	FY2024	6M25		2Q24	1Q25	2Q25		
<i>Debt to Equity (x)</i>	0.92x	0.89x	(0.03)	1.05x	0.90x	0.89x	(0.00)	(0.15)
<i>DER (x)</i>	2.62x	2.55x	(0.08)	2.91x	2.56x	2.55x	(0.02)	(0.37)
<i>DAR (x)</i>	0.72x	0.72x	(0.01)	0.74x	0.72x	0.72x	(0.00)	(0.03)
<i>ICR (x)</i>	0.56x	0.88x	0.32	0.00x	1.00x	0.77x	(0.23)	0.77
<i>Current Ratio (x)</i>	1.12x	1.14x	0.01	1.07x	1.13x	1.14x	0.01	0.06
<i>Cash Ratio (%)</i>	11%	8%	-3%	12%	8%	8%	-1%	-4%

Source : Bloomberg & KSI Research



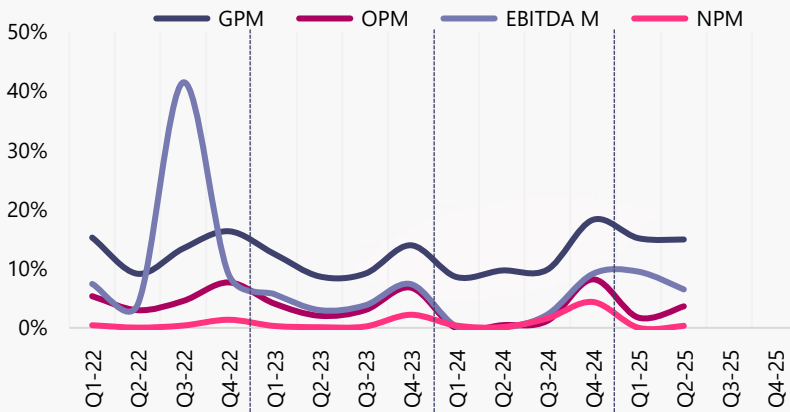
Quarterly Historical Performance



Source : Bloomberg & KSI Research

ADHI exhibits a strong seasonal pattern, with peak performance typically occurring in Q4 and a slowdown at the beginning of the year. As such, **investors and stakeholders should anticipate a gradual recovery in Q3 and a potential significant rebound in Q4 2025**, especially if supported by accelerated tenders and the execution of national strategic projects.

Profitability Ratios



Source : Bloomberg & KSI Research

ADHI has a strong seasonal margin cycle, with peak margins typically occurring in the fourth quarter of each year. The outlook for the upcoming quarters **(Q3 & Q4 2025)** is historically positive; however, continued reliance on government projects and cost management efficiency remain critical factors for sustaining profitability.



Kiwoom Sekuritas Guide to Sector/Industry/Stock Ratings

Sector/Industry

OVERWEIGHT : Sector & Industry Outlook has potential and good condition
 NEUTRAL : Sector & Industry Outlook Stable or tend to be stagnant
 UNDERWEIGHT : Sector & Industry Outlook has challenges and bad condition

Stock

BUY	: Stock Performance > +15%	Over the next 12 month (excluding dividend)
TRADING BUY	: Stock Performance, range between +5% to +15%	Minor to Medium Term
HOLD	: Stock Performance, range between -10% to +15%	Over the next 12 month (excluding dividend)
SELL	: Stock Performance > -15%	Over the next 12 month (excluding dividend)
TRADING SELL	: Stock Performance, range between -5% to -15%	Minor to Medium Term
NOT RATED	: Stock is not within regular research coverage	Over the next 12 month (excluding dividend)



HEAD OFFICE

Treasury Tower 27th Floor Unit A, District 8 Kawasan SCBD Lot 28,
 Jl.Jend.Sudirman Kav 52-53, Jakarta Selatan 12190
 Tel : (021) 5010 5800
 Fax : (021) 5010 5820
 Email : cs@kiwoom.co.id

PT Kiwoom Sekuritas Indonesia is licensed and supervised by the Financial Services Authority (OJK)

OTHER DISCLOSURES

All Kiwoom's research reports made available to clients are simultaneously available on our own website <http://www.kiwoom.co.id/>. Not all research content is redistributed, e-mailed or made available to third-party aggregators. For all research reports available on a particular stock, please contact your sales representative. Any data discrepancies in this report could be the result of different calculations and/or adjustments.

DISCLAIMER

This report has been prepared and issued by PT Kiwoom Sekuritas Indonesia. Information has been obtained from sources believed to be reliable but Kiwoom Securities do not warrant its completeness or accuracy. Forward-looking information or statements in this report contain information that is based on forecast of future results, estimates of amounts not yet determinable, assumptions, and therefore involve known and unknown risks and uncertainties which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations. To the fullest extent allowed by law, PT Kiwoom Sekuritas Indonesia shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by any person or organization arising from reliance on or use of any information contained on this report. The information that we provide should not be construed in any manner whatsoever as, personalized advice. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person. This report is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.