

PT AKR Corporindo Tbk (AKRA)

From Fuel to Land: AKRA Powers Up Growth Engine in 1H25

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Sukarno Alatas

Senior Equity Analyst
sukarno@kiwoom.co.id

Stock Rate

Industry

Buy

Overweight

TP 12M
vs. Last Price

IDR 1,630
+22%

Stock Data

Ticker Code

AKRA

Sub Sector

Oil, Gas & Energy

Sector

Energy

Market Cap (IDR.Tn)

26.55

Shares Issued (Bn)

19.74

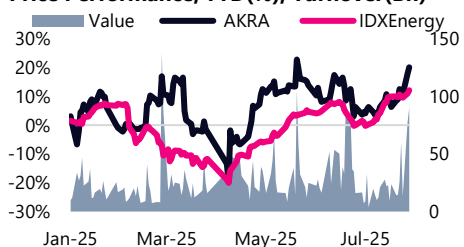
AVG 3M Turnover (Bn)

31.7

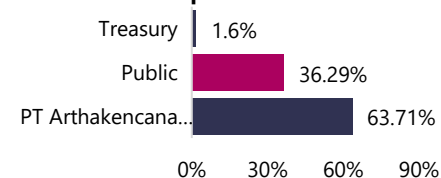
Price (IDR)



Price Performance, YTD(%), Turnover(Bn)



Shareholders Composition



ESG Rating

Environmental 3.09
 Social 4.43
 Governance 4.16

AKRA 1H25 Performance. In 1H25, AKRA posted revenue of IDR 21.4 trillion (+14.8% y/y), supported by higher contract-based sales and rental income. Growth was primarily driven by the Trading & Distribution segment, which contributed IDR 19.5 trillion, up +13.5% y/y, on the back of stable mining demand and improved distribution efficiency. Logistics revenue surged +47% y/y, while the Industrial Estate segment booked a 203% q/q thanks to utility services growth at JIPE, driven by increased tenant activity. Gross profit increased to IDR 1.95 trillion (+23.3% y/y), reflecting better product mix and higher-margin contributions from non-fuel segments. However, operating profit grew more modestly to IDR 1.46 trillion (+28.3%) due to rising SG&A expenses (+8.6% y/y). Despite the operational gains, net income came in at IDR 1.18 trillion, up only +17.7% y/y, as gains from asset disposals and forex income were offset by: Higher tax burden (+39% y/y to IDR 223 billion), Increase in finance costs, Decline in share of profit from associates (-32% y/y).

For FY25F, We have revised our projection upward, with revenue growth now expected at 11% y/y (previously 8%) and net profit growth at 17.7% y/y (previously 13.3%), driven by stronger performance in distribution, land sales, and utility income at JIPE.

Strategic Downstream Push to Spark Industrial Land Demand Surge at JIPE. The launch of 18 strategic downstream projects by the Prabowo administration, particularly the Rp19.2 trillion Copper Rod, Wire & Tube project located directly within JIPE (Java Integrated Industrial and Ports Estate) is expected to significantly accelerate demand for AKRA's industrial land.

Key Takeaways:

- **Revenue Surges, NPM Stays Steady:** AKRA Maintains Profit Growth Momentum. AKRA's revenue rose by 14.8% y/y, with net profit up 17.7%, while NPM remained stable at 5.5%.
- **JIPE Performance Improved.** A surge in utility demand from new tenants at JIPE drove gross profit up by 23.3% y/y.
- **Operating Expenses Increased.** Operating profit grew 28.3%, but margins remained limited due to rising SG&A and tax expenses.
- **Strong Balance Sheet.** High cash reserves and negative net gearing support future expansion.
- **Upgraded FY25F Outlook.** FY25F guidance was revised upward, with revenue expected to grow 11% y/y and net profit 17.7% y/y.
- **Downstream Projects to Catalyze JIPE.** The Rp19.2 trillion copper project at JIPE is expected to significantly boost demand for AKRA's industrial land.

Recommendation "BUY"

Based on a blended valuation approach (PE & DCF) and positive future prospects, we upgrade our 12-month target price for AKRA to IDR 1,630 per share (previously IDR 1,500). This valuation reflects a P/E of 12.3x, EV/EBITDA of 9.2x, and a PBV of 2.7x. The current share price of IDR 1,340 is trading at an estimated P/E of 10.1x (vs. average peers at 13.3x, with a high of 32x) and an estimated PBV of 2.2x (vs. average peers at 1.51x, with a high of 3.7x). *Key downside risks* : include commodity price volatility, increased industry competition, reliance on the industrial sector, regulatory changes, logistical disruptions, exchange rate fluctuations, as well as ESG-related pressures and the ongoing energy transition.

Financial Highlight

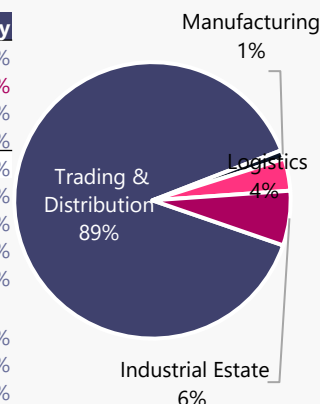
End 31 Dec	2022A	2023A	2024A	2025F	2026F	2027F
Revenue (IDR Tn)	47.5	42.1	38.7	43.1	48.1	53.9
Net Profit (IDR Tn)	2.4	2.8	2.2	2.6	2.9	3.5
EPS (IDR Full)	122	141	133	149	179	133
EBITDA Margin	7%	9%	8%	8%	9%	8%
NPM	5.1%	6.6%	6.1%	6.1%	6.5%	6.1%
ROE	18%	20%	18%	19%	21%	18%
Dividen yield	2.1%	5.1%	6.1%	6.1%	6.1%	6.1%
P/E (x)	11.50	10.47	9.93	12.29	10.91	9.12
P/BV (x)	2.52	2.58	1.91	2.71	2.56	2.34
EV/EBITDA (x)	7.48	6.96	7.40	9.18	6.97	6.26

Source: Company and KSI Research

Financial Exhibits

Result 2Q25 - 1H25

IDR Bn	1H24	1H25	y/y	2Q24	1Q25	2Q25	q/q	y/y
Trading & Distribution	17,167	19,489	13.5%	8,144	9,575	9,914	4%	22%
Manufacturing	309	242	-21.7%	149	128	114	-11%	-23%
Logistics	501	737	47.1%	261	317	420	32%	61%
Industrial Estate	673	949	41.1%	285	235	714	203%	150%
Revenue	18,651	21,418	14.8%	8,839	10,256	11,162	8.8%	26.3%
Gross profit	1,584	1,952	23.3%	690	927	1,026	10.7%	48.7%
Operating profit	1,136	1,458	28.3%	478	674	784	16.2%	64.0%
EBITDA	1,381	1,720	24.6%	600	806	915	13.5%	52.4%
Net income	1,003	1,180	17.7%	408	565	615	8.8%	50.9%
Liabilities	14,286	16,816	18%	14,286	17,373	16,816	-3%	18%
Equity	14,212	14,978	5%	14,212	15,268	14,978	-2%	5%
Total Asset	28,498	31,795	12%	28,498	32,641	31,795	-3%	12%
<i>GPM %</i>	8%	9%	1%	7.8%	9.0%	9.2%	0%	1%
<i>OPM %</i>	6%	7%	1%	5.4%	6.6%	7.0%	0%	2%
<i>NPM %</i>	5.4%	5.5%	0%	4.6%	5.5%	5.5%	0%	1%
<i>EBITDA %</i>	7.4%	8.0%	1%	7%	8%	8%	0%	1%
<i>ROE (%)</i>	14%	16%	2%	11%	15%	16%	1%	5%
<i>ROA (%)</i>	7%	7%	0%	6%	7%	8%	1%	2%



Source : KSI Research & Bloomberg

In 1H25, **AKRA** posted revenue of **IDR 21.4 trillion** (+14.8% y/y), supported by higher contract-based sales and rental income. Growth was primarily driven by the **Trading & Distribution** segment, which contributed IDR 19.5 trillion, up +13.5% y/y, on the back of stable mining demand and improved distribution efficiency. **Logistics** revenue surged +47% y/y, while the **Industrial Estate** segment booked a 203% q/q thanks to utility services growth at JIPE, driven by increased tenant activity. **Gross profit** increased to **IDR 1.95 trillion** (+23.3% y/y), reflecting better product mix and higher-margin contributions from non-fuel segments. However, **operating profit** grew more modestly to **IDR 1.46 trillion** (+28.3%) due to rising SG&A expenses (+8.6% y/y). Despite the operational gains, **net income** came in at **IDR 1.18 trillion**, up only **+17.7% y/y**, as gains from asset disposals and forex income were offset by:

- Higher **tax burden** (+39% y/y to IDR 223 billion)
- Increase in **finance costs**
- Decline in **share of profit from associates** (-32% y/y)

On a quarterly basis (2Q25):

- Revenue rose to **IDR 11.2 trillion** (+26.3% y/y / +9% q/q)
- Gross profit reached **IDR 1.03 trillion** (+48.7% y/y / +10.7% q/q)
- Operating profit increased to **IDR 674 billion** (+41.0% y/y / -23.7% q/q)
- Net income softened to **IDR 565 billion** (-5% y/y / -25.3% q/q)

Margins faced some compression:

- NPM stood at **5.5%** in 1H25 (vs 5.4% in 1H24)
- ROE at **16%** (vs 14%)
- EBITDA margin improved to **8.0%**

Reminder : AKRA

The Board of Directors has approved an interim dividend payout of Rp 50 per share, totaling Rp 990 billion. This represents 84% of the net profit for the first half of 2025. The dividend will be paid on August 19, 2025, with a recording date of August 7, 2025. This decision reflects the company's strong financial performance and its commitment to delivering returns to shareholders.

Interim Dividend Distribution Schedule:

- ✓ Cum Dividend in Regular & Negotiation Market: 5 August 2025
- ✓ Ex Dividend in Regular & Negotiation Market: 6 August 2025
- ✓ Cum Dividend in Cash Market: 7 August 2025
- ✓ Ex Dividend in Cash Market: 8 August 2025
- ✓ Recording Date: 7 August 2025
- ✓ Cash Dividend Payment Date: 19 August 2025

The dividend yield based on the latest share price (as of July 29) of IDR 1,345 and a DPS of IDR 50 is: 3.72%.

Valuation

We assign a "Buy" rating to AKRA. The fair value is derived using a blended valuation approach, combining the Price-to-Earnings (PE) and Discounted Cash Flow (DCF) methods, with respective weightings of 40% and 60%. Based on this approach, we upgrade AKRA's 12-month target price to IDR 1,630 (rounded), from the previous IDR 1,500. The current valuation implies a P/E ratio of 12.3x, a PBV of 2.7x, and an EV/EBITDA of 9.18x. The DCF model assumes a perpetuity growth rate of 1.0%, with a beta of 0.65. The risk-free rate is set at 6.55%, and the equity risk premium at 6.6%, resulting in a cost of equity of 11.56%. The cost of debt is estimated at 7.46%, leading to a Weighted Average Cost of Capital (WACC) of 10.50%.

Fair Value

Multiple Valuation	Base Amount	Target Multiple	Value (Bn)	Weight (%)	The Value of the firm
PE	2,618	13.0x	34,040	40%	13,616
DCF	40,382	1.0x	40,382	60%	24,227

Total Value (Bn)	37,845
Share (Bn)	19.74
<i>Margin of safety</i>	15%
Target Price (IDR)	1,630
Last Price (31 July)	IDR 1,340
Potential Upside (%)	22%

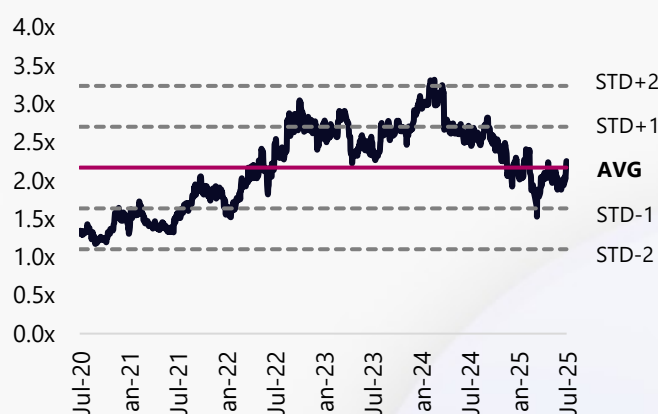
Source : KSI Research

Historical PE 5Y (Below AVG)



Source : KSI Research & Bloomberg

Historical PBV 5Y (range AVG)



Source : KSI Research & Bloomberg

Compare peers (Last update 29 July 2025)

Ticker	M.Cap	Last Price	1D	1W	1M	3M	6M	1Y	YTD	Beta	WACC	PBV	PE	ROE	DER	AVG	3M Value
AKRA	IDR 27.20T	1,355	2%	10%	16%	8%	20%	-12%	25%	0.70x	11.20%	2.30x	11.10x	21%	0.36x		31.70B
AVG									0.60x	10.4%	1.51x	13.3x	6%	0.7x		26.05B	
PGAS	IDR 39.51T	1,610	1%	1%	1%	-3%	0%	2%	14%	0.50x	10.10%	0.80x	8.30x	10%	0.35x		103.50B
RAJA	IDR 10.57T	2,500	0%	6%	4%	15%	-38%	100%	-6%	1.20x	13.00%	3.30x	25.80x	15%	0.67x		115.50B
SHIP	IDR 8.10T	2,980	0%	1%	2%	79%	222%	180%	205%	0.10x	9.00%	3.20x	32.40x	10%	1.12x		0.70B
BULL	IDR 1.95T	138	0%	-2%	-5%	18%	-3%	33%	15%	0.80x	11.10%	0.70x	13.00x	6%	0.85x		24.90B
SOCI	IDR 1.27T	180	0%	5%	5%	11%	16%	2%	9%	0.60x	9.30%	0.20x	5.30x	4%	0.43x		0.80B
HUMI	IDR 1.12T	62	0%	5%	15%	24%	24%	-16%	26%	0.10x	9.50%	0.40x	5.30x	8%	0.53x		5.00B
GTSI	IDR 0.62T	39	0%	-3%	-3%	-3%	-7%	11%	-8%	0.70x	10.80%	0.70x	5.20x	14%	0.31x		0.10B
LEAD	IDR 0.43T	74	0%	1%	4%	-4%	-20%	-20%	-24%	1.00x	9.70%	0.60x	5.40x	11%	1.76x		1.40B
KOPI	IDR 0.25T	364	0%	-1%	-3%	-63%	-53%	48%	-38%	0.10x	10.10%	3.70x	n.a	-34%	1.54x		2.00B
CGAS	IDR 0.17T	95	0%	3%	4%	-2%	-2%	-21%	-1%	0.80x	10.30%	0.70x	21.20x	3%	0.08x		1.00B

Source : KSI Research & Bloomberg

Financial Exhibits

Year-end 31 Dec (IDR Bn)	2022A	2023A	2024A	2025F	2026F	2027F
Revenue	47,540	42,087	38,729	43,067	48,142	53,895
Gross profit	4,253	4,473	3,509	4,111	4,595	5,144
Operating profit	3,124	3,498	2,534	3,068	3,508	4,018
EBITDA	3,519	3,909	2,979	3,563	4,061	4,637
Income before tax	3,087	3,687	2,839	3,304	3,721	4,449
Tax expenses	545	589	413	481	541	647
Minority interests	76.0	298.0	174.0	204.8	230.6	275.7
Net income	2,404	2,780	2,225	2,618	2,949	3,526
EPS (Full IDR)	122	141	113	133	149	179

The projection has been revised upward, with **top line growth expected at 11% y/y** (vs. previous 8%) and **bottom line growth at 17.7% y/y** (vs. previous 13.3%).

Balance sheet

Year-end 31 Dec (IDR Bn)	2022A	2023A	2024A	2025F	2026F	2027F
Cash and equivalents	4,338	6,536	5,366	4,522	9,124	8,709
Account receivables	5,971	6,403	7,563	7,739	8,651	9,685
Inventories	5,221	4,754	7,220	5,235	5,852	6,551
Fixed assets	5,583	6,084	7,158	8,062	8,973	9,893
Other assets	6,074	6,477	5,801	7,243	8,096	9,064
Total assets	27,187	30,254	33,108	32,801	40,696	43,903
S-T liabilities	572	1,175	1,193	1,103	1,213	1,336
Other S-T liabilities	10,709	11,359	12,261	12,891	19,774	21,308
L-T liabilities	2,445	3,454	4,124	3,943	4,028	4,230
Other L-T liabilities	307	224	906	231	245	268
Total liabilities	14,033	16,212	18,484	18,168	25,259	27,141
Equity	13,155	14,043	14,623	14,494	15,372	16,784
BVPS (Full IDR)	556	571	586	601	637	696

Cash Flows Statement

Year-end 31 Dec (IDR Bn)	2022A	2023A	2024A	2025F	2026F	2027F
Net Income	2,404	2,780	2,225	2,618	2,949	3,526
Depreciation	435	453	490	538	609	682
Change in working capital	270	(694)	2,727	(2,393)	(5,299)	261
Others	(3,215)	(1,368)	(8,569)	1,566	7,102	(4,661)
Operating cash flow	(106)	1,171	(3,127)	2,329	5,361	(192)
Capital expenditure	(636)	(1,187)	(1,022)	(1,176)	(1,314)	(1,471)
Others	11	(393)	1,014	(1,185)	(473)	(536)
Investing cash flow	140	(787)	23	(2,326)	(1,662)	(1,772)
Dividend paid	(1,480)	(2,467)	(1,974)	(1,974)	(1,974)	(1,974)
Net change in debt	(23)	1,009	670	(181)	85	202
Others	3,207	3,272	3,238	1,309	2,791	3,321
Financing cash flow	1,704	1,814	1,934	(847)	903	1,549
Effect of Foreign Exc. Rates	-	-	-	-	-	-
Change in cash	1,738	2,198	(1,170)	(844)	4,602	(415)
Beginning cash flow	2,600	4,338	6,536	5,366	4,522	9,124
Ending cash flow	4,338	6,536	5,366	4,522	9,124	8,709

Source : KSI Research & Bloomberg

Financial Ratio

Key Ratios	2022A	2023A	2024A	2025F	2026F	2027F
Revenue Growth (%)	85%	-11%	-8.0%	11.2%	11.8%	12.0%
Gross Profit Growth (%)	85%	5%	-21.6%	17.1%	11.8%	12.0%
Operating Profit Growth (%)	115%	12%	-27.5%	21.1%	14.4%	14.5%
EBITDA Growth (%)	93%	11%	-23.8%	19.6%	14.0%	14.2%
Net Profit Growth (%)	116%	16%	-20.0%	17.7%	12.6%	19.6%
EPS Growth (%)	116%	16%	-20.0%	17.7%	12.6%	19.6%
EBITDA margin (%)	7%	9%	8%	8%	8%	9%
EBIT margin (%)	7%	8%	7%	7%	7%	7%
Pretax margin (%)	6%	9%	7%	8%	8%	8%
Net margin (%)	5%	7%	6%	6%	6%	7%
ROE (%)	18%	20%	15%	18%	19%	21%
ROA (%)	9%	9%	7%	8%	7%	8%
Current ratio (x)	1.40x	1.45x	1.56x	1.31x	1.17x	1.15x
Quick ratio (x)	0.94x	1.07x	1.02x	0.94x	0.89x	0.86x
Interest Bearing Debt to equity (x)	0.23x	0.33x	0.36x	0.35x	0.34x	0.33x
DER (x)	1.07x	1.15x	1.26x	1.25x	1.64x	1.62x
DAR (x)	0.52x	0.54x	0.56x	0.55x	0.62x	0.62x
Interest Coverage (x)	62x	57x	35x	37x	44x	48x
Receivables turnover (x)	9	7	6	6	6	6
Receivables (days)	40	54	66	65	62	62
Cash Ratio	38%	52%	40%	32%	43%	38%
Sustainable Growth (%)	7%	2%	2%	4%	6%	9%
Earning Yield (%)	4.1%	2.9%	4.2%	8.1%	9.2%	11.0%
Dividend Yield (%)	1.0%	1.5%	4.6%	6.1%	6.1%	6.1%
PE (x)	24.5x	34.6x	24.0x	12.3x	10.9x	9.1x
PBV (x)	5.36x	8.53x	4.63x	2.71x	2.56x	2.34x
P/Sales (x)	1.24x	2.28x	1.38x	0.75x	0.67x	0.60x
EV/Ebitda (x)	16.34x	24.10x	17.94x	9.18x	6.97x	6.26x

Source : KSI Research & Bloomberg



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

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