

Buy

Initiation

Hartadinata Abadi (HRTA)

Capitalizing on solid volume growth and robust gold price; initiate with a Buy rating

Last Price (Rp)	418
Target Price (Rp)	600
Previous Target Price (Rp)	n.a
Upside/Downside	+43.5%

No. of Shares (mn)	4,605
Mkt Cap (Rpbn/US\$m)	1,925/125
Avg, Daily T/O (Rpbn/US\$m)	6.9/0.4
Free Float (%)	28.2

Major Shareholder (%)	
PT Terang Anugrah Abadi	71.0

EPS Consensus (Rp)			
	2024F	2025F	2026F
BRIDS	86.0	104.0	140.2
Consensus	n/a	n/a	n/a
BRIDS/Cons (%)	n/a	n/a	n/a

- Geopolitical conflicts and additional rate cuts are expected to keep gold prices elevated, as it is perceived as a safe haven.
- HRTA outpaced industry growth from FY17-23. For FY23-26F, we project a 28% NP CAGR, driven by volume (13%) and private brand expansion.
- Attractive valuation with a strong earnings outlook: We initiate coverage with a Buy rating and a TP of Rp600 (5.8x FY25F PE).

Geopolitical Risks and Rate Cuts to Drive Gold to Record Highs in 2024

We expect the rising volatility due to geopolitical conflicts and the expectation of further rate cuts in 4Q24 to keep gold prices elevated (>US\$2500/ oz) due to its perceived safe haven asset. Between FY17 and FY23, the price of gold increased by 8% CAGR in USD terms and 11% in Rupiah terms.

HRTA's Growth Outpaces Industry with Strong Sales and Export Mkt Expansion

Demand for jewelry and gold products in Indonesia declined by -4.8% and -8% CAGR between FY10 and FY23. However, HRTA managed to increase its market share from 7.5% in FY17 to 18.5% in FY23, driven by a sales volume CAGR of 19.6%, significantly outperforming the industry's CAGR of -4%. HRTA began selling gold bars in FY19 and entered the export market in FY23, both of which supported robust volume growth. Combined with a 9.9% ASP CAGR between FY17 and FY23, HRTA reported an 18.5% net profit CAGR despite increasing contribution from lower margin products.

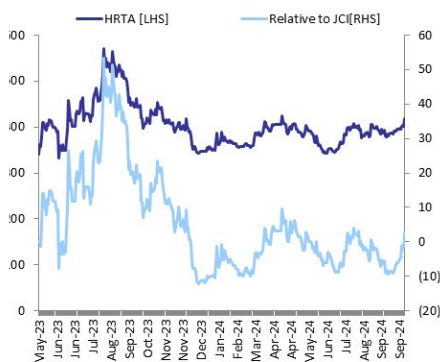
Gold Price and Private Brand to fuel HRTA's FY23-26 NP CAGR of 28%

We estimate HRTA's sales volume to grow at a 13.3% CAGR from FY23-26F, primarily driven by pure gold sales (65-72% of total FY24-26 volume). We expect gold prices to rise by an 8% CAGR over the FY23-26 period (based on Bloomberg consensus), supporting a 21% revenue CAGR. To increase the contribution from private brands, HRTA is collaborating with Swarovski for new product launches, offering unique jewelry designs, and promoting the sales of EMASKU gold bars, which will gradually improve margins. Combined with loan refinancing, we forecast strong NP CAGR of 28% for FY23-26F.

Attractive Valuation: HRTA Poised for Strong Growth Amid Gold Price Gains

We initiate coverage on HRTA with a SOTP-based TP of Rp600, implying an FY25F PE of 5.8x. We believe HRTA stands to benefit from rising gold prices while capitalizing on its gold retail business. At the current price, it trades at an attractive valuation, with an FY25F PE of 4x, and projected FY24-25F net profit growth of 29% and 21% yoy, respectively. Risks to our outlook include lower-than-expected sales volumes, an unfavorable product mix leading to reduced margins, and a downgrade in bond ratings.

HRTA relative to JCI Index



Source: Bloomberg

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Key Financials

Year to 31 Dec	FY22A	FY23A	2024F	2025F	2026F
Revenue (Rpbn)	6,918	12,857	17,382	19,742	22,980
EBITDA (Rpbn)	570	735	855	947	1,126
EBITDA Growth (%)	28.3	29.1	16.3	10.8	18.9
Net Profit (Rpbn)	254	306	395	478	645
EPS (Rp)	55.1	66.4	85.8	103.8	140.0
EPS Growth (%)	30.4	20.6	29.2	20.9	34.9
BVPS (Rp)	372.9	427.1	498.5	583.5	700.9
DPS (Rp)	10.0	12.0	14.5	18.7	22.6
PER (x)	7.6	6.3	4.9	4.0	3.0
PBV (x)	1.1	1.0	0.8	0.7	0.6
Dividend yield (%)	2.4	2.9	3.5	4.5	5.4
EV/EBITDA	5.0	5.2	4.2	3.2	2.5

Source: HRTA, BRIDS Estimates

Capitalizing on solid volume growth and robust gold price; initiate with a Buy rating

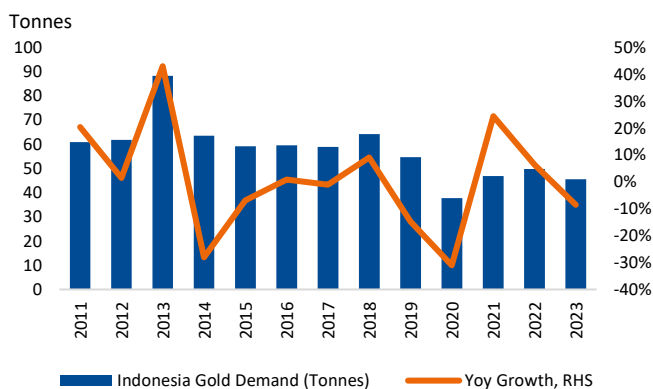
Indonesia’s Gold Demand and Price Dynamics Amidst Global Uncertainty

Based on data from the World Gold Council, by the end of FY23, the demand for gold products in Indonesia reached 45.3 tonnes. We note that the CAGR for Jewelry sales from FY10-23 was -4.8%, while gold bars also experienced a decline of -8% during the same period. Meanwhile, the price of gold increased at 3.2% CAGR in USD terms and 7.3% in Rupiah terms over the same time frame.

Gold is perceived as a safe haven for storing value amidst uncertainty and geopolitical conflicts. We observed a strong negative correlation between the price of gold and Indonesia’s household consumption, as well as the depreciation of Rupiah, over the FY08-23 period. Conversely, the demand for Jewelry showed a positive correlation with household consumption. According to data from Indonesia’s Central Bank, the proportion of excess income allocated to Gold purchases has risen from 17-20% of total spending between FY17 and FY19 to 23-30% in FY23-24 Ytd.

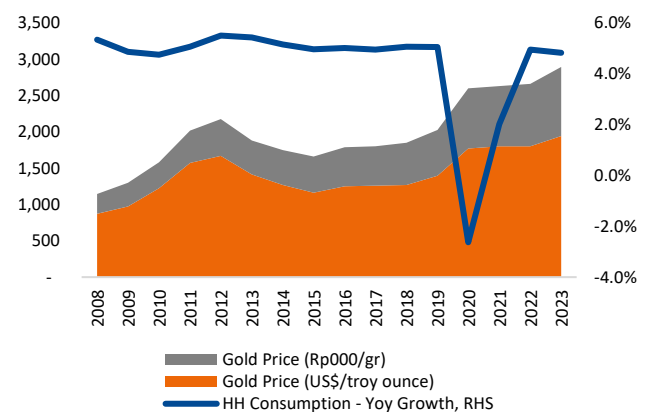
Following the Federal Reserve’s 50bps rate cut in Sept24, gold prices reached a new high of US\$2,599/troy ounce. Expectations of further cuts in 4Q24 are likely to support gold prices going forward. Additionally, ongoing geopolitical conflicts are contributing to global market uncertainty, driving increased demand for gold products.

Exhibit 1. Indonesia Gold Demand



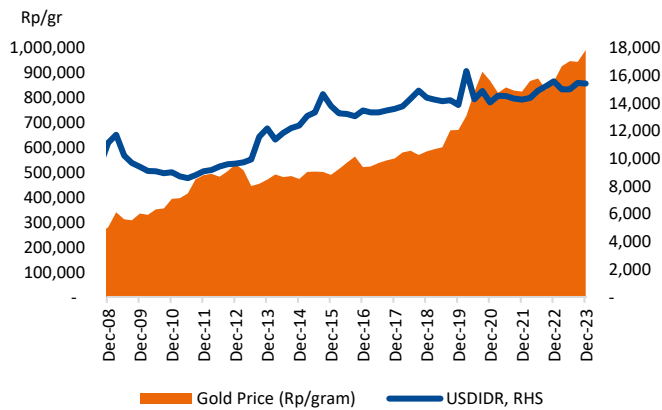
Source: World Gold Council

Exhibit 2. Gold Price USD and Rupiah to HH Consumption



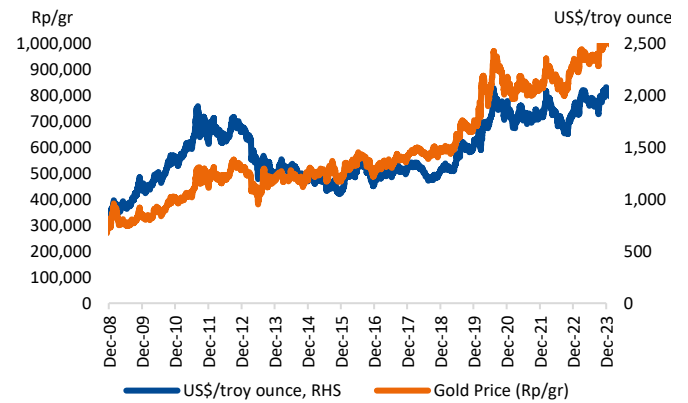
Source: World Gold Council, BPS

Exhibit 3. Gold Price to Rupiah Movement, FY08-23



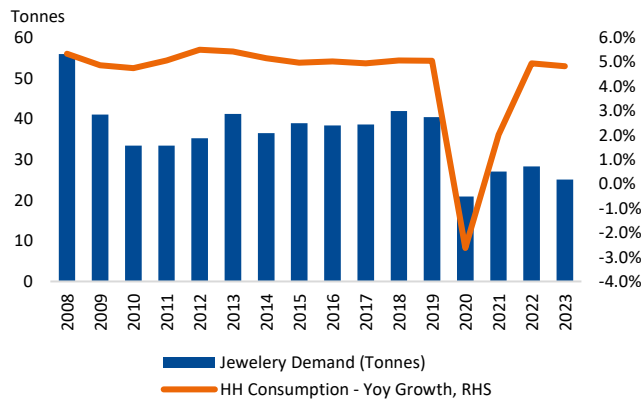
Source: World Gold Council, Bloomberg

Exhibit 4. Gold Price in Rupiah and USD, FY08-23



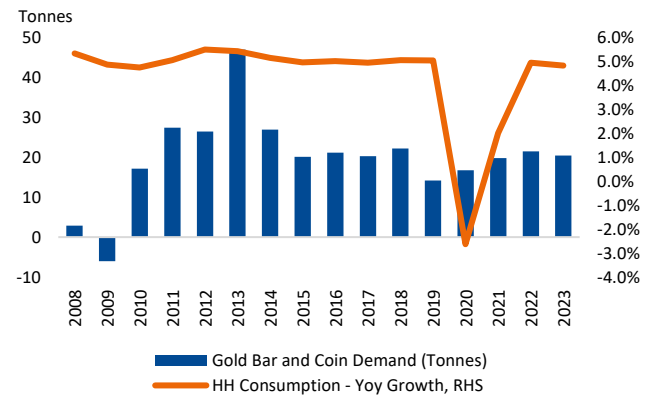
Source: World Gold Council

Exhibit 5. Jewellery Demand vs Household Consumption, FY08-23



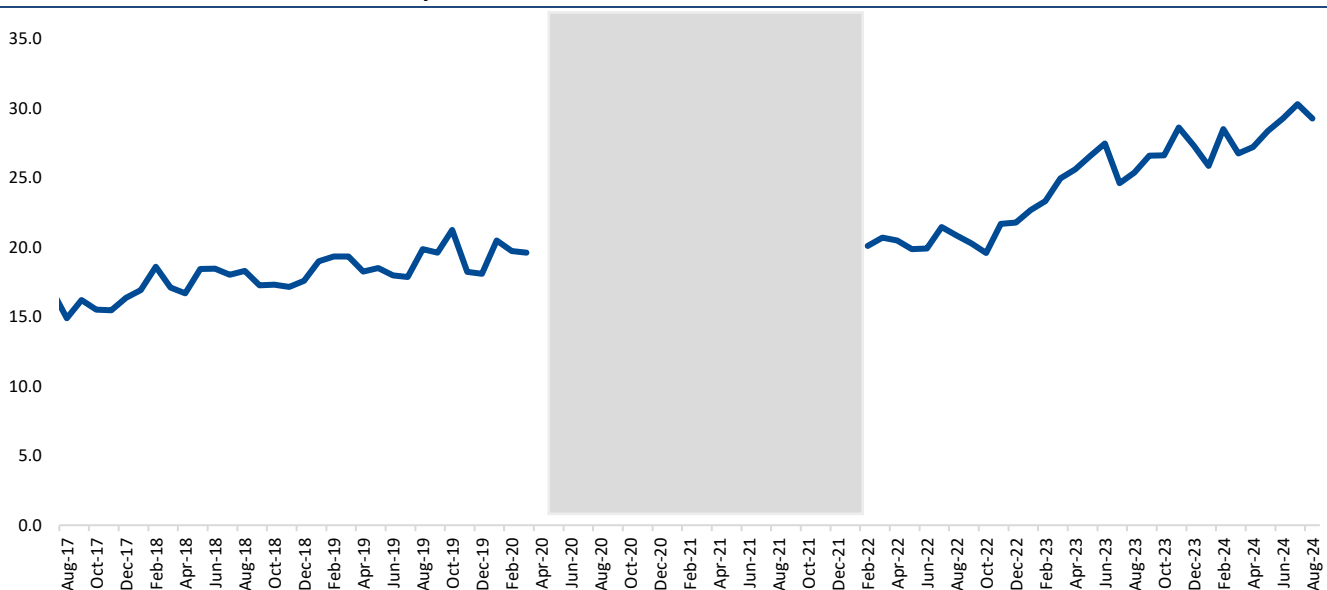
Source: World Gold Council, BPS

Exhibit 6. Gold Bar Demand vs Household Consumption, FY08-23



Source: World Gold Council, BPS

Exhibit 7. Income Allocation Plan to Buy Gold for The Next 12M



Source: Bank Indonesia (Gray area: No surveys conducted during this period)

Hartadinata Abadi (HRTA)

Indonesia’s Leading Gold Retailer and Manufacturer

Hartadinata Abadi (HRTA) is the only publicly listed gold retailer and manufacturer in Indonesia, with over 30 years of experience in the local market. HRTA operates an integrated business model, encompassing the upstream (refining), midstream (manufacturing), and downstream sectors (distribution, retail stores, and pawn services). The company operates 4 factories for jewelry and gold bar manufacturing, with a total production capacity of 30 tons per year. Additionally, HRTA launched a refinery facility in early FY23 with a capacity of 13.5 tons.

For marketing and distribution, the company collaborates with over 80 wholesalers and 900 retail jewelry stores across Indonesia. HRTA also owns 85 jewelry stores under the brands Hartadinata Abadi Store, ACC, Celine Jewelry, and Claudia Perfect Jewelry.

HRTA’s refinery business processes raw materials (gold with a content of less than 20%) for gold refining into higher-purity products. The output from the refinery is used as raw materials for other gold products.

Exhibit 8. Factories and Refinery, Capacity and Products



Source: Company

The company offers a wide range of jewelry with gold content ranging from 30% to 75%, as well as gold bars (content 91.6% to 99.99%). For its jewelry lines, HRTA customizes designs to create attractive products for customers. Some of the company’s key brands include:

- Ardore
- Gold bar EMASKU: available in weights from 125grams to 1kg, these bars comply with ISO 90001 (quality management), ISO14001 (environmental management) and ISO 45001 (occupational health and safety management) standards.

HRTA differentiates itself in the Indonesian gold market with EmaskITA a 99.99% pure gold bar created in partnership with an ANTM subsidiary. Unlike competitors who use certicard technology, EmaskITA features BullionProtect® technology from METALOR, allowing customers to handle the gold bars directly without sacrificing security. It also includes a QR code linked to augmented reality (AR) for real-time verification. HRTA guarantees a buyback at the official daily price, even if the packaging is damaged, as long as the BullionProtect® is intact. With widespread availability in gold stores and online platforms, EmaskITA reflects HRTA’s commitment to enhancing customer experience in gold investment.

Through its subsidiary, PT Gemilang Hartadinata Abadi, the company also operates a pawn business with 91 pawnshop units located in West Java, East Java, West Nusa Tenggara, East Nusa Tenggara, South Sulawesi and DKI Jakarta. However, the pawn business contributed only 0.5% of HRTA 1H24’s revenue.

Exhibit 9. HRTA’s Products



Emasku Gold Bar 100gr



Ardore – Shine Collection



Ardore – Miracle Collection



Emasku Moment Collection

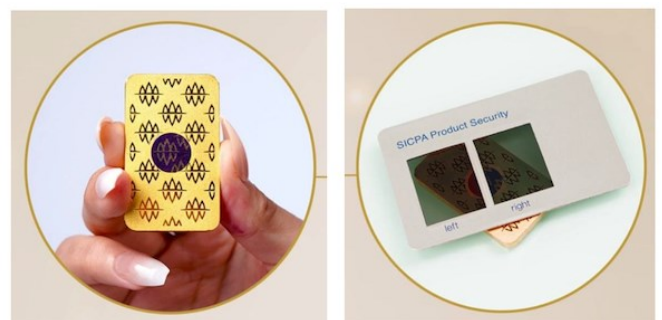
Source: Company

Exhibit 10. Bullion Protection Packaging



Source: Company

Exhibit 11. Detail on Product Security



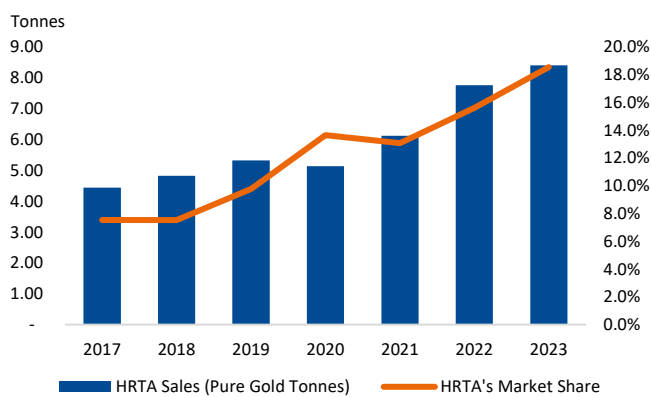
Source: Company

HRTA’s Strong Market Growth Amid Industry Decline, Driven by Gold Bar Sales

Between FY17 and FY23, HRTA reported strong sales volume with CAGR of 19.6%, significantly outperforming the industry’s decline of -4% CAGR over the same period. As a result, HRTA’s market share increased from 7.53% in FY17 to 18.52% in FY23 (according to the World Gold Council).

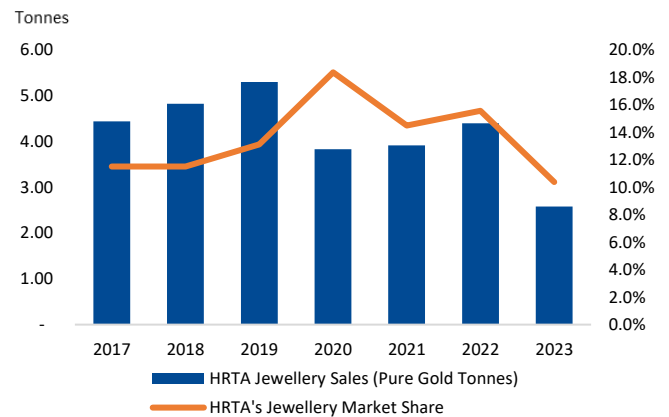
By product segment, HRTA’s gold bar sales (which began in FY19) grew fivefold to 5.82 tonnes, raising its market share to 28.5% in FY23. However, jewelry sales volume declined at a CAGR of -8.6% between FY17 and FY23. This decline was due to weakened purchasing power and rising gold prices, which increased by 8% in USD terms and 11% in Rupiah terms.

Exhibit 12. HRTA Total Sales Volume and Market Share



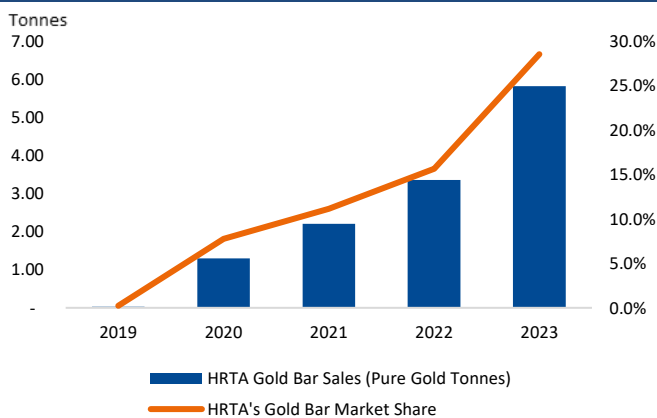
Source: Company

Exhibit 13. HRTA’s Jewelry Sales Volume and Market Share



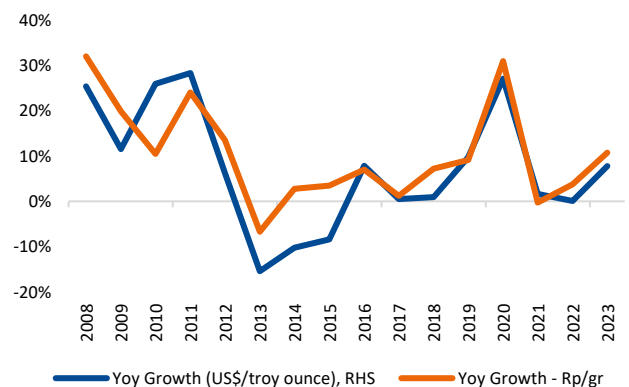
Source: Company

Exhibit 14. HRTA’ Sales Volume Gold Bar and Market Share



Source: Company

Exhibit 15. Yoy Growth Gold Price in USD and Rp

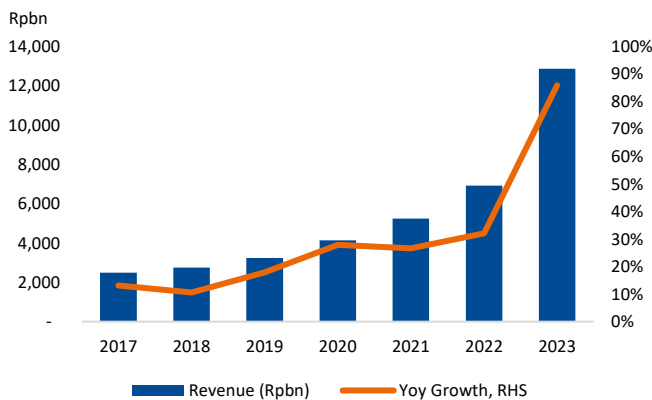


Source: World Gold Council

Between FY17 and FY23, HRTA reported a strong revenue CAGR of 31.5%, primarily driven by higher sales volume (19.6% CAGR), alongside a 9.9% CAGR increase in gold prices during the same period. By sales channel, most of HRTA’s products were distributed through wholesale and retail, with export starting in FY23.

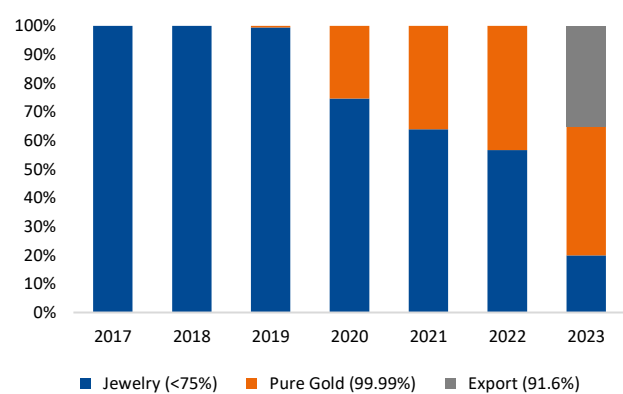
From FY17 to FY19, HRTA focused on jewelry products, which offer higher margins (high single digit to low teens) compared to pure gold (mid to high single digit) and the export market (low single digit). However, the jewelry business is sensitive to economic conditions, as reflected in the decline in jewelry sales from FY20 to FY23, with sales volume not yet returning to pre-pandemic levels. Economic uncertainty has led to greater demand for gold bar products, prompting HRTA to capitalize on this opportunity. As a result, the contribution of gold bar sales to total revenue rose from 1% in FY19 to 45% in FY23.

Exhibit 16. Revenue, FY17-23 and Yoy Growth



Source: Company

Exhibit 17. Sales Volume Contribution by Product, FY17-23



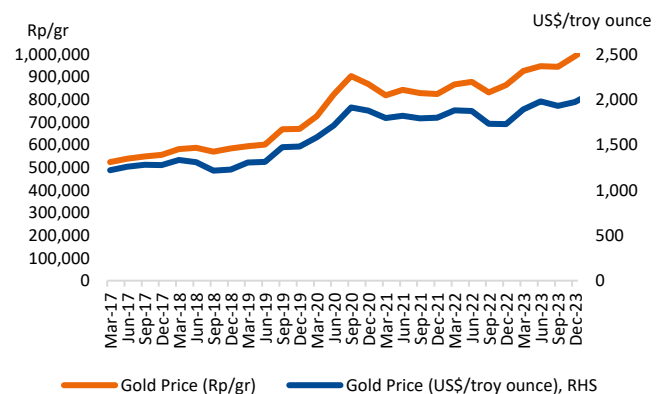
Source: Company

Exhibit 18. Revenue Contribution by Channel, FY17-23



Source: Company

Exhibit 19. Gold Price in USD and Rupiah, FY17-23



Source: World Gold Council

In FY23, HRTA began exporting semi-finished products with 91.6% gold content to India and Dubai, contributing 33% to FY23 revenue. Although exports offer lower margins compared to jewelry and gold bar products, they support cash flow due to their advance payment terms. Going forward, the company plans to expand exports to Asian countries, Europe, and the United States.

HRTA also operates a pawn business with a total of 91 stores by the end of FY23, offering a higher margin of 1.7-2.2% monthly. Although the pawn business contributes only 0.1-0.2% to HRTA’s total revenue, it has a promising outlook. It complements HRTA’s core operations and provides higher margins compared to manufacturing and gold retailing.

Exhibit 20. Pawn Stores Under HRTA



Source: Company

Exhibit 21. HRTA’s SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> The company's integrated midstream-to-downstream operations ensure secure and consistent supply management. A broad omni-channel ecosystem enhances the company’s market availability, offering both physical and digital purchasing options. The company uniquely offers products with Bullion Protect technology for enhanced security. Gold and jewelry provide a stable investment, particularly during economic uncertainty. 	<ul style="list-style-type: none"> Negative operating cash flow from receiving gold as the payment (receivable). High dependency on debt to sustain working capital.
Opportunities	Threats
<ul style="list-style-type: none"> Higher gold prices are boosting the company's revenue. The company is in the process of obtaining LBMA certification to enhance credibility. It is expanding its reach by channeling products to more export markets. Innovative jewelry products are driving stronger sales 	<ul style="list-style-type: none"> Economic downturn will negatively impact purchasing power and demand on jewelry products. Intensifying competition, competitors could replicate innovation (i.e Bullion Protect). Regulatory challenges from export countries.

Source: BRIDS

1H24 result summary

In 1H24, HRTA reported a revenue growth of 33.5% yoy, primarily driven by a 19% yoy increase in sales volume. HRTA experienced a recovery in jewelry sales volume in 2Q24. The company introduced new product innovations under its Ardore brand, which features several new designs such as Pandora-style, charms, and glow-in-the-dark jewelry (Exhibit 22) in the K300 (8-carat) category. This resulted in a 34% yoy growth in 2Q24 jewelry sales volume. Meanwhile, 2Q24 pure gold sales grew by 23% yoy, largely driven by HRTA's EMASKU gold bars, which began offering micro bars as small as 0.1 gram. However, export sales declined by 56% yoy, as the company plans to be more selective with export products, focusing on those that offer greater value added for better margins in the future.

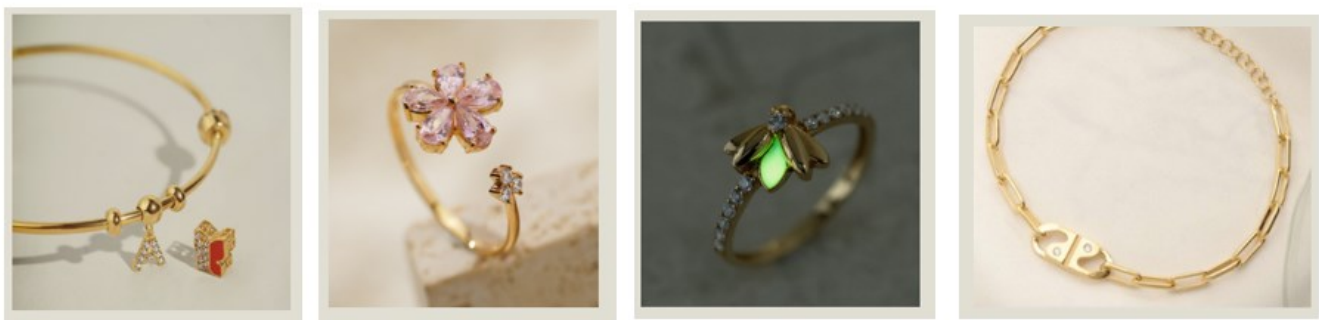
Higher contribution from pure gold (62% of revenue in 1H24) led to a lower gross margin of 6.3%. Despite this, with operating expenses remaining manageable at 1.26% of revenue, HRTA posted a 1H24 net profit of Rp206bn (+10.8% yoy), though with a reduced net margin of 2.5%.

Exhibit 22. 1H24 Earnings Result

HRTA II (Rpbn)	1H23	1H24	yoy	2Q23	1Q24	2Q24	qoq	yoy	2024F
Revenue	6,175	8,241	33%	4,057	4,017	4,224	5%	4.1%	17,382
COGS	5,671	7,722	36%	3,758	3,759	3,964	5%	5.5%	16,287
Gross profit	504	519	3%	299	259	260	1%	-12.9%	1,095
Opex	113	110	-2%	64	56	54	-4%	-15.6%	273
Operating profit	386	406	5%	230	203	203	0%	-11.8%	814
Pretax profit	240	265	10%	150	133	132	-1%	-11.7%	512
Net profit	186	206	11%	116	103	103	0%	-11.0%	395
Gross margin	8.2%	6.3%		7.4%	6.4%	6.2%			6.3%
Opex to revenue	1.8%	1.3%		1.6%	1.4%	1.3%			1.6%
Operating margin	6.3%	4.9%		5.7%	5.1%	4.8%			4.7%
Net margin	3.0%	2.5%		2.9%	2.6%	2.4%			2.3%

Source: Company, BRIDS Estimates

Exhibit 23. New Product Innovation In 2024



Source: Company

HRTA’s Unique Receivables Model and Its Impact on Cash Flow and Margins

Unlike other retailers or manufacturers, HRTA receives payments (receivables) from wholesalers and retailers in the form of gold, either as scrap or dore (gold with less than 20% purity).

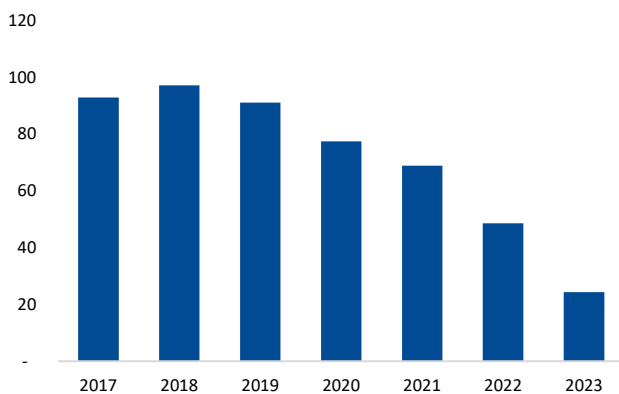
As a result, receivables days ranged from 48 to 100 days between FY17 and FY22, depending on the product mix and sales channel. Sales through wholesale channels and gold bars tend to result in shorter receivable days (around 30 days), compared to retail and jewelry sales, which can extend up to 90 days. In FY23, receivable days improved to 24 days due to the higher contribution of gold bar sales to the export market, which accounted for 33% of total FY23 sales volume.

Additionally, receivables are converted into inventory for further processing into jewelry and gold/micro bar products. Consequently, HRTA has continued to report negative operating cash flow and has been increasing debt to support its working capital needs.

To manage cash flow, HRTA began expanding into export markets in FY23, which provide payments in advance and on a cash basis. However, margins on exports and gold bars are relatively lower compared to those of jewelry products.

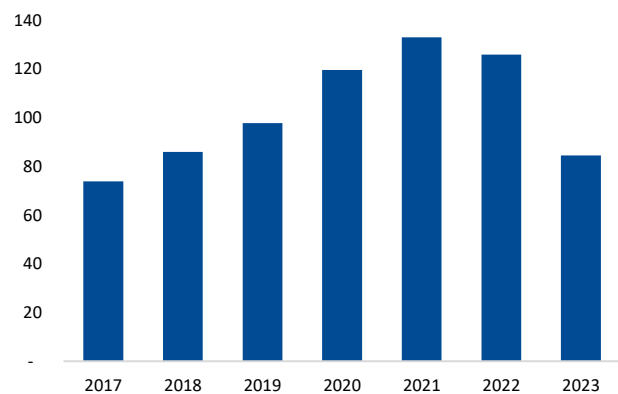
The shift in product contribution led to a decline in gross margin from 9% in FY17 to 7.4% in FY23. Strong sales growth has partially offset increasing financing costs from higher leverage, resulting in a net profit CAGR of 18.5% for the FY17-23 period.

Exhibit 24. Receivable Days



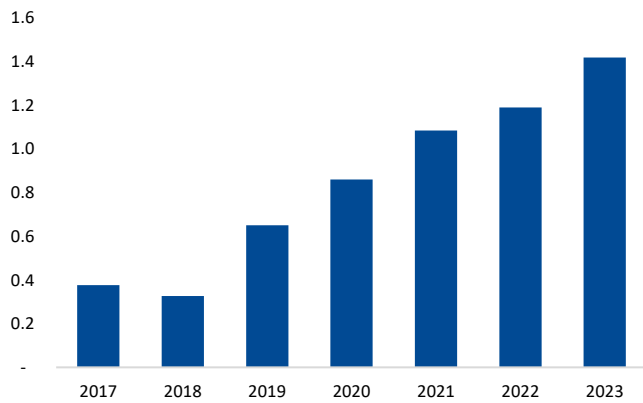
Source: Company

Exhibit 25. Inventory Days



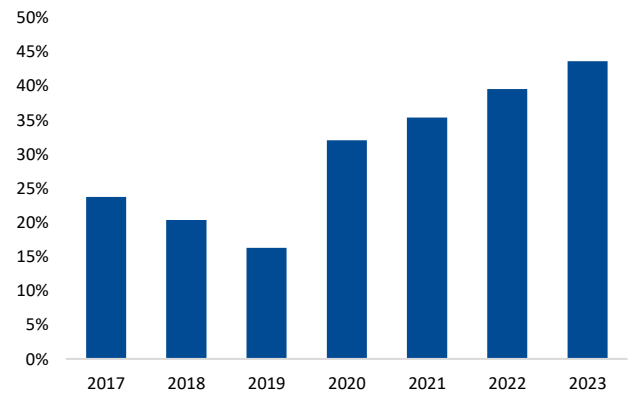
Source: Company

Exhibit 26. Gearing ratio



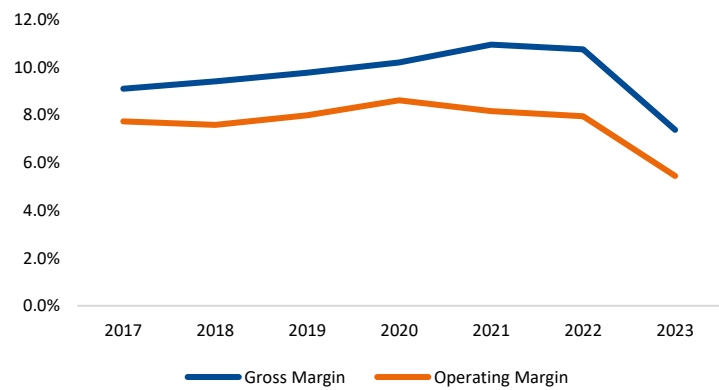
Source: Company

Exhibit 27. Finance Cost as % of Operating profit



Source: Company

Exhibit 28. Gross and Operating Margins, FY17-23



Source: Company

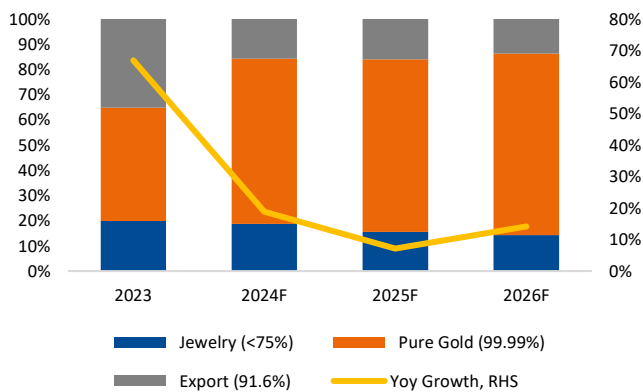
Pure Gold Sales and New Jewelry products: HRTA’s strategy for 2024-26

In 3Q24, the company partnered with Swarovski as an official collaborator to launch new products featuring Swarovski crystals. This collaboration is expected to generate excitement for HRTA’s upcoming jewelry product line, allowing the company to offer products at a higher price point compared to its other brands. Additionally, the continued strong contribution from EMASKU gold bar in 3Q24 vs. EmaskITA gold bar (from Antam) will support margins as EMASKU does not incur a management fee.

We estimate HRTA’s sales volume to grow at a 13.3% CAGR from FY23 to 2026F, primarily driven by pure gold sales, which are expected to contribute 65-72% of total sales volume during FY24-26F. According to Bloomberg consensus, gold prices are projected to rise by 8% CAGR over the FY23-26 period. Intensifying geopolitical conflicts in the Middle East and Ukraine – Russia, as well as expectations of further rate cuts in US markets, will further support gold prices going forward. As a result, we anticipate jewelry sales to grow at a modest 1% CAGR during FY23-26F, while pure gold (micro/gold bar) sales are expected to achieve robust growth of 33% CAGR over the same period. Exports are projected to contribute approximately 14-16% to total revenue.

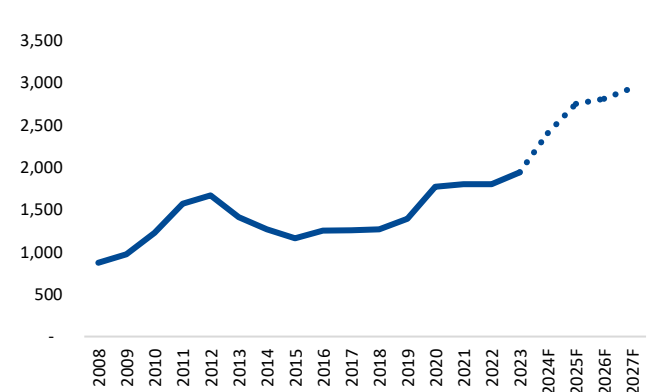
The company is also in the process of applying for LBMA certification, which is expected to be completed by the end of 2025. This certification will further boost the sales volume of its gold and micro bar products.

Exhibit 29. Sales Volume and Yoy Volume, FY23-26F



Source: Company

Exhibit 30. Gold Price Forecast



Source: Bloomberg

Sustained Margins and Revenue Growth Outlook; We Estimate FY23-26F Net Profit CAGR of 28%

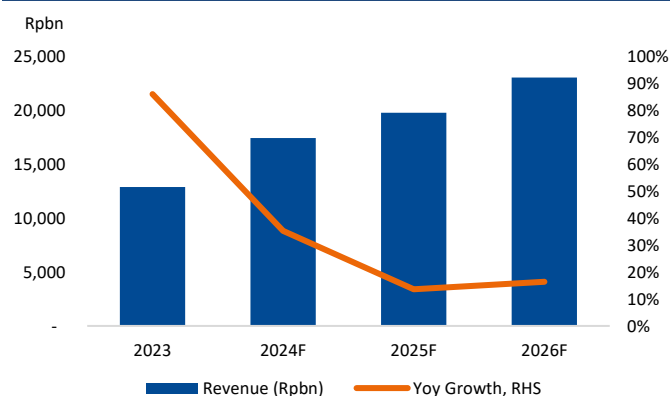
By the end of Sept24, gold spot prices had reached USD2,699/t oz, while ANTM’s gold bar was priced at approximately Rp1.5mn/gram. We are using Bloomberg’s consensus median estimate of US\$2,287/t oz for FY24, which translates to an average of Rp1.1mn/gram. For 2025, Bloomberg projects a 6% yoy increase in gold prices, and for 2026 and beyond, we assume a 2% yoy growth in gold prices.

With solid volume growth and higher gold prices, we estimate HRTA’s revenue to grow at a CAGR of 21% within FY23 to FY26F (15% CAGR for 2024-26F). For FY24F, we expect HRTA to maintain its gross margin at 6.3%, the same level achieved in 1H24. This is supported by the anticipated recovery in jewelry sales in 2H24, driven by new product launches, including the collaboration with Swarovski, as well as increased contributions from EMASKU, HRTA’s gold/micro bar. This jewelry and EMASKU products are expected to sustain the gross margin, as they generate higher margins compared to those of products from ANTM and exports.

However, as we project a larger proportion of sales from pure gold products and exports (with a combined contribution of around 84-86% to FY25-26F revenue), we conservatively trim the gross margin forecast by 20bps to 6.1%. Potential margin improvements could come from higher sales of micro bars and increased contributions from retail stores. HRTA expects retail stores to account for 22.5% and 25% of FY25-26F revenues, up from 8-15% of total revenues during FY17-23.

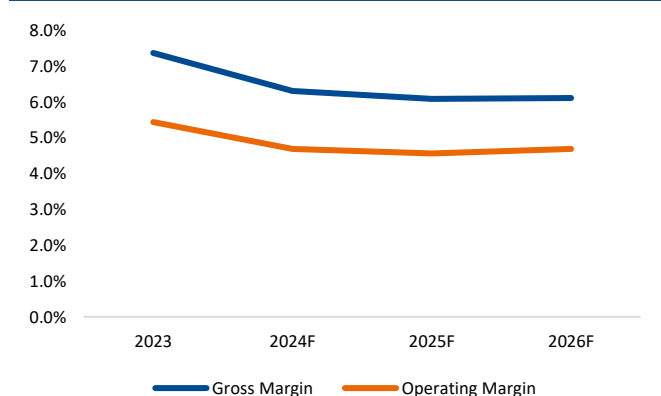
We anticipate lower opex due to reduced management fees driven by a higher contribution from EMASKU. In 2024, the company refinanced its Rp600bn bonds, due in December 2024 (with an 11% interest rate), by issuing new bonds with a higher rating (id AAA) and lower interest rates (ranging from 6.75% to 7.75%). As the company plans to continue refinancing its bank loans into bonds starting in 2025, we estimate a reduction in HRTA’s effective interest rates by 120bps in 2025 and 30bps in 2026, resulting in lower financing costs. This is expected to drive strong net profit growth for FY23-26F, with a CAGR of 28%.

Exhibit 31. Revenue and Yoy Growth, FY23-26F



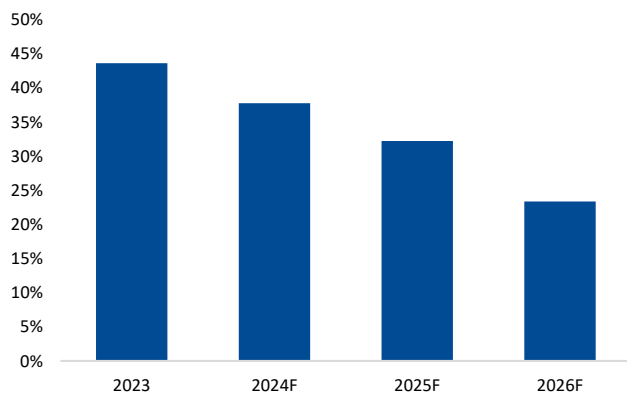
Source: Company, BRIDS Estimates

Exhibit 32. Gross Margin and Operating Margin, FY23-26F



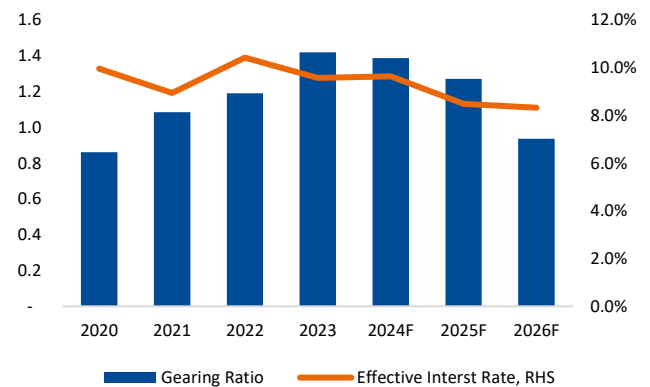
Source: Company, BRIDS Estimates

Exhibit 33. Finance Cost as % of Operating Profit, FY23-26F



Source: Company, BRIDS Estimates

Exhibit 34. Effective Interest Rate and Gearing Ratio



Source: Company, BRIDS Estimates

Valuation and recommendation

We initiate coverage on HRTA with a SOTP-based TP of Rp600, implying FY25F PE of 5.8x. At the current price, HRTA is trading at FY25-26F PE of 4x and 3x, respectively. Compared to regional gold manufacturers and retailers, HRTA is smaller in size and trades at the lower end of the PE and PB valuation ranges. Additionally, its ROE and operating margins are lower compared to regional peers. When compared to domestic retailers, HRTA's operating margin is closer to MIDI's but lower than ACES and MAP group.

We believe several initiatives introduced by the company provide potential for further improvements in operating leverage, driven by the increasing contribution of private brands, new products and design innovations, and a long-term goal to expand its pawn business.

HRTA will continue to capitalize on its gold retail business, from midstream to downstream, benefiting from the expected rise in gold prices amid ongoing global uncertainty. Additionally, the company's ability to offer unique jewelry designs, its collaboration with Swarovski, and the innovation of Bullion Protect gold bar products are expected to sustain future sales volume.

HRTA is a small-cap company with negative operating cash flow due to the nature of its business—receivables in gold, utilizing them as raw materials, and maintaining a certain level of inventory gold (around 25-35% of total annual sales volume). Despite this, the company reported a solid net profit CAGR of 18.5% from FY17 to FY23, and we anticipate another strong 28% CAGR for FY23-26, driven primarily by increasing sales volume, particularly in gold bars. We also expect ROE to continue its upward trajectory through 2024-26, supported by higher asset turnover and stable net margins.

Risks to our outlook include lower-than-expected sales volume, an unfavorable product mix leading to lower margins, and a lower bond rating, which could result in higher financing costs.

Exhibit 35. SOTP Valuation

	Ownership	Effective ownership Rp bn	Contribution	Method
Gold retail	100%	1,745.0	34%	DCF, WACC 7.75%, Terminal growth 3%
Pawn business	99%	334.6	6%	
Gold asset (AR, Inventory)	100%	3,085	60%	Asset value of Gold at 1H24
Net Debt - FY25		(2,561)		
Total EV		2,604		
Equity value/share (Rp)		600.0		

Source: BRIDS Estimates, Bloomberg

Exhibit 36. Assumptions table

	Unit	FY22	FY23	2024	2025	2026
Sales volume	yoy	26.8%	66.9%	18.8%	7.1%	14.2%
Gold price	USD/t oz	1,800	1,941	2,287	2,425	2,474
<i>yoy growth</i>		0%	8%	18%	6%	2%
ASP	Rp mn/gram	0.88	0.99	1.12	1.19	1.22
<i>yoy growth</i>		4%	12%	14%	6%	2%
USD IDR - avg	IDR	14,848	15,665	15,300	15,300	15,300
<i>yoy growth</i>		4%	6%	-2%	0%	0%

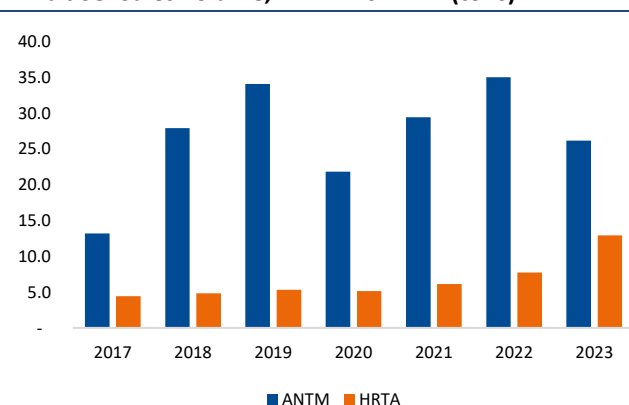
Source: BRIDS Estimates, Bloomberg

Exhibit 37. ROE – Dupont Formula

	FY22	FY23	2024	2025	2026
Net margin (%)	3.7	2.4	2.3	2.4	2.8
Sales/avg assets	1.9	2.9	3.2	3.2	3.5
Avg asset/ avg equity	2.3	2.4	2.5	2.5	2.2
ROE (%)	15.7	16.6	18.5	19.1	21.8

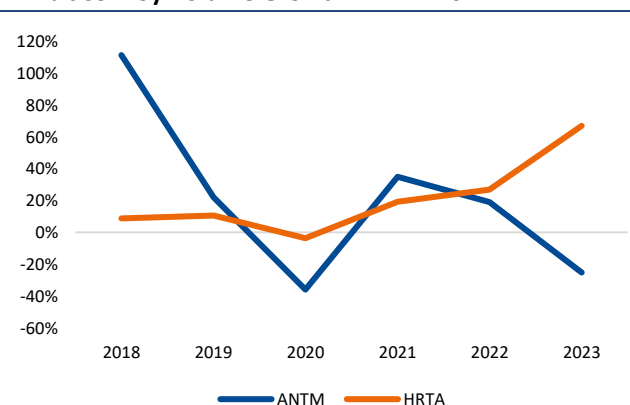
Source: BRIDS Estimates, Bloomberg

Exhibit 38. Sales volume, ANTM vs HRTA (tons)



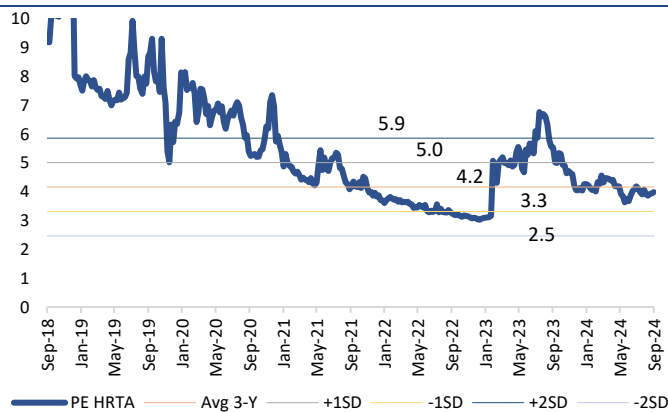
Source: Company

Exhibit 39. YoY Volume Growth: ANTM Vs HRTA



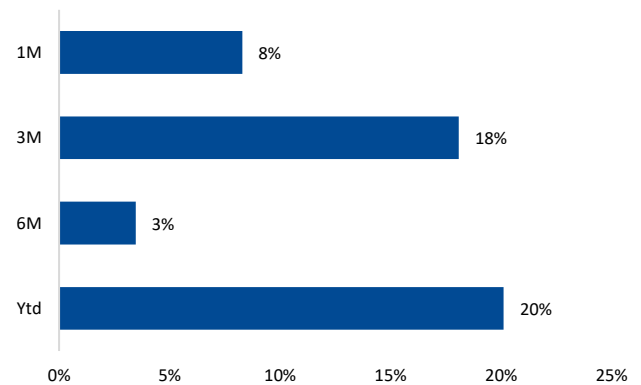
Source: Company

Exhibit 40. HRTA's PE Band



Source: Bloomberg, BRIDS Estimates

Exhibit 41. Share Price Performance



Source: Bloomberg, BRIDS

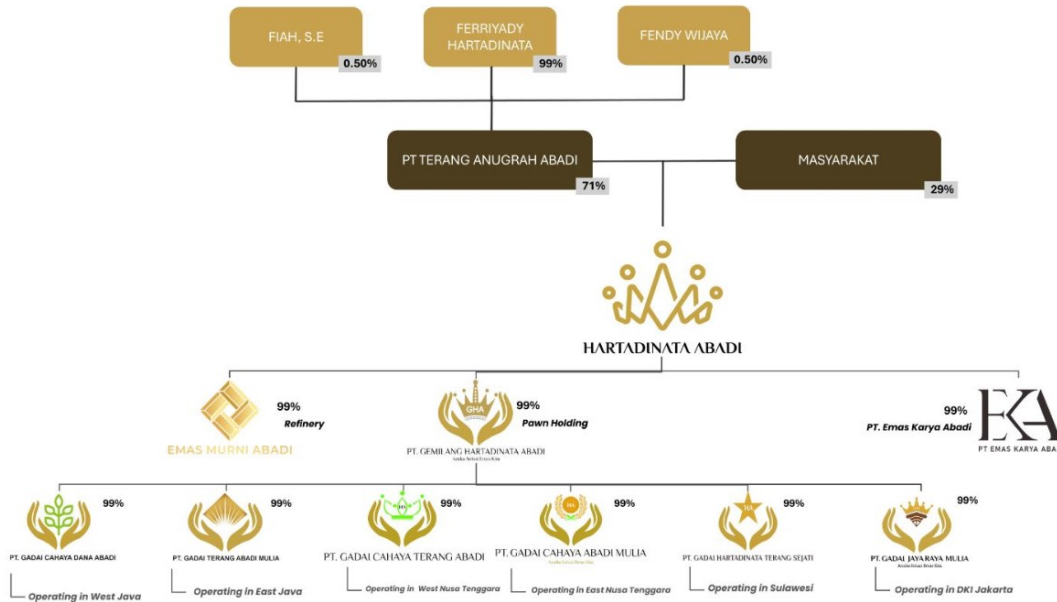
Exhibit 42. HRTA's Peer Comparison

Ticker	Name	Market Cap (USD Bn)	P/E (x)		P/B (x)		ROE (%)	Net profit		Operating margin		Net Margin	
			2024F	2025F	2024F	2025F		2024F	2017-23 CAGR	2023-26F CAGR	2023	2024	2023
HRTA IJ equity	HARTADINATA ABADI	0.12	4.6	3.8	0.8	0.7	18.6	18.5	28.2	4.7	4.6	2.3	2.4
Regional Gold manufacturer and retail													
1929 HK Equity	CHOW TAI FOOK JEWELLERY GROUP	10,159	10.1	11.1	2.4	2.8	23.3	9.7	13.1	8.5	9.9	5.7	7.1
590 HK Equity	LUK FOOK HOLDINGS INTL LTD	1,193	5.1	5.7	0.7	0.7	14.1	3.8	12.7	13.2	14.3	10.7	11.8
002867 CH Equity	CHOW TAI SENG JEWELLERY CO-A	1,904	10.0	8.8	1.9	1.7	19.0	13.3	8.2	11.0	9.6	8.1	7.5
TTAN IN Equity	TITAN CO LTD	40,556	93.3	84.6	23.4	26.7	27.6	25.0	14.9	11.7	10.1	8.6	7.4
KALYANKJ IN Equity	KALYAN JEWELLERS INDIA LTD	8,755	117.5	87.9	17.5	15.1	16.0	29.8	39.3	6.1	5.8	3.1	3.5
PNJ VN Equity	PHU NHUAN JEWELRY JSC	1,359	15.7	12.9	2.9	2.5	20.9	17.2	15.2	7.6	7.0	5.9	5.4
Regional average			77.6	68.1	17.8	19.6	24.7	22.3	17.7	10.3	9.5	7.3	6.9
Domestic retailers													
MAPI IJ Equity	MITRA ADIPERKASA	1.9	15.5	12.8	2.5	2.1	17.9	33.5	13.2	9.1	9.7	5.2	5.6
MAPA IJ Equity	MAP ACTIVE	1.8	19.4	16.3	3.9	3.2	22.0	30.0	11.2	11.9	12.4	8.6	8.8
ACES IJ Equity	ASPIRASI HIDUP INDONESIA	1.0	18.0	16.4	2.3	2.2	13.2	(0.3)	11.3	11.1	10.9	9.9	9.7
MIDI IJ Equity	ALFAMIDI	1.0	23.9	19.6	3.4	3.1	15.2	30.9	19.2	4.3	4.4	3.0	3.2
Domestic retailers avg			18.7	15.7	3.1	2.6	17.8	25.9	13.3	9.5	9.8	6.7	6.9

Source: BRIDS Estimates, Bloomberg

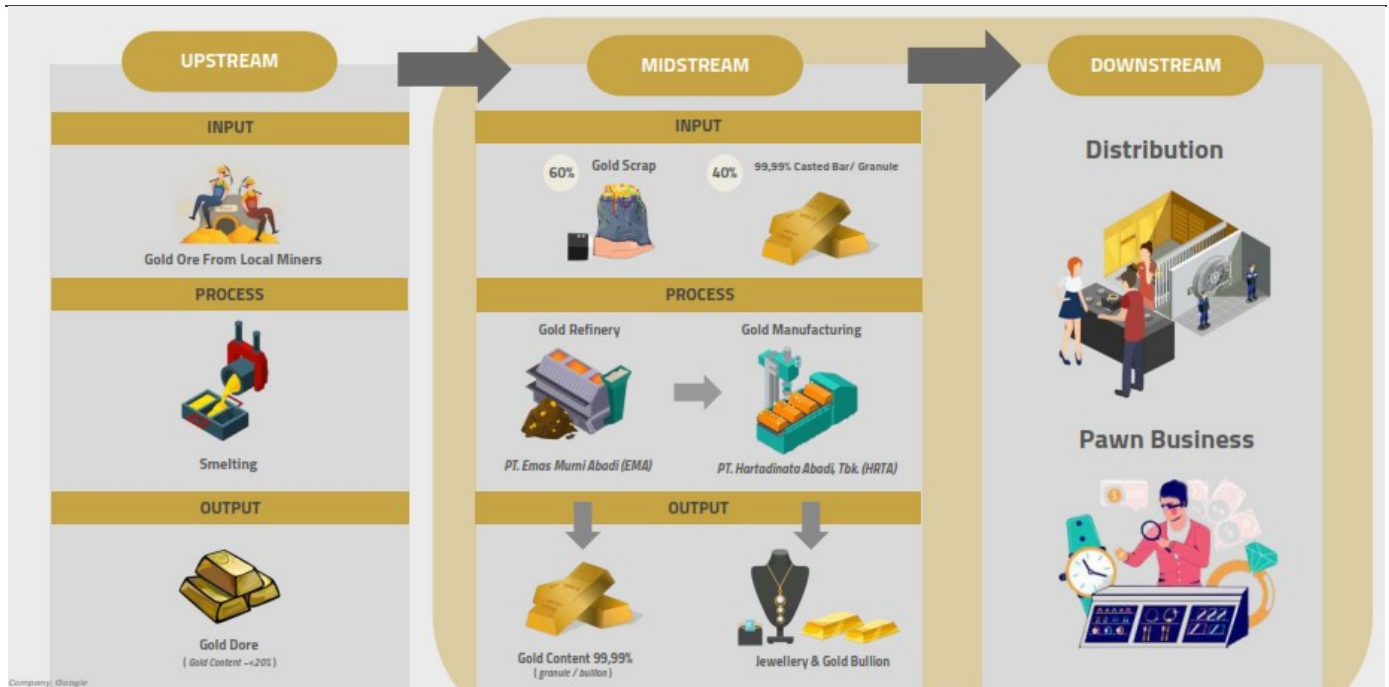
APPENDIX

Exhibit 43. Organization Structure and Subsidiaries



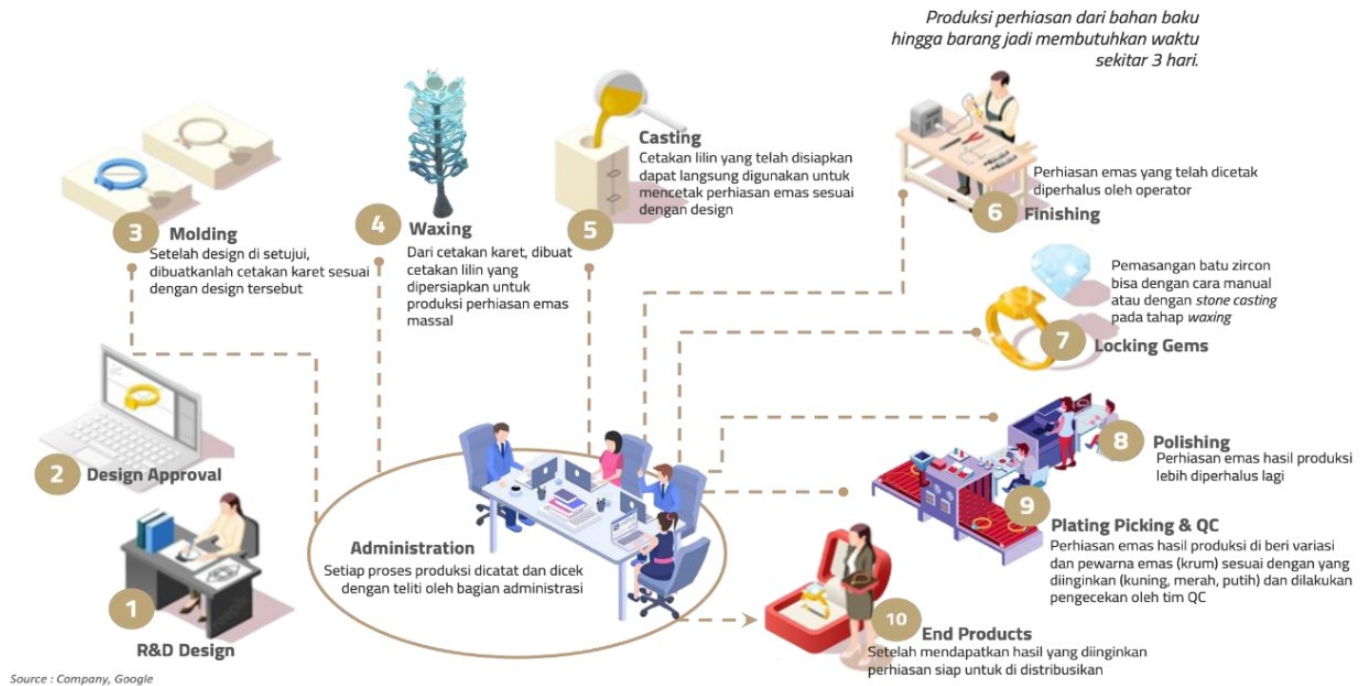
Source: Company

Exhibit 44. Integrated Value Chain



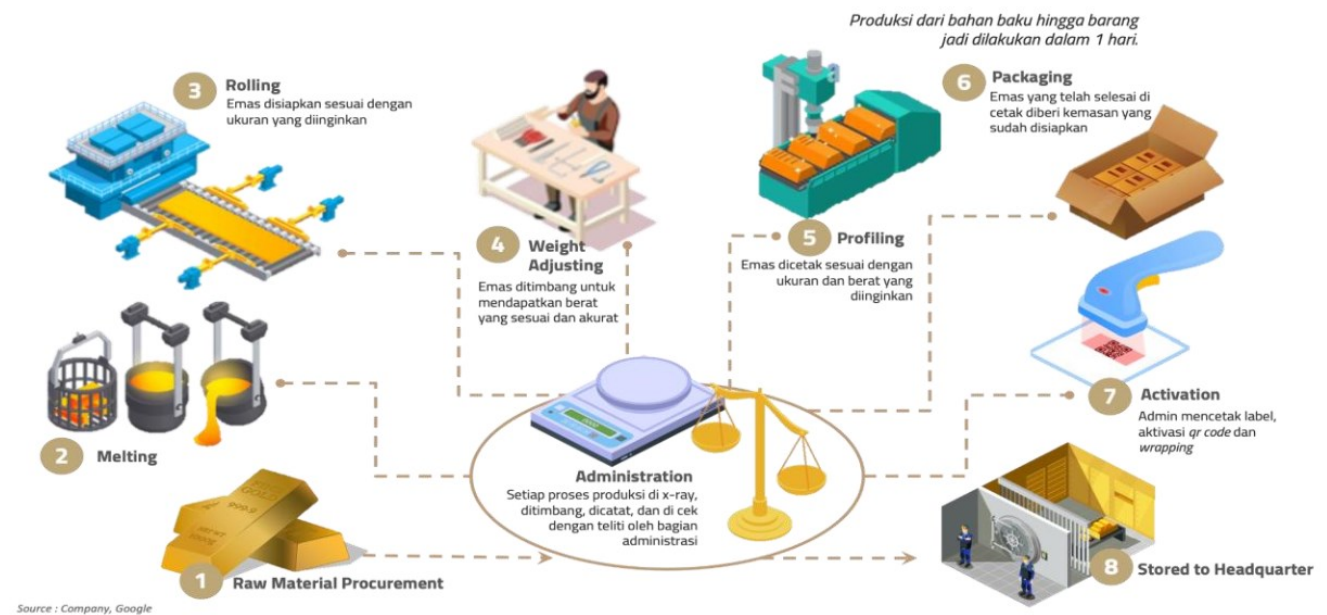
Source: Company

Exhibit 45. Production Process - Jewellery



Source: Company

Exhibit 46. Production Process, Gold Bar



Source: Company

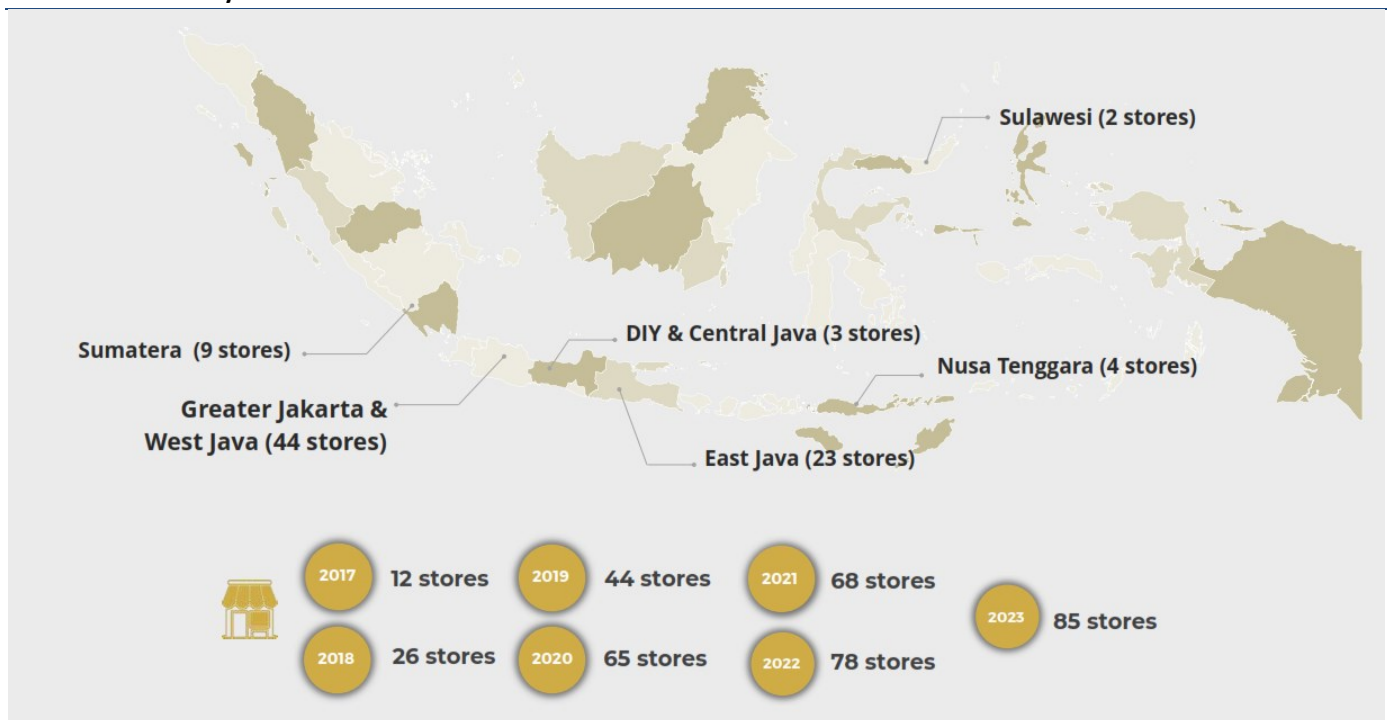
Exhibit 47. Gold Refining Flow



Source : Company, Google

Source: Company

Exhibit 48. Jewellery Stores



Source: Company

Exhibit 49. Ecosystem Omni Channels



Source: Company

Exhibit 50. Income Statement

Year to 31 Dec (Rpbn)	FY22A	FY23A	2024F	2025F	2026F
Revenue	6,918	12,857	17,382	19,742	22,980
COGS	(6,176)	(11,910)	(16,287)	(18,542)	(21,577)
Gross profit	743	947	1,095	1,201	1,403
EBITDA	570	735	855	947	1,126
Oper. profit	549	699	814	900	1,077
Interest income	2	2	5	9	9
Interest expense	(217)	(305)	(307)	(290)	(252)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	(8)	0	0	0	0
Pre-tax profit	326	396	512	619	834
Income tax	(72)	(90)	(116)	(140)	(189)
Minority interest	(1)	0	0	0	0
Net profit	254	306	395	478	645
Core Net Profit	254	306	395	478	645

Exhibit 51. Balance Sheet

Year to 31 Dec (Rpbn)	FY22A	FY23A	2024F	2025F	2026F
Cash & cash equivalent	106	293	626	880	666
Receivables	806	908	720	806	920
Inventory	2,340	3,169	3,757	4,026	4,281
Other Curr. Asset	322	351	391	431	476
Fixed assets - Net	204	233	285	295	294
Other non-curr.asset	71	76	60	71	86
Total asset	3,849	5,029	5,840	6,509	6,722
ST Debt	883	1,887	1,966	1,970	1,821
Payables	4	5	6	7	8
Other Curr. Liabilities	64	244	330	374	436
Long Term Debt	165	301	308	32	(214)
Other LT. Liabilities	1,010	620	929	1,433	1,438
Total Liabilities	2,127	3,057	3,539	3,816	3,489
Shareholder's Funds	1,717	1,967	2,296	2,687	3,228
Minority interests	5	6	6	6	6
Total Equity & Liabilities	3,849	5,029	5,840	6,509	6,722

Exhibit 52. Cash Flow

Year to 31 Dec (Rpbn)	FY22A	FY23A	2024F	2025F	2026F
Net income	254	306	395	478	645
Depreciation and Amort.	20	36	41	47	49
Change in Working Capital	(201)	(930)	(399)	(354)	(368)
Other Oper. Cash Flow	172	458	369	284	256
Operating Cash Flow	245	(130)	406	455	581
Capex	(88)	(64)	(87)	(49)	(38)
Others Inv. Cash Flow	2	2	5	9	9
Investing Cash Flow	(85)	(62)	(82)	(40)	(29)
Net change in debt	(13)	607	380	504	(149)
New Capital	(1)	(1)	0	0	0
Dividend payment	(46)	(55)	(67)	(86)	(104)
Other Fin. Cash Flow	(57)	(173)	(305)	(580)	(513)
Financing Cash Flow	(116)	378	9	(161)	(767)
Net Change in Cash	43	186	333	253	(215)
Cash - begin of the year	62	106	293	626	880
Cash - end of the year	106	293	626	880	666

Exhibit 53. Key Ratios

Year to 31 Dec	FY22A	FY23A	2024F	2025F	2026F
Growth (%)					
Sales	32.1	85.8	35.2	13.6	16.4
EBITDA	28.3	29.1	16.3	10.8	18.9
Operating profit	28.7	27.2	16.5	10.6	19.7
Net profit	30.4	20.6	29.2	20.9	34.9
Profitability (%)					
Gross margin	10.7	7.4	6.3	6.1	6.1
EBITDA margin	8.2	5.7	4.9	4.8	4.9
Operating margin	7.9	5.4	4.7	4.6	4.7
Net margin	3.7	2.4	2.3	2.4	2.8
ROAA	6.9	6.9	7.3	7.7	9.7
ROAE	15.7	16.6	18.5	19.2	21.8
Leverage					
Net Gearing (x)	0.5	1.0	0.7	0.4	0.3
Interest Coverage (x)	2.5	2.3	2.6	3.1	4.3

Source: HRTA, BRIDS Estimates

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INVESTMENT RATING

BUY	Expected total return of 10% or more within a 12-month period
HOLD	Expected total return between -10% and 10% within a 12-month period
SELL	Expected total return of -10% or worse within a 12-month period

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