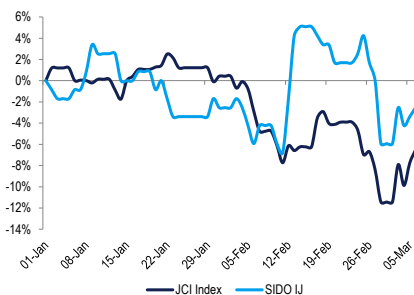


Stock Data

| | |
|---------------------------|--------|
| Target price | Rp615 |
| Prior TP | Rp615 |
| Current price | Rp575 |
| Upside/downside | 7% |
| Shares outstanding (mn) | 30,000 |
| Market cap (Rp bn) | 17,250 |
| Free float | 22% |
| Avg. 6m daily T/O (Rp bn) | 9 |

Price Performance

| | 3M | 6M | 12M |
|-------------------|-----------|--------|-------|
| Absolute | -0.9% | -14.2% | -5.7% |
| Relative to JCI | 8.8% | -0.4% | 4.0% |
| 52w low/high (Rp) | 540 – 775 | | |



Major Shareholders

| | |
|---------------------|-------|
| PT Hotel Candi Baru | 77.6% |
|---------------------|-------|

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4Q24 results: beat from robust qoq growth on herbal segment

- FY24 net profit of Rp1.2tr (+23.2% yoy) came above consensus estimate at 103% while FY24 revenue was in-line.
- 4Q24 sales rose by 77% qoq to Rp1.3tr (+7.3% yoy), driven by robust herbal segment growth of +118% qoq.
- Maintain our HOLD call with unchanged TP of Rp615/sh as we are seeking clarity from management.

FY24 revenue came above our/consensus estimate

SIDO booked FY24 net profit of Rp1.2tr (+23.2% yoy) and this was above our/consensus estimate at 117/103%. Revenue increased to Rp3.9tr (+9.9% yoy), which was in-line with consensus estimate at 102%; but above our estimate at 109% as we expect normalization of herbal segment growth due to Tolak Angin affordability issues. GPM improved to 58.7% yoy (+210bps yoy) which came largely from the F&B (+589bps yoy). With opex/sales ratio of 21.1% (-63bps yoy), NPM improved to 29.9% (vs. FY23's 26.7%).

4Q24 earnings growth of 132% qoq was driven by herbal segment

4Q24 net profit improved significantly by 132% qoq to Rp393bn (+8% yoy). To note, excluding one-off allowance of Rp35.7bn in 4Q23, 4Q24 core profit was flat yoy. 4Q24 sales grew significantly by 77% qoq to Rp1.3tr (+7.3% yoy) and this was far above the past 5yr avg. 4th quarter sales growth of +32% qoq. In terms of segment, herbal recorded the highest sales growth of +118.3% qoq (vs. 5yr average of 51% qoq), given a low-base effect in 3Q24 coupled with last bite offer in Dec24.

Solid 4Q24 yoy GPM improvement from F&B segment

In terms of margin, GPM improved by 62bps yoy to 62.9% as this was driven by F&B segment (+344bps yoy) as a result of +12.7% yoy growth in F&B segment sales which lead to positive operating leverage. Opex to sales increased to 23.9% (+354bps yoy) due to higher salary to sales of 6.2% (vs. FY23's 4.3%).

Maintain HOLD with unchanged TP of Rp615/sh

Currently, we are reviewing our forecast as we await details from the earnings call. For now, we maintain our HOLD rating on SIDO with unchanged TP of Rp615/sh based on 17.0x FY25F PE (-1s.d. from its 5yr mean). Key risk for SIDO is the affordability factor for its key product Tolak Angin against the backdrop of soft buying power.

| Financial Summary (Rp bn) | 2023A | 2024A | 2025F | 2026F | 2027F |
|---------------------------|--------|-------|-------|-------|-------|
| Revenue | 3,566 | 3,919 | 3,920 | 4,234 | 4,573 |
| EBITDA | 1,347 | 1,580 | 1,461 | 1,585 | 1,714 |
| EBITDA growth | -8% | 17% | -7% | 8% | 8% |
| Net profit | 951 | 1,171 | 1,085 | 1,174 | 1,268 |
| EPS (Rp) | 32 | 39 | 36 | 39 | 42 |
| EPS growth | -13.9% | 23.2% | -7.3% | 8.2% | 8.0% |
| ROE | 28.8% | 34.1% | 32.9% | 36.0% | 39.5% |
| PER (x) | 18.1 | 14.7 | 15.9 | 14.7 | 13.6 |
| EV/EBITDA (x) | 12.2 | 10.4 | 11.4 | 10.6 | 9.9 |
| Dividend yield | 6.2% | 6.3% | 6.5% | 7.1% | 7.6% |
| Forecast change | | | 0% | 0% | N/A |
| IPS vs. consensus | | | 89% | 89% | 80% |

Source: Company, Indo Premier

Share price closing as of: 06 March 2025

Fig. 1: SIDO 4Q24 result summary

| (Rp bn) | 4Q24 | 4Q23 | % YoY | 3Q24 | % QoQ | 12M24 | 12M23 | % YoY | IPS FY24F | % IPS | Cons FY24F | % Cons |
|--------------------------------|--------------|--------------|--------------|------------|---------------|--------------|--------------|--------------|--------------|-------------|---------------|-------------|
| Net sales | 1,292 | 1,205 | 7.3% | 730 | 77.0% | 3,919 | 3,566 | 9.9% | 3,603 | 109% | 3,838 | 102% |
| COGS | (479) | (454) | | (346) | | (1,618) | (1,547) | | | | | |
| Gross profit | 814 | 751 | 8.4% | 384 | 111.9% | 2,301 | 2,019 | 14.0% | | | | |
| Operating cost | (308) | (245) | | (167) | | (827) | (775) | | | | | |
| EBIT | 505 | 506 | -0.2% | 217 | 133.0% | 1,474 | 1,244 | 18.5% | 1,240 | 119% | 1,424 | 104% |
| Others | 6 | (41) | | (0) | | 36 | (24) | | | | | |
| PBT | 512 | 465 | 10.2% | 217 | 136.0% | 1,510 | 1,220 | 23.8% | | | | |
| Tax | (119) | (101) | | (47) | | (339) | (269) | | | | | |
| Net profit | 393 | 364 | 7.9% | 170 | 131.6% | 1,171 | 951 | 23.2% | 999 | 117% | 1,132 | 103% |
| Margin (%) | | | | | | | | | | | | |
| Gross margin | 62.9% | 62.3% | | 52.6% | | 58.7% | 56.6% | | | | | |
| EBIT margin | 39.1% | 42.0% | | 29.7% | | 37.6% | 34.9% | | | | | |
| Net margin | 30.4% | 30.2% | | 23.2% | | 29.9% | 26.7% | | | | | |
| Segment information | | | | | | | | | | | | |
| Revenue | | | | | | | | | | | | |
| Herbal medicine and supplement | 943 | 893 | 5.6% | 432 | 118.3% | 2,488 | 2,348 | 6.0% | | | | |
| Food and beverages | 318 | 282 | 12.7% | 269 | 17.9% | 1,304 | 1,102 | 18.3% | | | | |
| Pharmacy | 32 | 30 | 6.3% | 29 | 10.6% | 127 | 116 | 10.2% | | | | |
| Gross profit | | | | | | | | | | | | |
| Herbal medicine and supplement | 667 | 631 | 5.7% | 280 | 138.0% | 1,733 | 1,607 | 7.9% | | | | |
| Food and beverages | 134 | 110 | 22.7% | 92 | 46.3% | 519 | 374 | 38.8% | | | | |
| Pharmacy | 12 | 10 | 20.7% | 12 | 3.2% | 49 | 38 | 28.3% | | | | |
| GPM | | | | | | | | | | | | |
| Herbal medicine and supplement | 70.8% | 70.7% | | 64.9% | | 69.7% | 68.4% | | | | | |
| Food and beverages | 42.3% | 38.9% | | 34.1% | | 39.8% | 33.9% | | | | | |
| Pharmacy | 37.6% | 33.1% | | 40.3% | | 38.4% | 33.0% | | | | | |

Source: Company, Indo Premier

Fig. 2: SIDO is currently trading at 15.1x 12M forward P/E, or around -1.3 s.d. below its historical 5-year mean



Source: Bloomberg, Company, Indo Premier

| Income Statement (Rp bn) | 2023A | 2024A | 2025F | 2026F | 2027F |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Net revenue | 3,566 | 3,919 | 3,920 | 4,234 | 4,573 |
| Cost of sales | (1,547) | (1,618) | (1,729) | (1,856) | (1,999) |
| Gross profit | 2,019 | 2,301 | 2,191 | 2,377 | 2,574 |
| SG&A Expenses | (775) | (827) | (840) | (910) | (986) |
| Operating profit | 1,244 | 1,474 | 1,351 | 1,467 | 1,588 |
| Net interest | 29 | 39 | 41 | 39 | 39 |
| Others | (53) | (3) | 0 | 0 | 0 |
| Pre-tax income | 1,220 | 1,510 | 1,392 | 1,507 | 1,627 |
| Income tax | (269) | (339) | (307) | (332) | (359) |
| Net income | 951 | 1,171 | 1,085 | 1,174 | 1,268 |

| Balance Sheet (Rp bn) | 2023A | 2024A | 2025F | 2026F | 2027F |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Cash & equivalent | 830 | 856 | 569 | 389 | 205 |
| Receivable | 791 | 873 | 813 | 878 | 948 |
| Inventory | 408 | 432 | 384 | 413 | 444 |
| Other current assets | 38 | 43 | 38 | 38 | 38 |
| Total current assets | 2,067 | 2,204 | 1,804 | 1,717 | 1,635 |
| Fixed assets | 1,555 | 1,506 | 1,748 | 1,830 | 1,904 |
| Other non-current assets | 91 | 91 | 91 | 91 | 91 |
| Total non-current assets | 1,824 | 1,736 | 2,018 | 2,100 | 2,173 |
| Total assets | 3,891 | 3,940 | 3,822 | 3,816 | 3,808 |
| ST loans | 0 | 0 | 0 | 0 | 0 |
| Payable | 187 | 177 | 222 | 238 | 256 |
| Other payables | 141 | 146 | 107 | 116 | 125 |
| Current portion of LT loans | 0 | 0 | 0 | 0 | 0 |
| Total current liab. | 462 | 411 | 496 | 534 | 575 |
| Long term loans | 0 | 0 | 0 | 0 | 0 |
| Other LT liab. | 43 | 40 | 46 | 47 | 49 |
| Total liabilities | 505 | 452 | 542 | 581 | 624 |
| Equity | 2,152 | 2,152 | 2,152 | 2,152 | 2,152 |
| Retained earnings | 1,234 | 1,336 | 1,130 | 1,086 | 1,034 |
| Minority interest | 0 | 0 | 0 | 0 | 0 |
| Total SHE + minority int. | 3,386 | 3,488 | 3,282 | 3,237 | 3,186 |
| Total liabilities & equity | 3,891 | 3,940 | 3,824 | 3,819 | 3,810 |

Source: Company, Indo Premier

| Cash Flow Statement (Rp bn) | 2023A | 2024A | 2025F | 2026F | 2027F |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| Net income | 951 | 1,171 | 1,085 | 1,174 | 1,268 |
| Depr. & amortization | 287 | 388 | 110 | 118 | 126 |
| Changes in working capital | (307) | (466) | (57) | (55) | (60) |
| Others | 6 | 3 | 0 | 0 | 0 |
| Cash flow from operating | 937 | 1,097 | 1,139 | 1,237 | 1,334 |
| Capital expenditure | (161) | (214) | (200) | (200) | (200) |
| Others | (45) | (7) | 2 | 2 | 2 |
| Cash flow from investing | (206) | (222) | (198) | (198) | (198) |
| Loans | 0 | 0 | 0 | 0 | 0 |
| Equity | 3 | 3 | 0 | 0 | 0 |
| Dividends | (1,068) | (1,080) | (1,122) | (1,219) | (1,319) |
| Others | 31 | (77) | 0 | 0 | 0 |
| Cash flow from financing | (1,034) | (1,154) | (1,122) | (1,219) | (1,319) |
| Changes in cash | (303) | (279) | (182) | (180) | (184) |

| Key Ratios | 2023A | 2024A | 2025F | 2026F | 2027F |
|-------------------------------------|--------|--------|--------|--------|--------|
| Gross margin | 56.6% | 58.7% | 55.9% | 56.2% | 56.3% |
| Operating margin | 34.9% | 37.6% | 34.5% | 34.7% | 34.7% |
| Pre-tax margin | 34.2% | 38.5% | 35.5% | 35.6% | 35.6% |
| Net margin | 26.7% | 29.9% | 27.7% | 27.7% | 27.7% |
| ROA | 23.8% | 29.9% | 28.4% | 30.8% | 33.3% |
| ROE | 28.8% | 34.1% | 32.9% | 36.0% | 39.5% |
| Acct. receivables TO (days) | 34.7 | 35.2 | 34.7 | 34.7 | 34.7 |
| Acct. receivables - other TO (days) | 40.8 | 42.2 | 40.8 | 40.8 | 40.8 |
| Inventory TO (days) | 112.2 | 94.8 | 81.1 | 81.1 | 81.1 |
| Payable TO (days) | 46.8 | 41.1 | 46.8 | 46.8 | 46.8 |
| Acct. payables - other TO (days) | 2.2 | 2.0 | 2.2 | 2.2 | 2.2 |
| Debt to equity | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Interest coverage ratio (x) | 1826.3 | 1771.8 | NA | NA | NA |
| Net gearing | -24.5% | -24.5% | -25.6% | -20.4% | -14.7% |

Source: Company, Indo Premier

INVESTMENT RATINGS

| | |
|------|---|
| 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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