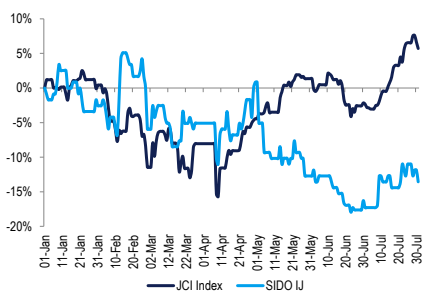


Stock Data

Target price	Rp625
Prior TP	Rp625
Current price	Rp510
Upside/downside	+22.5%
Shares outstanding (mn)	30,000
Market cap (Rp bn)	15,300
Free float	22%
Avg. 6m daily T/O (Rp bn)	20

Price Performance

	3M	6M	12M
Absolute	-14.3%	-10.5%	-30.6%
Relative to JCI	-24.9%	-15.0%	-33.0%
52w low/high (Rp)	484 – 735		



Major Shareholders

PT Hotel Candi Baru	77.6%
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Strong 2Q25 recovery from herbal segment

- 1H25 net profit of Rp600bn (-1.3% yoy) was above ours/consensus expectation at 48/53% (vs. 5yr avg of 44%). 1H25 revenue was in-line.
- Robust 2Q25 revenue growth of +23% yoy was driven by herbal segment sales growth of +47.2%.
- Maintain our HOLD call with unchanged TP of Rp625/sh.

1H25 net profit came above our/consensus estimate

SIDO booked 1H25 net profit of Rp600bn (-1.3% yoy), came above our/consensus estimate at 48/53% (vs. 5yr avg of 44%). 1H25 revenue of Rp1.8tr (-3.6% yoy) was in-line with our/consensus estimate at 43/45% (vs. 5yr avg of 44%). 1H25 GPM dropped to 56.9% (-127bps yoy), while opex to sales improved to 17.3% (-127bps yoy), resulting in flat EBIT margin of 39.7%. Overall, 1H25 top-line growth of -3.6% yoy and bottom-line growth of -1.3% was below FY25F company guidance of >10% yoy.

Strong 2Q25 revenue growth from herbal sales recovery

2Q25 revenue rose to Rp1tr (+23.3% yoy) as this was driven by herbal segment with sales growth of +47.2% yoy (vs. 3yr avg of -3.7% yoy), while F&B sales declined by -11.4% yoy (vs. 3yr avg of +7.0% yoy). We note that herbal segment showed a sales recovery in 2Q25 post soft 1Q25's -25.1% yoy.

Margin improvement from GPM and opex

2Q25 GPM improved to 60.5% (+370bps yoy) amid product mix changes as herbal carries the highest margin (Fig. 1). Opex to sales improved to 17.2% (-864bps yoy) amid lower A&P to sales of -554bps yoy and salaries to sales of -329bps yoy. As such, EBIT margin grew significantly to 43.2% (vs. 30.9% in 2Q24). In sum, 2Q25 net profit increased to Rp368bn (+68.6% yoy) with NPM of 35.4% (vs. 25.9% in 2Q24).

Maintain our HOLD call with unchanged TP of Rp625/sh

We are reviewing our forecast as we await details from earnings call. For now, we maintain our HOLD rating with TP of Rp625/sh, based on 15.0x FY25F PE (-1s.d. from its 5yr mean). Key risk: soft purchasing power.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	3,566	3,919	4,050	4,313	4,568
EBITDA	1,347	1,580	1,560	1,652	1,740
EBITDA growth	-8.3%	17.3%	-1.3%	5.9%	5.3%
Net profit	951	1,171	1,256	1,220	1,281
EPS (Rp)	32	39	40	41	43
EPS growth	-13.9%	23.2%	-1.3%	5.5%	5.0%
ROE	28.8%	34.1%	32.8%	33.5%	33.8%
PER (x)	16.1	13.1	12.6	12.5	11.9
EV/EBITDA (x)	10.7	9.1	9.3	8.8	8.3
Dividend yield	7.0%	7.1%	7.1%	7.0%	7.4%
Forecast change			0%	0%	0%
IPS vs. consensus			101%	100%	100%

Source: Company, Indo Premier

Share price closing as of: 31 July 2025

Fig. 1: SIDO 2Q25 result summary

(Rp bn)	2Q25	2Q24	% YoY	1Q25	% QoQ	1H25	1H24	% YoY	IPS FY25F	% IPS	Cons FY25F	% Cons	5Yr avg.
Net sales	1,040	843	23.3%	789	31.7%	1,829	1,896	-3.6%	4,224	43%	4,044	45%	44%
COGS	(411)	(365)	12.8%	(377)	9.1%	(788)	(793)						
Gross profit	629	478	31.4%	412	52.4%	1,041	1,104	-5.7%					
Operating cost	(179)	(218)	-17.9%	(137)	31.3%	(316)	(352)						
EBIT	449	260	72.6%	276	62.8%	725	752	-3.6%	1,579	46%	1,426	51%	44%
Others	20	19	9.2%	20	0.4%	41	30						
PBT	470	279	68.4%	296	58.5%	766	782	-2.0%					
Tax	(102)	(61)	67.5%	(63)	61.4%	(166)	(173)						
Net profit	368	218	68.6%	233	57.8%	600	608	-1.3%	1,256	48%	1,143	53%	44%
Margin (%)													
Gross margin	60.5%	56.8%	3.70%	52.3%	8.19%	56.9%	58.2%	-1.27%					
EBIT margin	43.2%	30.9%	12.34%	35.0%	8.25%	39.7%	39.6%	0.01%					
Net margin	35.4%	25.9%	9.50%	29.5%	5.83%	32.8%	32.1%	0.75%					
Segment information													
Revenue													
Herbal medicine and supplement	716	487	47.2%	363	97.3%	1,079	1,114	-3.1%					
Food and beverages	284	321	-11.4%	402	-29.4%	686	717	-4.2%					
Pharmacy	39	36	9.5%	24	65.5%	63	66	-5.1%					
Gross profit													
Herbal medicine and supplement	488	338	44.5%	222	120.0%	710	786	-9.6%					
Food and beverages	126	127	-0.9%	184	-31.8%	310	293	6.0%					
Pharmacy	14	14	5.1%	6	138.5%	20	25	-18.8%					
GPM													
Herbal medicine and supplement	68.2%	69.4%		61.2%		65.8%	70.6%						
Food and beverages	44.3%	39.6%		45.8%		45.2%	40.8%						
Pharmacy	36.8%	38.3%		25.5%		32.5%	38.1%						

Source: Company, Indo Premier

Fig. 2: SIDO is currently trading at 13.2x 12M forward P/E, or around 1.5 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	4,050	4,313	4,568
Cost of sales	(1,547)	(1,618)	(1,752)	(1,879)	(2,004)
Gross profit	2,019	2,301	2,298	2,434	2,564
SG&A Expenses	(775)	(827)	(848)	(901)	(951)
Operating profit	1,244	1,474	1,450	1,534	1,614
Net interest	29	39	41	39	39
Others	(53)	(3)	0	0	0
Pre-tax income	1,220	1,510	1,491	1,573	1,652
Income tax	(269)	(339)	(335)	(353)	(371)
Net income	951	1,171	1,156	1,220	1,281

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent	830	856	813	835	869
Receivable	791	873	860	915	969
Inventory	408	432	389	418	445
Other current assets	38	43	43	43	43
Total current assets	2,067	2,204	2,104	2,210	2,326
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	1,978	2,060	2,133
Total assets	3,891	3,940	4,082	4,270	4,459

ST loans	0	0	0	0	0
Payable	187	177	197	211	226
Other payables	141	146	110	117	124
Current portion of LT loans	0	0	0	0	0
Total current liab.	462	411	476	509	540
Long term loans	0	0	0	0	0
Other LT liab.	43	40	42	44	45
Total liabilities	505	452	519	552	586

Equity	2,152	2,152	2,152	2,152	2,152
Retained earnings	1,234	1,336	1,412	1,566	1,722
Minority interest	0	0	0	0	0
Total SHE + minority int.	3,386	3,488	3,564	3,718	3,874
Total liabilities & equity	3,891	3,940	4,082	4,270	4,459

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net income	951	1,171	1,156	1,220	1,281
Depr. & amortization	287	388	109	118	126
Changes in working capital	(307)	(466)	122	(52)	(50)
Others	6	3	0	0	0
Cash flow from operating	937	1,097	1,386	1,287	1,357
Capital expenditure	(161)	(214)	(351)	(200)	(200)
Others	(45)	(7)	2	2	2
Cash flow from investing	(206)	(222)	(349)	(198)	(198)
Loans	0	0	0	0	0
Equity	3	3	0	0	0
Dividends	(1,068)	(1,080)	(1,080)	(1,066)	(1,125)
Others	31	(77)	0	0	0
Cash flow from financing	(1,034)	(1,154)	(1,080)	(1,066)	(1,125)
Changes in cash	(303)	(279)	(43)	22	34

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	56.6%	58.7%	56.7%	56.4%	56.1%
Operating margin	34.9%	37.6%	35.8%	35.6%	35.3%
Pre-tax margin	34.2%	38.5%	36.8%	36.5%	36.2%
Net margin	26.7%	29.9%	28.5%	28.3%	28.0%
ROA	23.8%	29.9%	28.3%	28.6%	28.7%
ROE	28.8%	34.1%	32.8%	33.5%	33.8%
Acct. receivables TO (days)	34.7	35.2	35.2	35.2	35.2
Acct. receivables - other TO (days)	40.8	42.2	42.2	42.2	42.2
Inventory TO (days)	112.2	94.8	81.1	81.1	81.1
Payable TO (days)	46.8	41.1	41.1	41.1	41.1
Acct. payables - other TO (days)	2.2	2.0	2.0	2.0	2.0
Debt to equity	0.0%	0.0%	0.0%	0.0%	0.0%
Interest coverage ratio (x)	1826.3	1771.8	N/A	N/A	N/A
Net gearing	-24.5%	-24.5%	-22.8%	-22.5%	-22.4%

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

ANALYSTS CERTIFICATION

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

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