

Mastersystem Infotama

BUY (Unchanged)

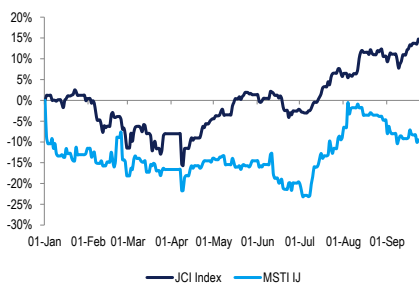
Company Update | Information Technology | MSTI IJ | 30 October 2025

Stock Data

Target price	Rp2,000
Prior TP	Rp2,000
Current price	1,510
Upside/downside	+32.5%
Shares outstanding (mn)	3,139.4
Market cap (Rp bn)	4,741
Free float	15%
Avg. 6m daily T/O (Rp bn)	5

Price Performance

	3M	6M	12M
Absolute	-2.0	5.2	-8.2
Relative to JCI	-10.1	-15.5	-16.1
52w low/high (Rp)	1,295-1,685		



Major Shareholders

Wijaya, Jupri	28.8%
Anthony, Eddy	28.8%
Gunawan, Joko	27.5%

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9M25 results: beat with intact growth outlook

- MSTI's 9M25 core NP reached Rp309bn (-2% yoy), in-line with our estimate but above consensus.
- 9M25 profit dip was due to high base effect last year (ISAT's GPU recognition); we expect a catch-up in 4Q25, keeping FY growth intact.
- We also expect core NP to grow by 10% in FY26F, with potential upside risks. Retain BUY call.

9M25 result in-line with ours but above consensus estimate

In 3Q25, MSTI's core NP was Rp113bn (-25% yoy), bringing 9M25 core NP to Rp309bn (-2% yoy), which was in line with our estimate but above consensus at 53%/55% (3Y-mean: 51%) and was driven by higher interest income of Rp23bn. 3Q25 revenue came at Rp1.2tr (-26% yoy), bringing 9M25 revenue to Rp3.3tr (-6% yoy), in-line with our/consensus estimates at 56%/56% (3Y-mean: 59%). The yoy revenue drop was due to ISAT's GPU revenue recognition in Sep24 of Rp540bn. In 3Q25 gross profit reached Rp224bn (-12% yoy), bringing 9M25 gross profit to Rp607bn (flat yoy), in line with our and consensus estimates at 57%/57% (3Y-mean: 57%). 3Q25 GPM improved to 18.7% compared to 2Q25 of 17.8% as hardware margin recovered to 12%, leading to 9M25 GPM to 18.6%, in-line.

Robust contract growth outlook

In 3Q25, total new contract bookings reached Rp1.9tr (+3% yoy), bringing 9M25 total new contracts to Rp4.2tr (+3% yoy), in line with our estimate at 72% (3Y-mean: 74%). Most 3Q25 contracts came from the financial institutions sector, amounting to Rp1tr (+19% yoy), with 9M25 totaling Rp2.4tr (+14% yoy). The telecommunications sector contracts reached Rp401bn (+24% yoy) in 3Q25, leading to 9M25 of Rp824bn (-32% yoy). We retain our FY25/26F contract growth estimates of +12%/+12% yoy, respectively. We see potential contract upside risk shall ISAT deploys GB200 in FY26F; previously, MSTI received its first GPU contracts from ISAT in FY24.

Maintain our BUY call with unchanged TP of Rp2,000/sh

We expect overall growth in FY25F to remain on track as we expect a catch up in 4Q25. We retain our BUY call on MSTI with an unchanged TP of Rp2,000, based on 10x PE FY26F. We like the stock on the back of stable growth outlook and attractive dividend yield of 8.6–9.4% in FY26–27F. Key risks: changes in macroeconomic and regulatory environment.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	4,201	5,362	5,844	6,420	7,078
EBITDA	641	701	775	855	947
EBITDA growth	9%	9%	10%	10%	11%
Core net profit	446	532	584	640	704
Core EPS	142.2	169.5	186.1	203.9	224.1
Core EPS growth		19%	10%	10%	10%
ROE	22.9%	24.6%	24.6%	24.6%	24.6%
PER (x)	10.6	8.9	8.1	7.4	6.7
EV/EBITDA (x)	6.2	4.9	4.5	4.0	3.5
Dividend yield	7.4%	6.6%	7.8%	8.6%	9.4%
IPS vs. consensus			104%	104%	105%

Source: Company, Indo Premier

Share price closing as of: 29 October 2025

Fig. 1: 3Q25 results review

MSTI's result in Rp bn (unless otherwise stated)	3Q25	3Q24	% YoY	9M25	9M24	% YoY	2Q25	% QoQ	IPS FY25F	% of IP	Cons FY25F	% of Cons	3Y-mean
Revenue	1,193	1,606	-26%	3,264	3,459	-6%	879	36%	5,844	55.8%	5,791	56.4%	59.4%
Cost of revenue	(969)	(1,352)	-28%	(2,656)	(2,852)	-7%	(722)	34%					
Gross profit	224	254	-12%	607	606	0%	157	42%	1,062	57.2%	1,071	56.7%	57.3%
Operating expenses	(78)	(78)	0%	(242)	(238)	2%	(73)	6%					
Operating profit	146	176	-17%	365	369	-1%	84	74%					
EBITDA	161	190	-15%	420	408	3%	105	53%	775	54.3%			51.9%
Other income/(expense)	3	19	-85%	26	31	-15%	7	-59%					
Pre-tax profit	149	195	-24%	391	400	-2%	91	64%					
Taxes	(35)	(47)	-25%	(81)	(88)	-7%	(9)	281%					
Net profit	114	149	-24%	310	312	-1%	81	39%					
Core net profit	113	150	-25%	309	316	-2%	82	37%	584	53.0%	561	55.2%	51.1%
Margin (%)													
Gross margin	18.7%	15.8%		18.6%	17.5%		17.8%						
EBITDA margin	13.5%	11.8%		12.9%	11.8%		12.0%						
Net margin	9.5%	9.3%		9.5%	9.0%		9.3%						
Core net margin	9.4%	9.4%		9.5%	9.1%		9.4%						
Contracts													
Financial institutions	1,051	884	19%	2,423	2,134	14%	693	52%					
Telecommunications	401	324	24%	824	1,203	-32%	153	162%					
Public sector	38	66	-42%	59	95	-38%	2	1800%					
Others	393	324	21%	907	649	40%	336	17%					
Total	1,883	1598	18%	4,213	4,081	3%	1184	59%					

Source: Company report, Indo Premier

Fig. 2: Our TP is based on 10x PE FY26F

P/E valuation	FY26F
P/E	10
EPS	204
Target price (Rp)	2,039
Current price (Rp)	1,510
Upside	35%

Source: Indo Premier

Fig. 3: MSTI IJ forward P/E



Source: Company, Indo Premier

Fig. 4: MSTI IJ forward P/B



Source: Company, Indo Premier

Fig. 5: MSTI IJ forward EV/EBITDA



Source: Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	8,684	9,308	9,748	10,294	10,623
Cost of sales	(4,409)	(4,507)	(4,724)	(4,944)	(5,122)
Gross profit	4,275	4,801	5,023	5,350	5,501
SG&A Expenses	(583)	(622)	(651)	(688)	(710)
Operating profit	3,692	4,179	4,372	4,663	4,792
EBITDA	6,998	7,696	8,060	8,511	8,784
Net interest	(1,201)	(1,321)	(1,266)	(1,230)	(1,144)
Forex gain (loss)	-	-	-	-	-
Others	263	96	100	106	109
Pre-tax income	2,754	2,954	3,207	3,538	3,757
Tax expenses	(733)	(850)	(882)	(942)	(976)
Minority interest	-	-	-	-	-
Net income	2,010	2,108	2,325	2,596	2,781
Core net income	2,010	2,108	2,325	2,596	2,781

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalents	890	597	1,288	2,903	4,265
Receivables	1,636	2,004	1,990	2,102	2,169
Other current assets	933	846	886	936	966
Total current assets	3,460	3,447	4,164	5,941	7,400
Fixed assets	43,997	45,240	45,631	46,012	45,615
Other non-current assets	9,823	9,453	9,387	9,285	9,100
Total non-current assets	53,819	54,693	55,018	55,297	54,716
Total assets	57,279	58,140	59,182	61,237	62,115
Payables	2,113	1,977	2,099	2,197	2,276
Other payables	2,261	2,226	1,680	1,926	2,099
Current portion of LT loans	6,751	8,082	2,526	3,014	5,972
Total current liab.	11,124	12,286	6,305	7,137	10,347
Long term loans	11,794	12,214	18,375	18,615	15,310
Other LT liab.	242	253	265	280	289
Total liabilities	23,160	24,753	24,946	26,032	25,947
Equity	31,438	30,184	30,184	30,184	30,184
Retained earnings	2,599	3,203	4,052	5,021	5,984
Minority interest	-	-	-	-	-
Total SHE + minority int.	34,118	33,387	34,236	35,205	36,168
Total liabilities & equity	57,279	58,140	59,182	61,237	62,115

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net income	2,010	2,108	2,325	2,596	2,781
Depr. & amortization	2,747	2,805	3,534	3,687	3,825
Changes in working capital	(941)	(1,235)	334	183	155
Others	30	785	(785)	0	(0)
Cash flow from operating	3,847	4,462	5,408	6,465	6,760
Capital expenditure	(7,864)	(4,180)	(3,841)	(3,945)	(3,231)
Others	(547)	501	(17)	(21)	(13)
Cash flow from investing	(8,411)	(3,680)	(3,858)	(3,966)	(3,244)
Loans	772	1,753	610	734	(343)
Equity	(151)	(1,324)	12	15	9
Dividends	(1,767)	(1,504)	(1,475)	(1,627)	(1,817)
Others	263	(2)	(5)	(6)	(4)
Cash flow from financing	(884)	(1,077)	(858)	(885)	(2,155)
Changes in cash	(5,448)	(294)	691	1,615	1,362

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	49.2%	51.6%	51.5%	52.0%	51.8%
EBITDA margin	80.6%	82.7%	82.7%	82.7%	82.7%
Pre-tax margin	31.7%	31.7%	32.9%	34.4%	35.4%
Net margin	23.2%	22.6%	23.8%	25.2%	26.2%
ROA	3.5%	3.6%	3.9%	4.2%	4.5%
ROE	5.9%	6.3%	6.8%	7.4%	7.7%
ROIC	7.0%	7.8%	7.9%	8.2%	8.3%
Acc. receivables TO (days) – related parties	44	48	48	48	48
Acc. payables TO (days) – related parties	23	20	20	20	20
Net debt/EBITDA (inc.leases) (x)	2.5	2.6	2.4	2.2	1.9
Net debt/EBITDA (ex. leases) (x)	2.2	2.2	2.0	1.8	1.5
Interest coverage (x)	5.2	5.7	5.9	6.4	7.0

Source: Company, Indo Premier

SECTOR RATINGS

- OVERWEIGHT** : An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
- NEUTRAL** : A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
- UNDERWEIGHT** : An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation

COMPANY 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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