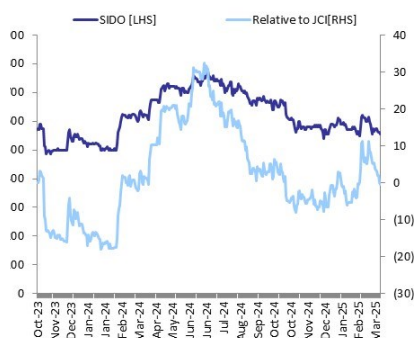


Buy

(Maintained)

Last Price (Rp)	540
Target Price (Rp)	640
Previous Target Price (Rp)	640
Upside/Downside	+18.5%
No. of Shares (mn)	33,000
Mkt Cap (Rpbn/US\$mn)	16,200/988
Avg, Daily T/O (Rpbn/US\$mn)	13.7/0.8
Free Float (%)	22.4
Major Shareholder (%)	
Hotel Candi Baru	77.6
Public	22.4
EPS Consensus (Rp)	
	2025F 2026F 2027F
BRIDS	41.9 45.6 48.5
Consensus	41.3 44.6 49.2
BRIDS/Cons (%)	1.3 2.2 (1.5)

SIDO relative to JCI Index



Source: Bloomberg

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Sido Muncul (SIDO IJ)

Raising FY25-26F Forecast; Reiterate Buy Rating as Competitive Edge Intact

- SIDO is optimistic about achieving a minimum of 10% rev. and NP growth in FY25, driven by Herbal and strong growth in the F&B segment.
- Assuming higher gross margin projections from FY25/26F, we revise our FY25/26F net profit estimates upward by 11%/12%.
- Compared to peers, SIDO has minimal USD-linked costs, 7-8% div. yield and high ROE. We reiterate our Buy rating with unchanged TP of Rp640.

2025: Optimistic outlook, driven by stronger growth in F&B segment

SIDO is optimistic about achieving a minimum of 10% yoy growth in revenue and net profit in 2025, driven by volume growth and selective asp adjustment. According to Euromonitor report, the cold, cough and allergy category (part of herbal/traditional products segment) had a market size of Rp6.5tr in 2024. Euromonitor projects this category to experience the strongest growth within 2024-29, with CAGR of 7.5%, which remains in line with our projected volume growth of Tolak Angin group, the market leader in the liquid 'RTC masuk angin' category. In the F&B segment, the company expects energy drink sales—both in export and domestic markets—to remain a key growth driver, supporting double-digit revenue growth in the coming years.

Revised FY25/26F NP estimates by 11%/12% on higher gross margin

Following the release of FY24 results, we have raised our FY25/26F net profit estimates by 11.4%/ 11.6%, primarily driven by higher gross margin projections. With most raw materials sourced locally and key F&B input prices (Taurine, Citric Acid and Aspartame) remaining low, we expect high margins to be sustained. We project the F&B segment to remain the primary volume driver, while the Herbal is projected to maintain stable single-digit growth. With maintained A&P/revenue ratio, we estimate FY25/26F net profit growth of 7.3%/8.9% yoy, respectively.

High ROE, minimum USD-linked cost and 7-8% div.yield: Reiterate Buy rating

Over the medium and long term, we believe revenue growth will be driven by the F&B segment, particularly its export and commodity-related business volume. Meanwhile, we expect the Herbal segment to continue growing at a single-digit rate given its significant market share, in line with overall market growth. Therefore, we adjust our FY28-32 forecast to reflect lower margins (with higher contribution of F&B) and maintain our target price (TP) of Rp640 (implied FY25F PE of 15.3x) based on DCF valuation. Amidst market volatility, we believe SIDO—with its minimal USD-linked input costs, high ROE, and an attractive 7-8% dividend yield—could serve as a defensive play, especially as current valuation of 12.9x is attractive. Key risk is quarterly revenue volatility, which is heavily influenced by weather conditions and consumer purchasing power.

Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	3,566	3,919	4,302	4,726	5,131
EBITDA (Rpbn)	1,140	1,368	1,450	1,583	1,706
EBITDA Growth (%)	(10.9)	20.0	6.0	9.2	7.8
Net Profit (Rpbn)	951	1,171	1,256	1,368	1,455
EPS (Rp)	31.7	39.0	41.9	45.6	48.5
EPS Growth (%)	(13.9)	23.2	7.3	8.9	6.3
BVPS (Rp)	112.9	116.3	119.5	122.7	126.4
DPS (Rp)	30.1	35.8	38.6	42.4	44.8
PER (x)	17.0	13.8	12.9	11.8	11.1
PBV (x)	4.8	4.6	4.5	4.4	4.3
Dividend yield (%)	5.6	6.6	7.2	7.9	8.3
EV/EBITDA	13.9	11.2	10.9	10.0	9.3

Source: SIDO, BRIDS Estimates

See important disclosure at the back of this report

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Raising FY25-26F Forecast; Reiterate Buy Rating as Competitive Edge Intact

FY24 Results: In Line with Consensus Estimates

SIDO reported a 4Q24 revenue of Rp1.3tr, reflecting a 77% qoq and 7.3% yoy increase, driven by strong growth in the Herbal segment (+118% qoq) and F&B (+18% qoq). This resulted in a FY24 revenue of Rp3.9tr, up 9.9% yoy, aligning with consensus estimates at 102%. By segment, F&B grew by 18% yoy, Herbal (+6% yoy), and Pharmacy (+10% yoy) in FY24.

A robust Herbal revenue contribution drove a strong 4Q24 gross margin of 63%, while FY24 gross margin improved by 210bps to 58.7%, supported by ASP adjustment and higher sales volume. Despite a 26.0% yoy/84.6% qoq increase in operating expenses in 4Q24, net profit rose by 7.9% to Rp393bn. This brought FY24's net profit to 103.4% of consensus estimates (in line) and 113% of our FY24F (above).

Exhibit 1. SIDO's 4Q24/FY24 Earnings Summary

SIDO IJ (Rpbn)	FY23	FY24	yoy	4Q23	3Q24	4Q24	yoy	qoq	2024F	A/F	2024 Cons	A/C
Revenue	3,566	3,919	9.9%	1,205	730	1,292	7.3%	77.0%	3,552	110.3%	3,843	102.0%
COGS	1,547	1,618	4.6%	454	346	479	5.5%	38.3%	1,559			
Gross profit	2,019	2,301	14.0%	751	384	814	8.4%	111.9%	1,993	115.4%	2,205	104.3%
Opex	775	827	6.7%	245	167	308	26.0%	84.6%	707			
Operating profit	1,244	1,474	18.5%	506	217	505	-0.2%	133.0%	1,286	114.6%	1,424	103.5%
Pretax profit	1,220	1,510	23.8%	465	217	512	10.2%	136.0%	1,331			
Net profit	951	1,171	23.2%	364	170	393	7.9%	131.6%	1,038	112.9%	1,133	103.4%
Gross margin	56.6%	58.7%		62.3%	52.6%	62.9%			56.1%		57.4%	
Opex to revenue	21.7%	21.1%		20.3%	22.9%	23.9%			19.9%		20.3%	
Operating margin	34.9%	37.6%		42.0%	29.7%	39.1%			36.2%		37.1%	
Pretax margin	34.2%	38.5%		38.6%	29.7%	39.6%			37.5%		0.0%	
Net margin	26.7%	29.9%		30.2%	23.2%	30.4%			29.2%		29.5%	
By segment												
	FY23	FY24	yoy	4Q23	3Q24	4Q24	yoy	qoq				
Revenue (Rpbn)												
Herbal	2,348	2,488	6.0%	893	432	943	5.6%	118.3%				
F&B	1,102	1,304	18.3%	282	269	318	12.7%	17.9%				
Pharmacy	116	127	10.2%	30	29	32	6.3%	10.6%				
Gross margin												
Herbal	68.4%	69.7%		70.7%	64.9%	70.8%						
F&B	33.9%	39.8%		38.9%	34.1%	42.3%						
Pharmacy	33.0%	38.4%		33.1%	40.3%	37.6%						

Source: Company, Bloomberg, BRIDS Estimates

Exhibit 2. SIDO's Earnings Estimate Revision

Rpbn	Old			New			Changes		
	2024F	2025F	2026F	2024A	2025F	2026F	2024	2025	2026
Revenue	3,552	3,850	4,179	3,919	4,302	4,726	10.3%	11.7%	13.1%
Gross profit	1,993	2,167	2,356	2,301	2,476	2,709	15.4%	14.2%	15.0%
Operating profit	1,286	1,399	1,524	1,474	1,570	1,714	14.6%	12.2%	12.5%
Net profit	1,038	1,127	1,226	1,171	1,256	1,368	12.9%	11.4%	11.6%
Gross margin	56.1%	56.3%	56.4%	58.7%	57.5%	57.3%			
Operating margin	36.2%	36.3%	36.5%	37.6%	36.5%	36.3%			
Net margin	29.2%	29.3%	29.3%	29.9%	29.2%	29.0%			
Changes in assumption									
Blended ASP	2.0%	2.0%	2.9%	2.7%	1.2%	2.0%			
Volume - Herbal	-7.7%	5.1%	5.1%	2.9%	5.1%	5.1%			
Volume - F&B	12.0%	10.5%	8.0%	15.5%	14.8%	12.2%			
A&P/revenue	10.3%	10.3%	10.3%	11.7%	11.7%	11.7%			

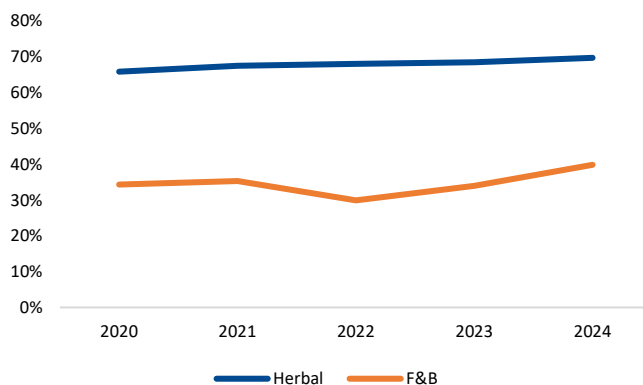
Source: Company, BRIDS Estimates

Exhibit 3. SIDO's DCF valuation

DCF valuation	
Value of FCF in the forecasted period - Rpbn	7,505
Terminal value - Rp Bn	11,141
Value of firm Rp bn	18,647
Net cash/(debt) - Rp Bn	831
Value of equity - Rp Bn	19,478
# of shares (mn shares)	30,000
Equity value/share (Rp)	640

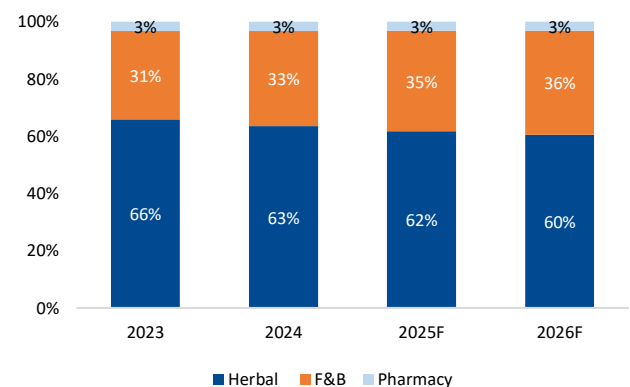
Source: Company, BRIDS Estimates

Exhibit 5. Gross Margin Herbal vs F&B, 2020-24



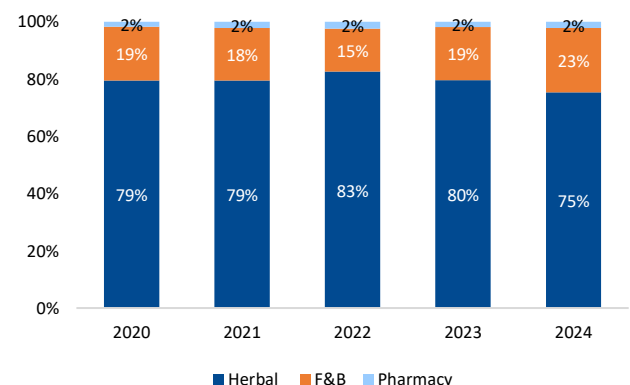
Source: Company, BRIDS

Exhibit 4. Revenue Contribution Herbal, F&B and Pharma, 2023-26F



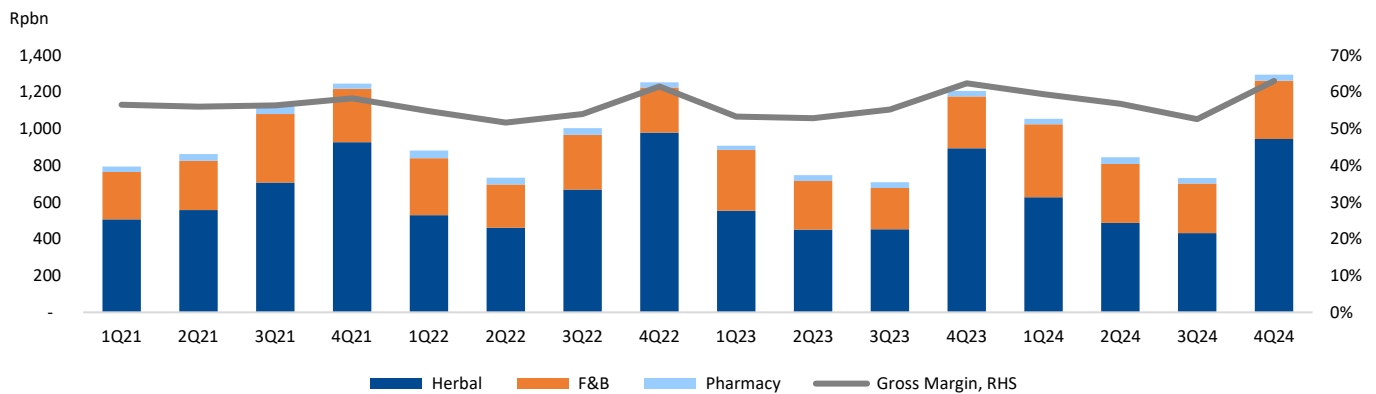
Source: Company, BRIDS Estimates

Exhibit 6. Gross Margin Contribution, 2020-24



Source: Company, BRIDS

Exhibit 7. SIDO's Quarterly Revenue and Gross Margin, 1Q21 – 4Q24



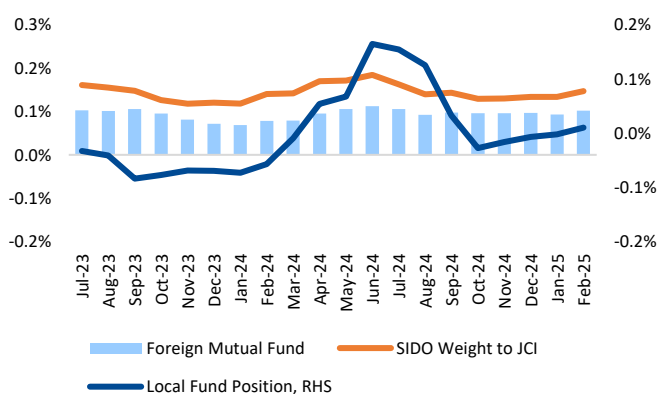
Source: Company, BRIDS

Exhibit 8. SIDO's PE Band



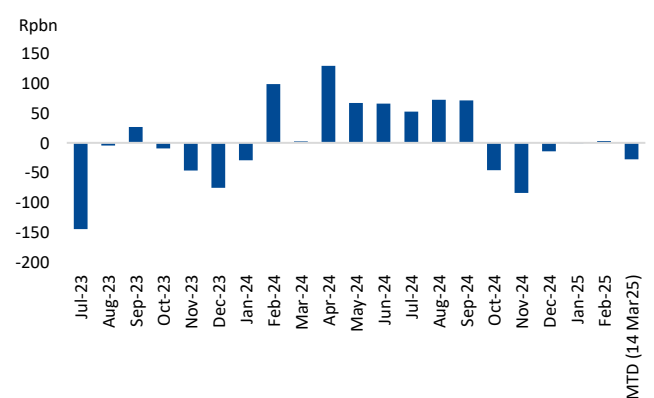
Source: Bloomberg, BRIDS Estimates

Exhibit 9. SIDO's Weighting and Fund Position



Source: KSEI, BRIDS

Exhibit 10. SIDO's Historical Foreign Flows (as of 14 Mar25)



Source: IDX, BRIDS

Exhibit 11. SIDO Peers Comparison

Ticker	Rec	Target	Market Cap	P/E (x)		P/BV (x)		ROE (%)	Dividend	EPS		Core profit	
		(Rp)	(Rpbn)	2025F	2026F	2025F	2026F	2025F	yield (%)	2025F	2026F	2025F	2026F
ICBP IJ	Buy	14,000	134,404	11.2	10.1	2.4	2.1	22.7	4.3	21.2	10.1	10.8	14.2
UNVR IJ	Hold	1,500	53,982	15.7	15.1	20.1	16.7	139.5	5.4	(1.7)	4.1	(1.7)	4.1
INDF IJ	Buy	8,800	65,414	5.5	5.2	0.9	0.8	16.5	5.6	14.9	5.7	9.3	9.9
KLBF IJ	Buy	1,800	52,031	14.7	13.7	2.0	1.9	14.1	3.3	7.3	7.3	8.0	7.3
MYOR IJ	Buy	3,050	51,649	14.4	13.1	2.5	2.3	18.6	2.5	11.1	10.4	14.1	13.0
SIDO IJ	Buy	640	16,200	12.9	11.8	4.5	4.4	35.5	7.2	7.3	8.9	8.8	10.5
Sector - weighted				11.8	11.0	4.7	4.1	37.3	4.4	12.8	8.1	8.7	10.7

Source: BRIDS Estimates, Bloomberg

Exhibit 12. Income Statement

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Revenue	3,566	3,919	4,302	4,726	5,131
COGS	(1,547)	(1,618)	(1,826)	(2,017)	(2,201)
Gross profit	2,019	2,301	2,476	2,709	2,931
EBITDA	1,140	1,368	1,450	1,583	1,706
Oper. profit	1,244	1,474	1,570	1,714	1,850
Interest income	29	39	38	38	40
Interest expense	(1)	(1)	(1)	(1)	(1)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	(53)	(3)	13	14	(13)
Pre-tax profit	1,220	1,510	1,620	1,764	1,876
Income tax	(269)	(339)	(364)	(396)	(421)
Minority interest	0	0	0	0	0
Net profit	951	1,171	1,256	1,368	1,455
Core Net Profit	951	1,171	1,256	1,368	1,455

Exhibit 13. Balance Sheet

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	830	856	831	825	868
Receivables	791	873	958	1,052	1,143
Inventory	408	432	488	539	588
Other Curr. Asset	38	43	47	51	56
Fixed assets - Net	1,555	1,506	1,515	1,503	1,461
Other non-curr.asset	269	230	243	258	272
Total asset	3,891	3,940	4,082	4,228	4,388
ST Debt	0	0	0	0	0
Payables	194	188	208	230	251
Other Curr. Liabilities	268	223	245	269	293
Long Term Debt	3	0	0	0	0
Other LT. Liabilities	39	40	44	49	53
Total Liabilities	505	452	498	548	596
Shareholder's Funds	3,386	3,488	3,585	3,680	3,791
Minority interests	0	0	0	0	0
Total Equity & Liabilities	3,891	3,940	4,082	4,228	4,388

Exhibit 14. Cash Flow

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	951	1,171	1,256	1,368	1,455
Depreciation and Amort.	102	101	120	131	144
Change in Working Capital	5	(113)	(120)	(124)	(118)
Other Oper. Cash Flow	(67)	(60)	(23)	(22)	(24)
Operating Cash Flow	992	1,100	1,233	1,354	1,456
Capex	(46)	(53)	(129)	(118)	(103)
Others Inv. Cash Flow	29	52	33	32	34
Investing Cash Flow	(17)	(1)	(97)	(87)	(69)
Net change in debt	3	(3)	0	0	0
New Capital	0	0	0	0	0
Dividend payment	(903)	(1,074)	(1,159)	(1,273)	(1,343)
Other Fin. Cash Flow	(168)	5	(1)	(1)	(1)
Financing Cash Flow	(1,068)	(1,073)	(1,160)	(1,274)	(1,345)
Net Change in Cash	(93)	25	(24)	(6)	43
Cash - begin of the year	923	830	856	831	825
Cash - end of the year	830	856	831	825	868

Exhibit 15. Key Ratio

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Growth (%)					
Sales	(7.8)	9.9	9.8	9.9	8.6
EBITDA	(10.9)	20.0	6.0	9.2	7.8
Operating profit	(9.5)	18.5	6.5	9.1	8.0
Net profit	(13.9)	23.2	7.3	8.9	6.3
Profitability (%)					
Gross margin	56.6	58.7	57.5	57.3	57.1
EBITDA margin	32.0	34.9	33.7	33.5	33.2
Operating margin	34.9	37.6	36.5	36.3	36.1
Net margin	26.7	29.9	29.2	29.0	28.3
ROAA	23.8	29.9	31.3	32.9	33.8
ROAE	27.6	34.1	35.5	37.7	38.9
Leverage					
Net Gearing (x)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Interest Coverage (x)	1,826.3	1,771.8	1,719.1	1,708.0	1,698.2

Source: SIDO, 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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