

Not Rated

Solusi Sinergi Digital (WIFI IJ)

3Q25 Earnings Weighed by Early-Stage Investment; Operational and Long-Term Targets Remain Intact

| | |
|------------------------------|-------------------|
| Last Price (Rp) | 3,620 |
| Target Price (Rp) | - |
| Previous Target Price (Rp) | - |
| Upside/Downside | - |
| No. of Shares (mn) | 5,308 |
| Mkt Cap (Rpbn/US\$mn) | 19,217/1,201 |
| Avg, Daily T/O (Rpbn/US\$mn) | 437.4/26.3 |
| Free Float (%) | 40.2 |
| Major Shareholder (%) | |
| PT Investasi Sukses Bersama | 54.4 |
| Djoni | 5.3 |
| EPS Consensus (Rp) | |
| | 2025F 2026F 2027F |
| BRIDS | n.a n.a n.a |
| Consensus | 84.6 184.6 324 |
| BRIDS/Cons (%) | n.a n.a n.a |

- **WIFI booked 3Q25 net profit of Rp32bn (-77.6% qoq), impacted by initial rollout spending, despite strong homeconnect reaching 831k.**
- **The company guides for 3mn FTTH homeconnect and 5mn 5G FWA subs by 26F, supported by partnership with local contractors and RT/RW Net.**
- **WIFI currently trades at ~17.2x FY25F EV/EBITDA, implying a premium to global FiberCo peers at ~12x.**

3Q25 earnings weighed by front-loaded expansion costs

WIFI posted 3Q25 net profit of Rp32bn (-77.6% qoq/ -47.8% yoy, forming 58% of consensus FY25F), after factoring in non-controlling interest following NTT e-Asia's 49% stake investment in IJE in Jun25. The company posted a robust +77.7% qoq revenue growth to Rp502bn, supported by strong subscriber momentum, with homeconnect/homepass reaching 831k/ 1,510k. EBIT fell -19.1% qoq, weighed down by front-loaded subscriber activation costs from 443k net homeconnect additions, higher opex, and depreciation post Rp1,367bn capex (+61.3% qoq), while monetisation from newly added subscribers remained gradual. Finance costs also surged 160.4% qoq to Rp117bn, reflecting bond issuance in the quarter.

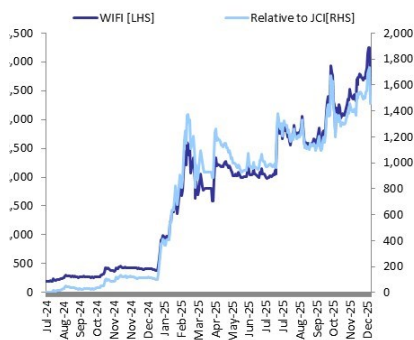
FY26F FTTH targets reaffirmed: doubling of HP and Homeconnect

WIFI guides FY25 revenue of ~Rp1.4tr and EBITDA of ~Rp940bn (64% margin), alongside operational targets of 2.5mn homepass and 1.5mn homeconnect (60% take-up rate) and an expanded 10,000 km backbone network. WIFI affirms FY26F target of doubling homepass and homeconnect to 5mn and 3mn homeconnect respectively, supported by broader partnerships with local contractors and collaboration with RT/RW Net to penetrate the shadow market. We view 2025-26F as a period of heavy investment and rapid subscriber onboarding, with earnings quality improvement and cash flow optimisation expected to materialise beyond the peak rollout phase.

5G FWA 'IRA' targets to drive a new growth leg

While Starlite remains positioned as the core FTTH offering, WIFI's Internet Rakyat (IRA) is dedicated to the 5G FWA product, scheduled to launch in Jan26 following the commercialisation of the 1.4 GHz spectrum by Komdigi. Mgmt. targets up to 5mn paying FWA subscribers by FY26F, leveraging ~5,000 FWA sites deployed on existing towers owned by TowerCos, and supported by strategic partnerships with Huawei, Orex SAI, FiberHome, and Nokia for project management and network infrastructure deployment. WIFI guides capex per subs at c.US\$71 (~Rp1.1mn), with the bulk of 5G FWA investment concentrated in FY26F, following limited pre-spending in 2025. WIFI trades at ~17.2x FY25F EV/EBITDA, representing a premium to global FiberCo peers at ~12x, which reflects its solid growth potential.

WIFI relative to JCI Index



Source: Bloomberg

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Key Financials

| Year to 31 Dec | 2022A | 2023A | 2024A | 9M24A | 9M25A |
|-------------------|-------|-------|-------|-------|-------|
| Revenue (Rpbn) | 461 | 439 | 672 | 309 | 513 |
| EBITDA (Rpbn) | 153 | 229 | 492 | 214 | 466 |
| EBITDA Growth (%) | 123.6 | 50.4 | 114.3 | 79.3 | 117.6 |
| Net Profit (Rpbn) | 58 | 59 | 231 | 90 | 228 |
| EPS (Rp) | 28 | 26 | 98 | 38 | 97 |
| EPS Growth (%) | 115.3 | (8.2) | 277.5 | 811.2 | 153.6 |
| BVPS (Rp) | - | - | - | - | - |
| PER (x) | 128.0 | 139.4 | 36.9 | 71.3 | 28.1 |
| PBV (x) | - | - | - | - | - |
| EV/EBITDA | 132.5 | 88.1 | 41.1 | 70.9 | 32.6 |

Source: WIFI, BRIDS

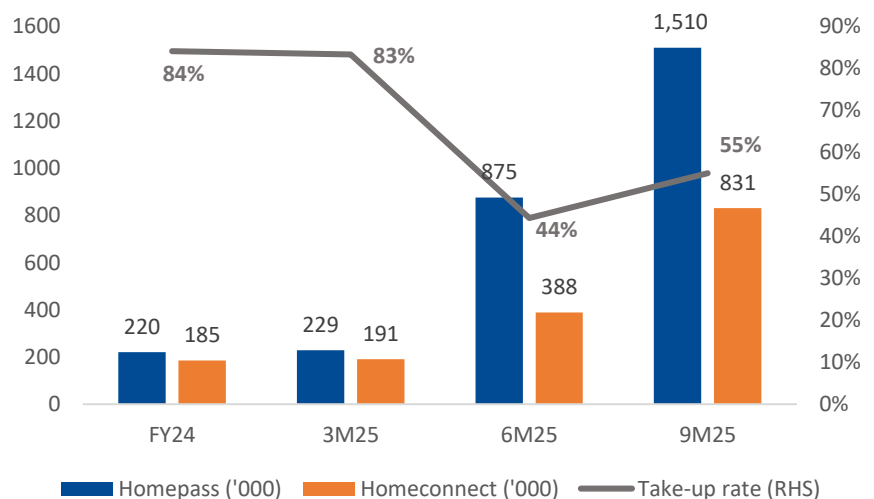
Exhibit 1. WIFI P&L Statement 3Q25/9M25

PT SOLUSI SINERGI DIGITAL Tbk (WIFI)

| Rpbn | 3Q24 | 2Q25 | 3Q25 | Δ % QoQ | Δ % YoY | 9M24 | 9M25 | Δ % YoY | FY25 Cons Achiev, % |
|----------------------------------|------------|--------------|----------------|----------------|----------------|------------|--------------|--------------|-------------------------|
| Revenues | 196 | 282 | 502 | 77.7 | 156.0 | 506 | 1,016 | 100.6 | |
| Telecommunication | 137 | 149 | 458 | 207.4 | 235.5 | 254 | 739 | 191.1 | |
| Advertising sales | 59 | 133 | 44 | (67.1) | (26.3) | 244 | 277 | 13.6 | |
| Discount | (0) | (1) | (0) | (20.0) | 447.7 | (1) | (1) | (17.6) | |
| Net Revenues | 196 | 282 | 501 | 77.9 | 155.9 | 505 | 1,015 | 101.0 | 1,641 62% |
| Cost of Revenues | (68) | (64) | (204) | 220.2 | 201.7 | (197) | (325) | 64.9 | |
| G&A exp. | (24) | (35) | (83) | 135.9 | 249.4 | (55) | (155) | 183.5 | |
| D&A | (6) | (53) | (40) | (23.8) | 568.2 | (14) | (127) | 805.1 | |
| Other income (expenses) - net | 0 | 59 | (19) | (131.6) | n.a | 0 | 40 | n.a | |
| EBIT | 105 | 241 | 195 | (19.1) | 86.8 | 253 | 574 | 127.2 | 881 65% |
| EBIT Margin (%) | 53.4 | 85.6 | 38.9 | | | 50.1 | 56.6 | | |
| EBITDA | 111 | 294 | 235 | (19.9) | 112.9 | 358 | 701 | 96.0 | 1,128 62% |
| EBITDA Margin (%) | 56.4 | 104.3 | 46.9 | (57.4) | (9.5) | 70.8 | 69.1 | (1.8) | |
| Finance income | 0 | 2 | 38 | | | 0 | 40 | | |
| Finance costs | (33) | (45) | (117) | | | (73) | (205) | | |
| PBT | 72 | 198 | 116 | (41.2) | 62.1 | 180 | 410 | 127.8 | |
| Net Profit | 69 | 145 | 102 | (29.4) | 48.8 | 159 | 330 | 108.1 | |
| Non-controlling interests | 7 | 0 | 70 | | | 7 | 70 | | |
| Net profit to controlling | 62 | 145 | 32 | (77.6) | (47.8) | 152 | 260 | 71.0 | 446 58% |
| Net Profit Margin (%) | 31.7 | 51.5 | 6.5 | | | 30.1 | 25.6 | | |
| Net Debt | 671 | 1,001 | (2,391) | (338.9) | (456.6) | | | | |
| ND/EBITDA (x) | 1.5 | 0.9 | (2.5) | (3.4) | (4.1) | | | | |
| ND/Equity (x) | 0.7 | 0.5 | (0.3) | (0.7) | (1.0) | | | | |
| Book Capex | 479 | 848 | 1,367 | 61.3 | 185.5 | | | | |
| Capex Intensity (% to Revenue) | 244 | 301 | 273 | (28.1) | 28.3 | | | | |

Source: Company, Bloomberg, BRIDS

Exhibit 2. WIFI's FTTH operational performance



Source: Company, BRIDS

Exhibit 3. Income Statement

| Year to 31 Dec (Rpbn) | 2022A | 2023A | 2024A | 9M24 | 9M25 |
|-------------------------|------------|------------|------------|------------|------------|
| Revenue | 461 | 439 | 672 | 309 | 513 |
| COGS | (352) | (267) | (257) | 130 | 121 |
| Gross profit | 109 | 172 | 415 | 439 | 635 |
| EBITDA | 153 | 229 | 492 | 214 | 466 |
| Oper. profit | 93 | 125 | 345 | 148 | 379 |
| Interest income | 6 | 0 | 1 | 0 | 2 |
| Interest expense | (37) | (56) | (73) | 40 | 87 |
| Forex Gain/(Loss) | 0 | 0 | 0 | 0 | 0 |
| Income From Assoc. Co's | 0 | 0 | 0 | 0 | 0 |
| Other Income (Expenses) | (8) | (2) | (0) | 0 | 0 |
| Pre-tax profit | 54 | 68 | 272 | 108 | 294 |
| Income tax | 4 | (9) | (43) | 18 | 66 |
| Minority interest | 0 | 0 | 2 | (0) | (0) |
| Net profit | 58 | 59 | 231 | 90 | 228 |
| Core Net Profit | 34 | 58 | 231 | 90 | 228 |

Exhibit 4. Balance Sheet

| Year to 31 Dec (Rpbn) | 2022A | 2023A | 2024A | 9M24 | 9M25 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Cash & cash equivalent | 21 | 40 | 18 | 53 | 1,035 |
| Receivables | 103 | 91 | 136 | 241 | 186 |
| Inventory | 0 | 0 | 0 | 0 | 0 |
| Other Curr. Asset | 95 | 132 | 431 | 111 | 725 |
| Fixed assets - Net | 1,047 | 1,198 | 2,299 | 1,620 | 3,289 |
| Other non-curr.asset | 142 | 103 | 22 | 1,733 | 3,312 |
| Total asset | 1,408 | 1,564 | 2,907 | 2,138 | 5,258 |
| ST Debt | 86 | 110 | 415 | 224 | 730 |
| Payables | 34 | 77 | 159 | 137 | 260 |
| Other Curr. Liabilities | 10 | 37 | 10 | 27 | 19 |
| Long Term Debt | 570 | 487 | 878 | 489 | 1,306 |
| Other LT. Liabilities | 94 | 111 | 476 | 429 | 744 |
| Total Liabilities | 795 | 822 | 1,938 | 1,305 | 3,059 |
| Shareholder's Funds | 610 | 741 | 970 | 831 | 2,198 |
| Minority interests | 2.41 | 2.08 | 0.18 | 2 | 0 |
| Total Equity & Liabilities | 1,408 | 1,564 | 2,907 | 2,138 | 5,258 |

Exhibit 5. Cash Flow

| Year to 31 Dec (IDRbn) | 2022A | 2023A | 2024A | 9M24 | 9M25 |
|----------------------------|--------------|--------------|----------------|--------------|----------------|
| Net income | 58 | 59 | 231 | 90 | 228 |
| Depreciation and Amort. | 60 | 104 | 147 | 66 | 87 |
| Change in Working Capital | | | | | |
| Other Oper. Cash Flow | 55 | 225 | 419 | 74 | 18 |
| Operating Cash Flow | (63) | 62 | 41 | (81) | (297) |
| Capex | (498) | (237) | (1,167) | (499) | (1,101) |
| Others Inv. Cash Flow | 157 | 32 | (311) | 0 | 0 |
| Investing Cash Flow | (329) | (205) | (1,477) | (499) | (1,095) |
| Net change in debt | 251 | (77) | 668 | 114 | 766 |
| New Capital | 17 | 0 | 0 | 0 | 0 |
| Dividend payment | 0 | 0 | (3) | 0 | 0 |
| Other Fin. Cash Flow | 16 | 76 | 372 | 323 | 1,329 |
| Financing Cash Flow | 284 | (1) | 1,037 | 437 | 2,094 |
| Net Change in Cash | 10 | 19 | (22) | 13 | 1,017 |
| Cash - begin of the year | 11 | 21 | 40 | 40 | 18 |
| Cash - end of the year | 21 | 40 | 18 | 53 | 1,035 |

Exhibit 6. Key Ratios

| Year to 31 Dec | 2022A | 2023A | 2024A | 9M24 | 9M25 |
|--------------------------|-------|-------|-------|-------|-------|
| Growth (%) | | | | | |
| Sales | 18.0 | (4.8) | 52.9 | 40.1 | 66.2 |
| EBITDA | 123.6 | 50.4 | 114.3 | 79.3 | 117.6 |
| Operating profit | 340.9 | 35.1 | 175.2 | 138.4 | 155.7 |
| Net profit | 126.5 | 0.1 | 294.9 | 853.5 | 153.6 |
| Profitability (%) | | | | | |
| Gross margin | 23.6 | 39.1 | 61.7 | 142.0 | 123.6 |
| EBITDA margin | 33.1 | 52.2 | 73.2 | 69.2 | 90.7 |
| Operating margin | 20.1 | 28.5 | 51.3 | 48.0 | 73.8 |
| Net margin | 12.7 | 13.3 | 34.4 | 29.1 | 44.4 |
| ROAA | 5.1 | 3.9 | 10.3 | 10.1 | 13.4 |
| ROAE | 10.4 | 8.7 | 27.0 | 24.9 | 31.0 |
| Leverage | | | | | |
| Net Gearing (x) | 1.0 | 0.7 | 1.3 | - | - |
| Interest Coverage (x) | 2.5 | 2.2 | 4.7 | 3.7 | 4.4 |

Source : WIFI, BRIDS

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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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