

## Buy

(*Maintained*)

Last Price (Rp)	354		
Target Price (Rp)	550		
Previous Target Price (Rp)	550		
Upside/Downside	+55.4%		
No. of Shares (mn)	30,883		
Mkt Cap (Rpbn/US\$mn)	11,836 /700		
Avg, Daily T/O (Rpbn/US\$mn)	6.2/0.4		
Free Float (%)	22.2		
Major Shareholder (%)			
PT Sumber Alfaria Trijaya	77.1		
EPS Consensus (Rp)			
2025F	2026F	2027F	
BRIDS	21.5	25.1	26.6
Consensus	21.9	25.3	28.0
BRIDS/Cons (%)	(1.6)	(0.7)	(5.2)

## Midi Utama Indonesia (MIDI IJ)

### Operational Recovery Continues in 4Q25 and Jan26

- MIDI's operational performance indicates improvement, with SSSG turning positive at end-FY25 and reaching mid-single digit in early Jan26.
- We adjusted down SSSG & store expansion assumptions, but still expect MIDI to deliver solid +9.4% rev & +16.8% earnings growth in FY26F.
- We reiterate Buy rating with an unchanged TP of Rp550; current 14.1x FY26F PE is attractive given the potential growth prospects.

#### Sequential improvement in latest operational performance

MIDI reported FY25 SSSG of +1.48%, below our prev. expectation of 2.9%. While SSSG remained marginally negative at -0.39% in 4Q25, this represents a sequential improvement from -1.36% in 3Q25 and -4.07% in 2Q25. Management indicated that SSSG has turned positive in Nov and Dec25 and **continues to improve in the first two weeks of Jan26**. SSSG reached **mid-single digit in early Jan26** despite a high single digit base in Jan25, and mgmt. remains optimistic to deliver mid-single digit SSSG in FY26F. Given the weaker performance in Java region, MIDI moderated its store expansion and ended up with 152 stores opening in FY25F vs. the initial target of 200 stores. Looking ahead, MIDI remains committed to its 200 stores expansion plan and intends to enter several new provinces outside Java this year.

#### Slight forecast changes to reflect recent SSSG softness

Following the latest operational update, we trimmed our SSSG assumption to 1.5% in FY25F (from 2.9%) and 3.2% in FY26F (from 4.5%), reflecting expectations of a more gradual recovery following recent SSSG weakness. We also adjusted our FY25 store expansion assumptions downward and factored in higher salary growth from FY26F onwards to incorporate the minimum wage increase this year. Nonetheless, our revised forecasts continue to position MIDI as one of the stronger growth names in the retail sector under our coverage, with +4.9/9.4% yoy revenue growth in FY25/26F. Additionally, with no expected losses from subsidiary in 3Q25 and 4Q25, we project +31.7/16.8% yoy earnings growth in FY25/26F. We also expect margins to improve gradually from this year, supported by evidence of structural margin uplift following Lawson's divestment in 3Q25.

#### Reiterate Buy with an unchanged TP of Rp550

We reiterate our Buy rating on MIDI as a staple retailer, underpinned by its more defensive business profile relative to other retailers, translating to a solid growth outlook and more sustainable margins following Lawson's divestment. We maintain our TP at Rp550, based on 21.3x PE multiple, in line with its 3yr historical mean. MIDI's current valuation at 14.1x PE FY26F is attractive in our view, given its growth prospects despite trading at a premium to its peers. Its closest peer, AMRT, is currently trading at ~40% premium to MIDI, despite having lower earnings growth and margin outlook.

#### Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	17,351	19,888	20,856	22,825	24,445
EBITDA (Rpbn)	425	515	619	725	753
EBITDA Growth (%)	(6.2)	21.2	20.1	17.1	3.9
Net Profit (Rpbn)	517	546	720	840	889
EPS (Rp)	16.7	16.3	21.5	25.1	26.6
EPS Growth (%)	20.9	(2.3)	31.7	16.8	5.8
BVPS (Rp)	121.1	123.5	138.6	156.2	174.8
DPS (Rp)	5.0	6.5	7.5	8.0	10.0
PER (x)	21.2	21.7	16.4	14.1	13.3
PBV (x)	2.9	2.9	2.6	2.3	2.0
Dividend yield (%)	1.4	1.8	2.1	2.3	2.8
EV/EBITDA	26.4	23.5	19.6	16.5	15.0

Source: MIDI, BRIDS Estimates

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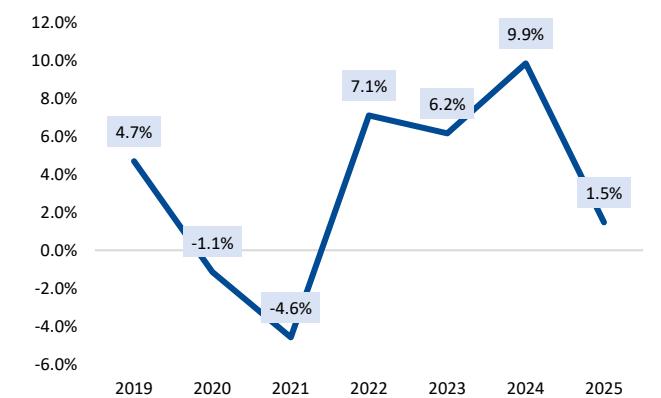
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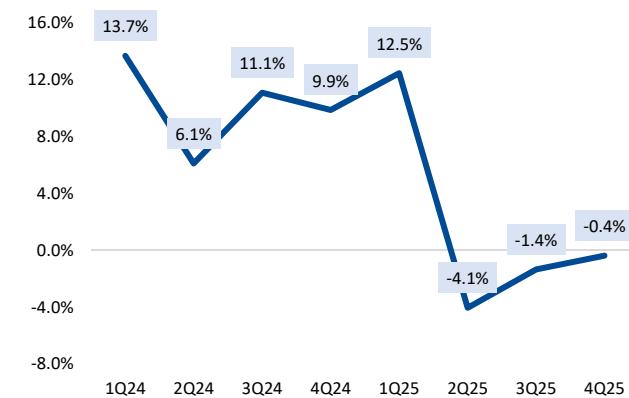
**Exhibit 1. MIDI Earnings Estimate Revision**

MIDI IJ (Rpbn)	Previous			New			Changes		
	2025F	2026F	2027F	2025F	2026F	2027F	2025	2026	2027
Revenue	21,581	23,593	25,646	20,856	22,825	24,445	-3.4%	-3.3%	-4.7%
Gross profit	5,581	6,144	6,664	5,371	5,912	6,357	-3.8%	-3.8%	-4.6%
Operating profit	839	949	1,084	619	725	753	-26.2%	-23.7%	-30.5%
Pretax profit	833	947	1,091	847	966	1,022	1.6%	2.0%	-6.3%
Net profit	708	824	949	720	840	889	1.6%	2.0%	-6.3%
Gross margin	25.9%	26.0%	26.0%	25.8%	25.9%	26.0%			
Operating margin	2.9%	3.1%	3.3%	3.0%	3.2%	3.1%			
Net margin	3.3%	3.5%	3.7%	3.5%	3.7%	3.6%			
<b>Key assumption</b>									
<b>Total stores</b>	2,912	2,708	2,858	2,520	2,720	2,870			
<i>yoy growth</i>	3.7%	-7.0%	5.5%	-10.3%	7.9%	5.5%			
<b>Net additional stores</b>	170	170	150	152	200	150			
Alfamidi	200	170	150	152	200	150			
Lawson	0	0	0	0	0	0			
<b>Rev/store - yoy growth</b>									
<i>Alfamidi</i>	9.0%	5.0%	3.0%	6.0%	4.0%	1.5%			
<i>Lawson</i>	3.0%	0.0%	0.0%	3.0%	0.0%	0.0%			
<b>Revenue contribution</b>									
Alfamidi (include Super and Fresh)	97.6%	100.0%	100.0%	97.5%	100.0%	100.0%			
Lawson	2.4%	0.0%	0.0%	2.5%	0.0%	0.0%			

Source: Company, BRIDS Estimates

**Exhibit 2. Yearly Alfamidi' SSSG**


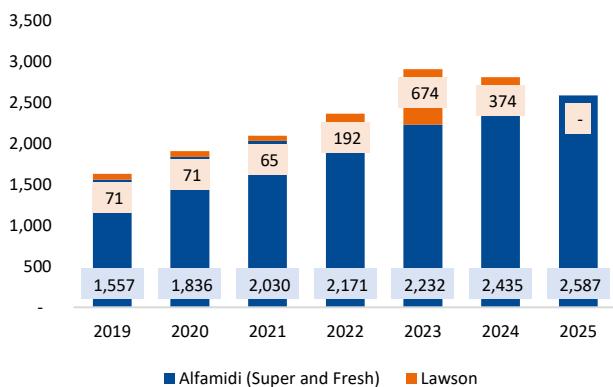
Source: Company

**Exhibit 3. Quarterly Alfamidi' SSSG**


Source: Company

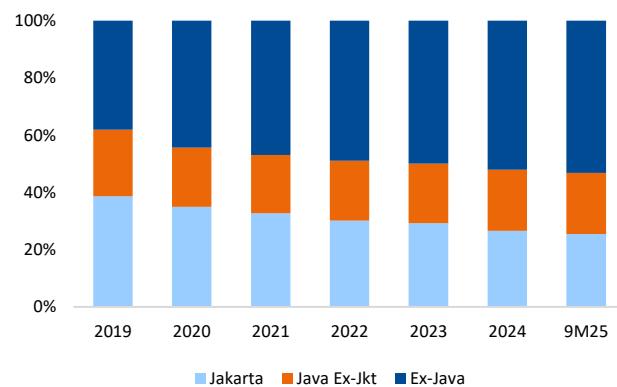
## Equity Research – Company Update

### Exhibit 4. No. of Store (Alfamidi and Lawson)



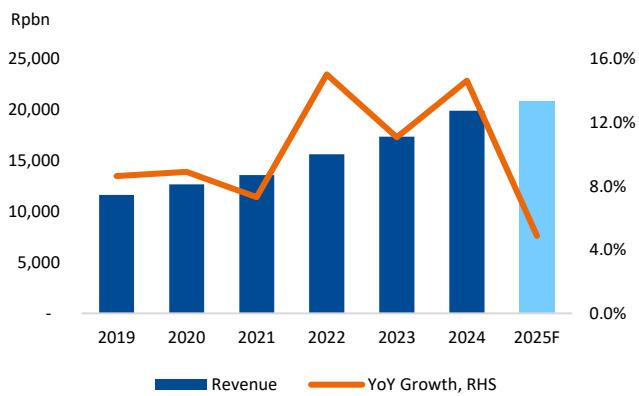
Source: Company

### Exhibit 5. Store Composition by Region



Source: Company

### Exhibit 6. MIDI's Revenue and YoY Growth



Source: Company, BRIDS Estimates

### Exhibit 7. MIDI's Net Profit and YoY Growth

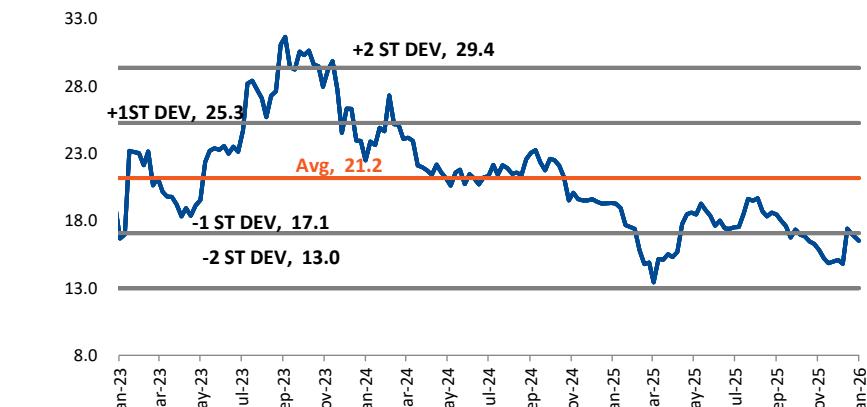


Source: Company, BRIDS Estimates

### Exhibit 8. MIDI vs AMRT Growth & Margin Estimates

YoY Growth	9M25	FY25F	FY26F	Margin	9M25	FY25F	FY26F
<b>Revenue</b>							
MIDI	4.0%	4.9%	9.4%	MIDI	25.8%	25.8%	25.9%
AMRT	7.1%	8.0%	8.7%	AMRT	21.5%	21.6%	21.7%
<b>Gross Profit</b>							
MIDI	1.0%	2.6%	10.1%	MIDI	3.9%	3.0%	3.2%
AMRT	7.6%	8.6%	9.4%	AMRT	2.2%	3.1%	3.2%
<b>Operating Profit</b>							
MIDI	32.0%	20.1%	17.1%	MIDI	3.9%	3.5%	3.7%
AMRT	-9.4%	-4.3%	13.1%	AMRT	2.5%	2.6%	2.7%
<b>Net Profit</b>							
MIDI	26.5%	31.7%	16.8%				
AMRT	-3.5%	7.1%	12.9%				

Source: Bloomberg, Company, BRIDS Estimates \*AMRT Using Bloomberg Consensus Numbers

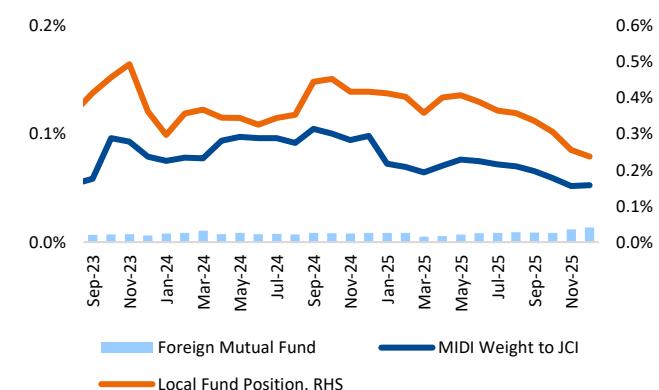
**Exhibit 9. MIDI's PE Band**


Source: Bloomberg, BRIDS Estimates

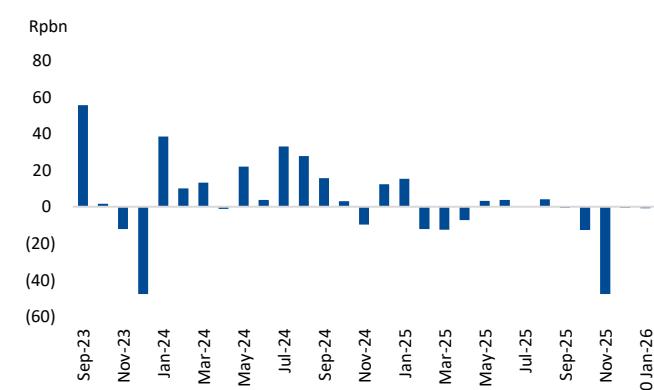
**Exhibit 10. Retailer Peers Comparison**

Ticker	Rec	Target Price	M.Cap	P/E (x)		P/BV (x)		ROE (%)	Dividend Yield (%)	EPS Growth (%)	
		(Rp)	(Rpbn)	2025F	2026F	2025F	2026F	2025F	2025F	2025F	2026F
MAPI	Buy	1,400	20,086	10.6	8.9	1.5	1.2	14.9	0.8	7.3	18.6
MAPA	Buy	800	17,672	11.5	9.7	2.1	1.8	20.0	0.8	13.3	18.8
ACES	Buy	550	7,054	9.9	8.6	1.0	1.0	10.7	5.1	(20.1)	15.5
MIDI	Buy	550	11,836	16.4	14.1	2.6	2.3	16.4	2.8	31.7	16.8
AMRT	Not Rated	n.a	80,558	23.9	21.1	4.3	3.9	(5.9)	1.8	7.1	13.1
<b>Sector</b>				<b>19.0</b>	<b>16.6</b>	<b>3.3</b>	<b>2.9</b>	<b>3.3</b>	<b>1.8</b>	<b>8.7</b>	<b>15.1</b>

Source: Bloomberg, BRIDS Estimates \*AMRT Using Bloomberg Consensus Numbers

**Exhibit 11. MIDI's Weighting and Fund Position**


Source: KSEI, BRIDS

**Exhibit 12. MIDI's Historical Foreign Flow**


Source: IDX, BRIDS

**Exhibit 13. Income Statement**

<b>Year to 31 Dec (Rpbn)</b>	<b>2023A</b>	<b>2024A</b>	<b>2025F</b>	<b>2026F</b>	<b>2027F</b>
<b>Revenue</b>	<b>17,351</b>	<b>19,888</b>	<b>20,856</b>	<b>22,825</b>	<b>24,445</b>
COGS	(12,843)	(14,656)	(15,486)	(16,913)	(18,089)
<b>Gross profit</b>	<b>4,509</b>	<b>5,232</b>	<b>5,371</b>	<b>5,912</b>	<b>6,357</b>
<b>EBITDA</b>	<b>425</b>	<b>515</b>	<b>619</b>	<b>725</b>	<b>753</b>
<b>Oper. profit</b>	<b>425</b>	<b>515</b>	<b>619</b>	<b>725</b>	<b>753</b>
Interest income	5	4	6	10	18
Interest expense	(101)	(53)	0	0	0
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	307	192	222	231	250
<b>Pre-tax profit</b>	<b>636</b>	<b>658</b>	<b>847</b>	<b>966</b>	<b>1,022</b>
Income tax	(120)	(183)	(127)	(126)	(133)
Minority interest	0	71	0	0	0
<b>Net profit</b>	<b>517</b>	<b>546</b>	<b>720</b>	<b>840</b>	<b>889</b>
<b>Core Net Profit</b>	<b>517</b>	<b>546</b>	<b>720</b>	<b>840</b>	<b>889</b>

**Exhibit 14. Balance Sheet**

<b>Year to 31 Dec (Rpbn)</b>	<b>2023A</b>	<b>2024A</b>	<b>2025F</b>	<b>2026F</b>	<b>2027F</b>
Cash & cash equivalent	327	378	428	659	1,357
Receivables	430	442	461	503	540
Inventory	2,330	2,701	2,658	2,903	3,105
Other Curr. Asset	99	104	104	109	119
Fixed assets - Net	2,462	2,820	3,174	3,514	3,429
Other non-curr.asset	2,139	2,287	2,492	2,639	2,746
<b>Total asset</b>	<b>7,786</b>	<b>8,733</b>	<b>9,317</b>	<b>10,327</b>	<b>11,297</b>
ST Debt	244	231	242	265	284
Payables	2,822	3,287	3,311	3,618	3,871
Other Curr. Liabilities	297	346	363	398	426
Long Term Debt	391	433	454	497	533
Other LT. Liabilities	119	145	152	166	178
<b>Total Liabilities</b>	<b>3,874</b>	<b>4,442</b>	<b>4,522</b>	<b>4,944</b>	<b>5,291</b>
Shareholder's Funds	3,740	4,129	4,633	5,221	5,843
Minority interests	173	162	162	162	162
<b>Total Equity &amp; Liabilities</b>	<b>7,786</b>	<b>8,733</b>	<b>9,317</b>	<b>10,327</b>	<b>11,297</b>

**Exhibit 15. Cash Flow**

<b>Year to 31 Dec (Rpbn)</b>	<b>2023A</b>	<b>2024A</b>	<b>2025F</b>	<b>2026F</b>	<b>2027F</b>
Net income	517	546	720	840	889
Depreciation and Amort.	856	987	1,023	1,155	1,246
Change in Working Capital	119	130	60	43	34
OtherOper. Cash Flow	30	140	30	58	31
<b>Operating Cash Flow</b>	<b>1,522</b>	<b>1,803</b>	<b>1,832</b>	<b>2,096</b>	<b>2,199</b>
Capex	(1,167)	(1,345)	(1,377)	(1,494)	(1,161)
Others Inv. Cash Flow	(249)	(123)	(189)	(118)	(73)
<b>Investing Cash Flow</b>	<b>(1,417)</b>	<b>(1,468)</b>	<b>(1,567)</b>	<b>(1,613)</b>	<b>(1,235)</b>
Net change in debt	(1,503)	(63)	0	0	0
New Capital	1,311	(2)	0	0	0
Dividend payment	(120)	(155)	(216)	(252)	(267)
Other Fin. Cash Flow	117	(64)	0	0	0
<b>Financing Cash Flow</b>	<b>(195)</b>	<b>(283)</b>	<b>(216)</b>	<b>(252)</b>	<b>(267)</b>
<b>Net Change in Cash</b>	<b>(90)</b>	<b>51</b>	<b>50</b>	<b>231</b>	<b>698</b>
Cash - begin of the year	417	327	378	428	659
Cash - end of the year	327	378	428	659	1,357

**Exhibit 16. Key Ratio**

<b>Year to 31 Dec</b>	<b>2023A</b>	<b>2024A</b>	<b>2025F</b>	<b>2026F</b>	<b>2027F</b>
<b>Growth (%)</b>					
Sales	11.1	14.6	4.9	9.4	7.1
EBITDA	(6.2)	21.2	20.1	17.1	3.9
Operating profit	(6.2)	21.2	20.1	17.1	3.9
Net profit	29.5	5.8	31.7	16.8	5.8
<b>Profitability (%)</b>					
Gross margin	26.0	26.3	25.8	25.9	26.0
EBITDA margin	2.4	2.6	3.0	3.2	3.1
Operating margin	2.4	2.6	3.0	3.2	3.1
Net margin	3.0	2.7	3.5	3.7	3.6
ROAA	7.0	6.6	8.0	8.6	8.2
ROAE	18.0	13.9	16.4	17.1	16.1
<b>Leverage</b>					
Net Gearing (x)	0.1	0.1	0.1	0.0	(0.1)
Interest Coverage (x)	4.2	9.8	0.0	0.0	0.0

*Source: MIDI, BRIDS Estimates*

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**INVESTMENT RATING**

<b>BUY</b>	Expected total return of 10% or more within a 12-month period
<b>HOLD</b>	Expected total return between -10% and 10% within a 12-month period
<b>SELL</b>	Expected total return of -10% or worse within a 12-month period

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