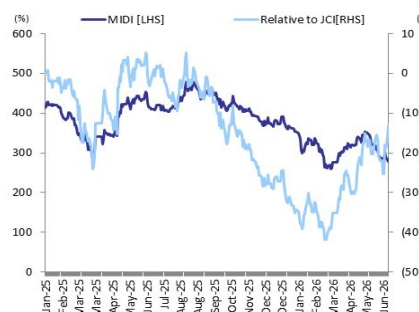


# Overweight

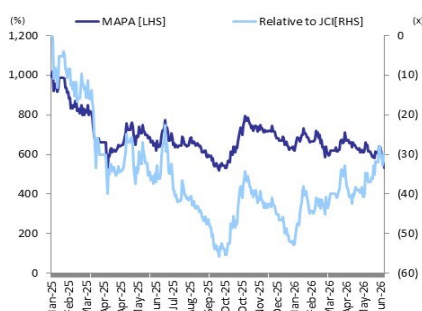
(Maintained)

Tactical (3M): N

## MIDI relative to JCI Index



## MAPA relative to JCI Index



### BRI Danareksa Sekuritas Analysts

#### Christy Halim

(62-21) 5091 4100 ext. 3512

christy.halim@brids.co.id

#### Sabela Nur Amalina

(62-21) 5091 4100 ext. 4202

sabela.amalina@brids.co.id

## Retail

### Channel Check: Promotional Activity Remains Elevated Post-Eid

- Most retailers continued their promos post-Eid season in Apr-May26; MAPA & MAPI rotated weekly offers, while AZKO continues with its various campaigns.
- Staple retailer demand remains relatively resilient, led by continued SSSG improvement in MIDI.
- Maintain Overweight on the sector; MIDI (Buy, TP Rp500) as our top pick.

#### Variety of promotional activities post Eid to boost sales

Our weekly channel checks indicate that most retailers sustained promotional activity in Apr-May26, following the Eid season. **MAPA** launched its Mid-Season Sale (up to 50% off) in April, followed by the End-of-Season Sale in early June, while also running various mono-brand promotions (e.g., Buy 2 Get 1, cash rebates, and BOGO offers). **MAPI** offered fewer promotions than in 1Q26, with Marks & Spencer running a limited-time 50% discount and Inditex brands maintaining 50-70% markdowns as part of their inventory clearance efforts, alongside double-date sales events. **AZKO** continued promoting its private-label products, particularly Stora, through various campaigns and routine online/payday promotions, before launching its annual Boom Deals in early June.

#### Staple retailers continue to demonstrate resilience

While we acknowledge concerns over softer demand post Eid festive season, we have seen continued signs of recovery in the SSSG of MIDI as a staple retailer. Despite a lower base effect last year, MIDI delivered Apr25 SSSG of +1.1% yoy (vs. Apr24 of -14.8%) with growth accelerating further to +7.15% in May26. Meanwhile, ACES reported a softer Apr26 SSSG of +2.4% due to the timing shift in Eid, yet still within the 2-4% management's guidance. Nevertheless, we view weaker IDR and heightened macro uncertainty as key headwinds to purchasing power, which could weigh on discretionary spending.

#### Fund flows and positioning

Within retail space, domestic funds have modestly increased their exposure over the past month, particularly in MAPI and MAPA. We believe this was primarily driven by improving investor sentiment as MAPI traded closer to their MTO price at Rp1,550/share. Meanwhile, positioning in ACES and MIDI has remained largely unchanged over the past 3 months. From a foreign flow perspective, ACES has seen the largest reduction in positioning ytd, while they have added selectively to MIDI and maintaining broadly stable positions in both MAPI and MAPA.

#### Maintain MIDI as our top picks

We maintain our Overweight rating on the sector; the sector valuation has continued to derate to 10.1x FY26F PE, which stood at -1.5std of its 3yr mean. We think the current valuation already reflects most of the prevailing macro and consumption concerns. We reiterate MIDI (Buy, TP Rp500) as our top picks in the sector. We remain constructive on its defensive, staple-focused business model, which provides greater earnings visibility amid softer consumption backdrop, more resilient growth outlook and potential for margin expansion. Currently, MIDI trades at an undemanding 11.0x PE FY26F.

Company	Ticker	Rec	Target Price (Rp)	Market Cap. (RpBn)	P/E (x)		P/BV (x)		ROE (%) 2026F
					2026F	2027F	2026F	2027F	
Midi Utama Indonesia	MIDI IJ	BUY	500	9,896.8	11.0	9.7	2.0	1.8	18.7
MAP Aktif Adiperkasa	MAPA IJ	BUY	800	16,104.8	8.8	7.6	1.6	1.3	19.8
Mitra Adiperkasa	MAPI IJ	BUY	1,400	24,651.0	11.0	10.3	1.5	1.3	15.0
Ace Hardware Indonesia	ACES IJ	BUY	450	6,026.4	8.7	8.0	0.9	0.8	10.3
<b>Sector</b>					<b>10.1</b>	<b>9.2</b>	<b>1.6</b>	<b>1.4</b>	<b>16.5</b>

## Channel Check: Promotional Activity Remains Elevated Post-Eid

### Variety of promotional activities post Eid to boost sales

Our weekly channel checks indicate that most retailers continued their promotional activities post-Eid in Apr-May26, following the Eid season promotions. For **MAPA**, we observed the launch of its Mid-Season Sale (up to 50% off) in April, followed by the End-of-Season Sale (up to 50% off) in early June. Between these campaigns, the company also offered various promotions across its mono-brand portfolio, including Buy 2 Get 1 Free, cash rebates of Rp150k–300k, Buy 2 Get 20% Off, and Buy 1 Get 1 deals. For **MAPI**, we noted a narrower range of discount offerings compared with 1Q26. During the period from Apr– MTD Jun26, Marks & Spencer offered a short-term promotion of 50% discount on selected items. Meanwhile, Inditex brands maintained regular markdowns ranging from 50–70% as part of their inventory clearance efforts, complemented by special double-date sales campaigns. **AZKO** continued to promote its private-label products, particularly the Stora brand, through various campaigns in Apr and May, alongside routine online and payday promotions. In early June, the company launched its "Boom Deals" campaign, offering discounts of up to 75% through end-Jun26.

### Exhibit 1. Summary on Promotion in MAPI, MAPA, and AZKO Store

Brands	1Q26	April - MTD Jun26
<b>MAPI</b>		
Zara	- SALE: ALL AT Rp159k-659k	- Special Price for selected items
Marks & Spencer	- Chinese New Year: Buy 1 Get 1 - Ramadan Kareem: Buy 2 Enjoy 10% off, Buy 3 or more Enjoy 15% off	- Sale All At 50% Off
Stradivarius, Bershka, Pull & Bear, Mango	- Further Reduction - Sale: 50-70% off	- Sale: 30-70% off - 6.6 Special Price up to 50% off
<b>MAPA</b>		
Foot Locker	- Sale up to 60% off	- End of Season Sale 50% Off
Planet Sports, Sport Station, and Mono brands (Converse, Skechers, Reebok, and New Balance)	- Buy 1 Get 50% off on 2nd item - Cash Rebate Rp150-300k - Buy More Save More: 20% off min purchase of Rp1mn, 30% off min purchase of Rp1.5mn, 40% off min purchase Rp2mn - CNY Deals: Get 30% off 2nd item, Get 40% off on 3rd item - Ramadan Sale up to 70% off	- Mid Season Sale up to 50% off - Mid Season Sale up to 50% off on 2nd items - Buy 2 Get 1 Free - Cash Rebate Rp150k-300k - Buy 2 Get 20% off - Converse: Buy 1 Get 1 - End of Season Sale 50% Off
<b>ACES</b>		
AZKO	- Shopping Rp1mn, get cashback coin 5-10% - Lunar Prosperity, save up to 70% off - Prosperity 88: Add Rp88k get selected products - Cerita di setiap langkah Ramadan (cashback up to Rp1mn) - Kejutan Special Berbuka (every day at 16.00-21.00) - Payday Surprise - Diskon Kaget/Super Online Deals, save up to 50%	- Solusi rumah rapi maksimal STORA: ekstra hemat 10% untuk semua produk STORA - Special Deals for selected items - FANTastic Deals: Siap hadapi cuaca panas dengan harga spesial - BOOM DEALS: Hemat hingga 75%

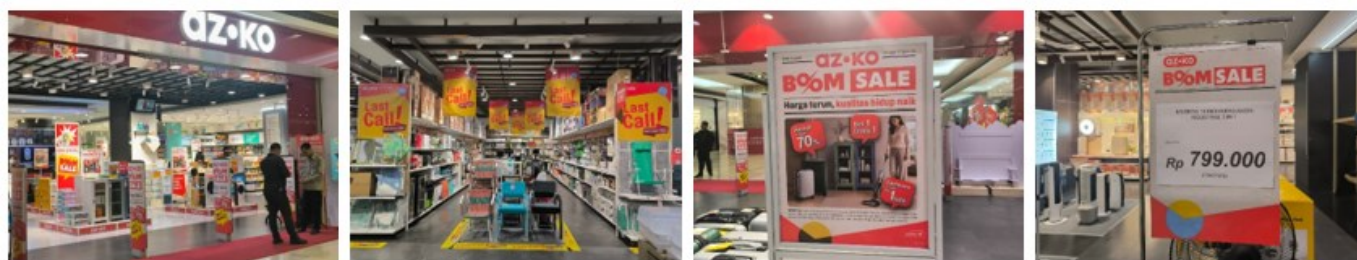
Source: BRIDS Survey

**Exhibit 2. Current Promotion on MAPI and MAPA Store**



Source: BRIDS Survey, MAPClub

**Exhibit 3. Current Promotion on AZKO Store**



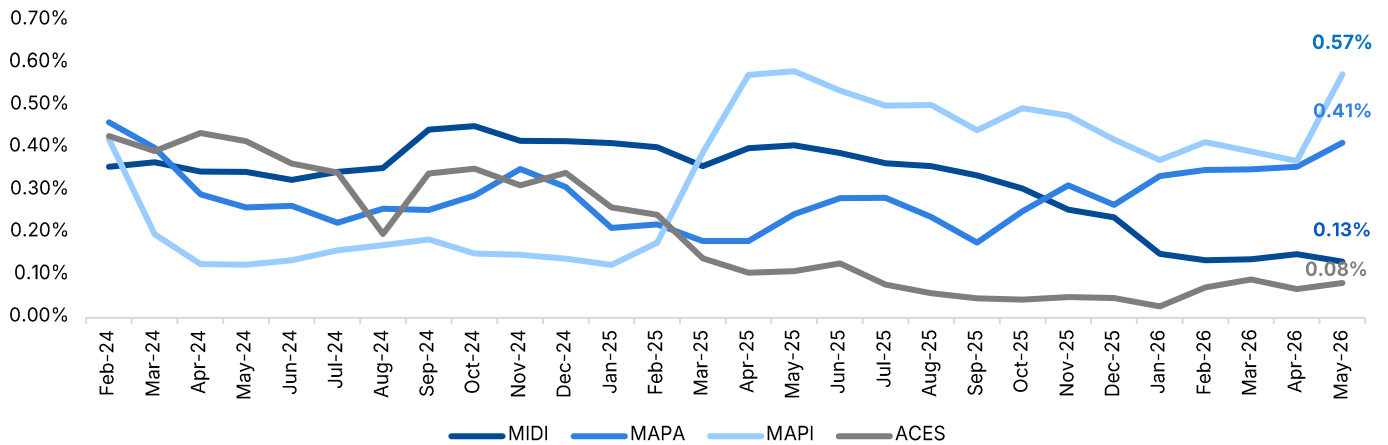
Source: BRIDS Survey

**Exhibit 4. Retail Sector Valuation Table**

Ticker	Rec	Target Price (Rp)	Market Cap (Rpbn)	P/E (x)		P/BV (x)		ROE (%)	Dividend Yield (%)	EPS Growth (%)	
				2026F	2027F	2026F	2027F			2026F	2027F
MAPI	Buy	1,400	24,651.0	11.0	10.3	1.5	1.3	15.0	0.7	0.8	6.3
MAPA	Buy	800	16,104.8	8.8	7.6	1.6	1.3	19.8	1.0	5.9	16.2
ACES	Buy	450	6,026.4	8.7	8.0	0.9	0.8	10.3	5.7	3.5	8.8
MIDI	Buy	500	9,896.8	11.0	9.7	2.0	1.8	18.7	5.6	13.2	13.4
<b>Sector</b>				<b>10.1</b>	<b>9.2</b>	<b>1.6</b>	<b>1.4</b>	<b>16.5</b>	<b>2.2</b>	<b>4.7</b>	<b>10.6</b>

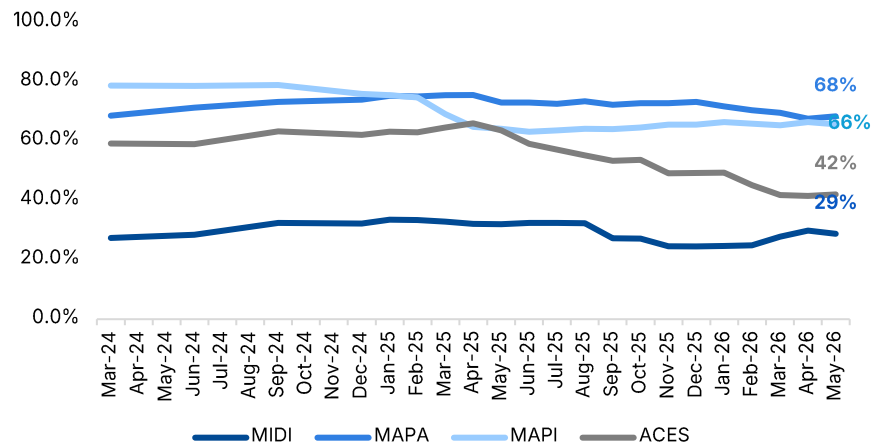
Source: Bloomberg, BRIDS Estimates

**Exhibit 5. Domestic Fund Positioning in Retail Sector**



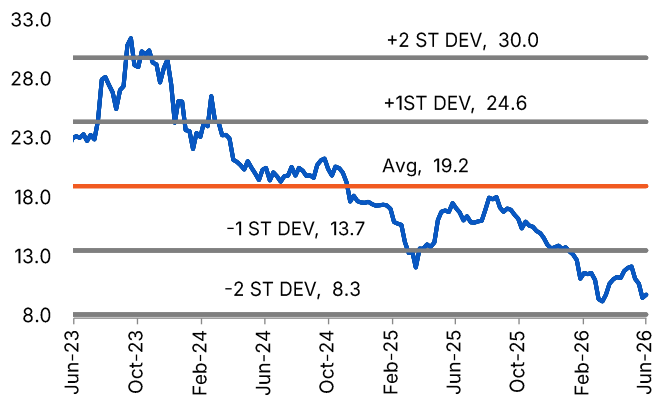
Source: KSEI, BRIDS

**Exhibit 6. Foreign Ownership in Retail Sector (Ex-Corporate)**



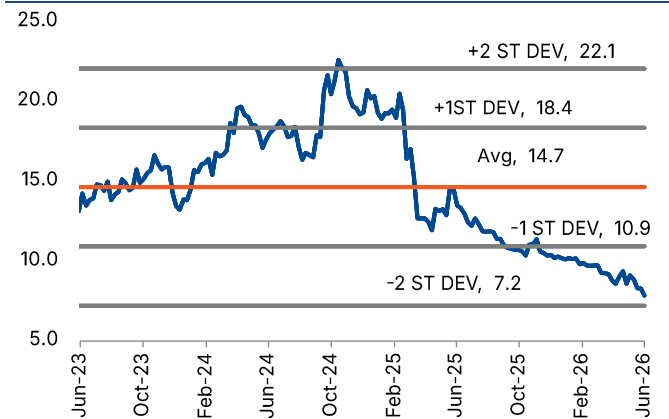
Source: KSEI, BRIDS

**Exhibit 7. PE Band - MIDI**



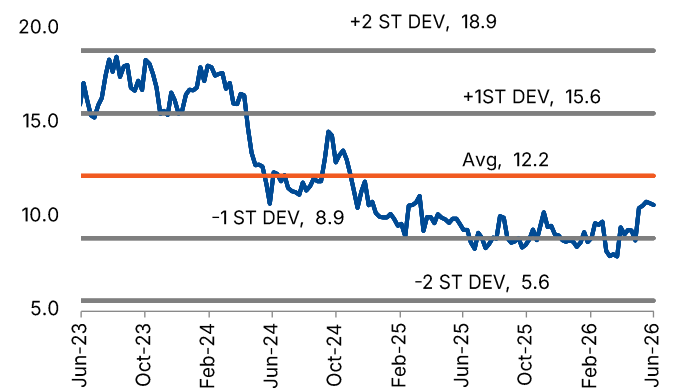
Source: Company, Bloomberg, BRIDS Estimates

**Exhibit 8. PE Band - ACES**



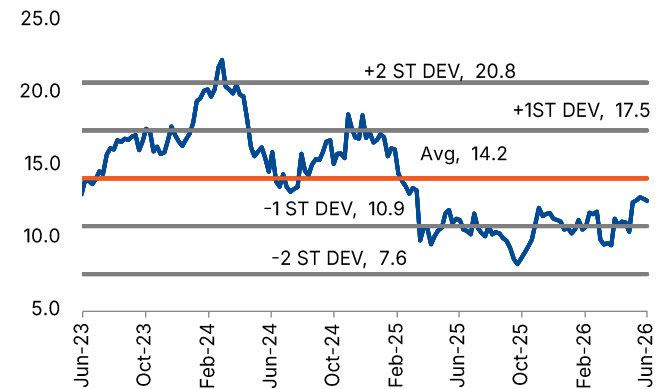
Source: Company, Bloomberg, BRIDS Estimates

**Exhibit 9. PE Band - MAPI**



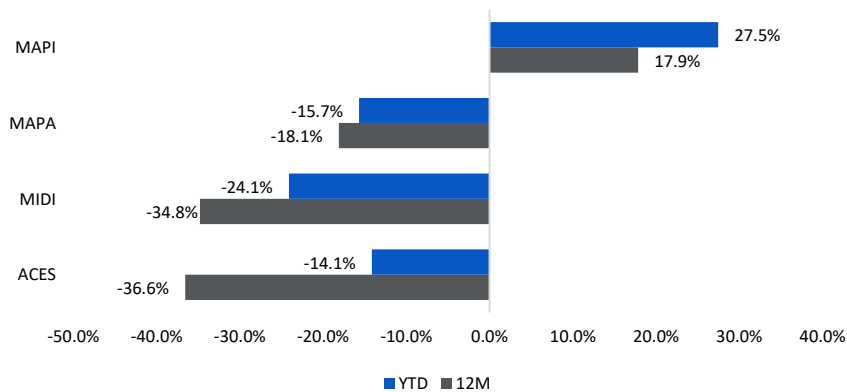
Source: Company, Bloomberg, BRIDS Estimates

**Exhibit 10. PE Band - MAPA**



Source: Company, Bloomberg, BRIDS Estimates

**Exhibit 11. Share Price Performance in Retail Sector**



Source: Bloomberg

## BRI Danareksa Equity Research Team

Erindra Krisnawan, CFA	Head of EQR, Strategy, Automotive, Coal	<a href="mailto:erindra.krisnawan@brids.co.id">erindra.krisnawan@brids.co.id</a>
Victor Stefano	Banks, Poultry	<a href="mailto:victor.stefano@brids.co.id">victor.stefano@brids.co.id</a>
Christy Halim	Consumer, Retailers	<a href="mailto:christy.halim@brids.co.id">christy.halim@brids.co.id</a>
Andhika Audrey Eko Nugroho	Metal Mining, Oil & Gas	<a href="mailto:andhika.nugroho@brids.co.id">andhika.nugroho@brids.co.id</a>
Kafi Ananta Azhari	Telco, Technology	<a href="mailto:kafi.azhari@brids.co.id">kafi.azhari@brids.co.id</a>
Ni Putu Wilastita Muthia Sofi	Research Associate	<a href="mailto:wilastita.sofi@brids.co.id">wilastita.sofi@brids.co.id</a>
Naura Reyhan Muchlis	Research Associate	<a href="mailto:naura.muchlis@brids.co.id">naura.muchlis@brids.co.id</a>
Sabela Nur Amalina	Research Associate	<a href="mailto:sabela.amalina@brids.co.id">sabela.amalina@brids.co.id</a>

## BRI Danareksa Economic Research Team

Helmy Kristanto	Chief Economist, Macro Strategy	<a href="mailto:helmy.kristanto@brids.co.id">helmy.kristanto@brids.co.id</a>
Relindya Yuriswari S.	Economist	<a href="mailto:relindya.salehaningtyas@brids.co.id">relindya.salehaningtyas@brids.co.id</a>
Ebenezer Mesotuhu Harefa	Junior Economist	<a href="mailto:ebenezer.harefa@brids.co.id">ebenezer.harefa@brids.co.id</a>

## BRI Danareksa Institutional Equity Sales Team

Novrita Endah Putrianti	Institutional Sales Unit Head	<a href="mailto:novrita.putrianti@brids.co.id">novrita.putrianti@brids.co.id</a>
Ehrliech Suhartono	Institutional Sales Associate	<a href="mailto:ehrliech@brids.co.id">ehrliech@brids.co.id</a>
Adeline Solaiman	Institutional Sales Associate	<a href="mailto:adeline.solaiman@brids.co.id">adeline.solaiman@brids.co.id</a>
Andreas Kenny	Institutional Sales Associate	<a href="mailto:andreas.kenny@brids.co.id">andreas.kenny@brids.co.id</a>
Jason Joseph	Institutional Sales Associate	<a href="mailto:Jason.joseph@brids.co.id">Jason.joseph@brids.co.id</a>

## BRI Danareksa Sales Traders

Mitcha Sondakh	Head of Sales Trader	<a href="mailto:mitcha.sondakh@brids.co.id">mitcha.sondakh@brids.co.id</a>
Suryanti Salim	Sales Trader	<a href="mailto:suryanti.salim@brids.co.id">suryanti.salim@brids.co.id</a>

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<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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