Buy
(Maintained)

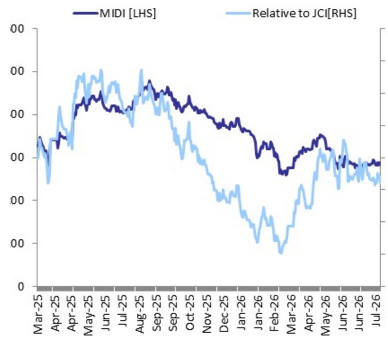
Tactical (3M): **N**

Last Price (Rp)	278
Target Price (Rp)	▼ 480
Previous TP (Rp)	*500*
Upside/Downside	+72.7%
No. of Shares (mn)	30,883
Mkt Cap (Rpbn/US$mn)	8,585/476
Avg, Daily T/O (Rpbn/US$mn)	5.5/0.3
Free Float (%)	22.2
Major Shareholder (%)	
PT Sumber Alfaria Trijaya	77.1

EPS Consensus (Rp)

	2026F	2027F	2028F
BRIDS	26.3	30.2	34.7
Consensus	27.2	29.8	33.0
BRIDS/Cons (%)	(3.1)	1.1	5.1

MIDI relative to JCI Index



Source: Bloomberg

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

Midi Utama Indonesia (MIDI IJ)

Sustaining Revenue Growth, with Margins on the Mend

- **MIDI's 1H26 revenue continued to outpace industry growth, while margins remained resilient on product mix and margin gains.**
- **1H26 SSSG of 4.4% remained within guidance, with momentum expected to improve on a lower base.**
- **We tweaked FY26/27F net profit est by -1.9/-0.8% and reiterate Buy rating with lower TP of Rp480.**

Strong topline momentum with improving margins

MIDI reported 1H26 revenue growth of +8.5% yoy, continuing to outpace Indonesia's FMCG (+5.1%) and modern trade (+8.3%) growth. In 2Q26, revenue rose +10.8% yoy (-8.7% qoq), partly supported by 2-10% price increase on products with imported raw material exposure and oil price volatility. Mgmt noted that prices for predominantly locally sourced products remain unchanged amid soft consumer demand, although promotions have been reduced. Gross margin recovered back to 26.8% in 2Q26, driven by a more favorable product mix (higher contribution from fresh food and non-food categories) and margin gains from older inventory sold at higher prices. Meanwhile, net margin remained resilient at 4.1%, despite a slight qoq decline due to a higher opex-to-rev ratio.

Encouraging sales trend in Jul26; lower base to support 2H26 SSSG

2Q26 SSSG moderated to 3.4%, reflecting normal post-Eid seasonality, while 1H26 SSSG of 4.4% remained within mgmt's mid-single digit guidance. Note that MIDI reclassified revenue from mobile airtime and data top-ups to fee-based income starting FY26. Mgmt highlighted that sales remained encouraging through the 3rd week of Jul26, with SSSG of ~3% (incl the impact of the mobile-data reclassification). From Aug26 onward, MIDI is also set to benefit from a lower base, as SSSG turned negative from Aug25. Therefore, we now project FY26F SSSG to be at 4.5%, improving further to 5.2% in FY27F.

Reiterate Buy rating, with slightly lower TP of Rp480

We reiterate MIDI as our top pick in the retail space, backed by its defensive staple retail business model and strong exposure to ex-Java markets (55% of stores). We believe its strategy to increase the contribution of fresh food and non-food categories, particularly personal care, should support margin expansion, while we see limited competitive risk from the establishment of Kopdes. We fine-tune our FY26/27F earnings forecasts by -1.9/-0.8%, while leaving our revenue assumptions unchanged. Accordingly, we lower our TP slightly to Rp480, based on an unchanged 3yr historical mean valuation of 18.5x from 19.6x. MIDI currently trades at 10.6x PE FY26F. Key risks: weaker-than-expected consumer demand that may impact topline, Kopdes' expansion into Alfamidi's urban retail territory.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	19,888	20,642	22,474	24,504	26,952
EBITDA (Rpbn)	719	968	1,044	1,196	1,374
EBITDA Growth (%)	(3.2)	34.6	7.9	14.6	14.8
Net Profit (Rpbn)	546	792	880	1,009	1,161
EPS (Rp)	16.3	23.7	26.3	30.2	34.7
EPS Growth (%)	(2.3)	45.0	11.0	14.7	15.1
BVPS (Rp)	123.5	135.8	150.3	167.3	187.0
DPS (Rp)	7.3	11.8	13.2	15.1	17.4
PER (x)	17.0	11.7	10.6	9.2	8.0
PBV (x)	2.3	2.0	1.8	1.7	1.5
Dividend yield (%)	2.6	4.3	4.7	5.4	6.2
EV/EBITDA	13.3	9.6	9.1	7.9	6.7

Source: MIDI, BRIDS Estimates

Exhibit 1. MIDI 1H26/2Q26 Earnings Summary

MIDI IJ (Rpbn)	1H25	1H26	YoY	2Q25	1Q26	2Q26	YoY	QoQ	2026F	A/F	A/C
Revenue	10,370	11,247	8.5%	4,846	5,880	5,367	10.8%	-8.7%	22,474	50%	50%
Gross profit	2,635	2,901	10.1%	1,184	1,465	1,436	21.3%	-2.0%	5,911	49%	58%
Opex	2,231	2,386	6.9%	977	1,174	1,212	24.0%	3.2%	5,017	48%	
Operating profit	509	623	22.4%	264	343	280	6.1%	-18.3%	1,078	58%	62%
Pretax profit	443	606	36.9%	212	333	274	29.0%	-17.8%	1,077	56%	53%
Net profit	391	486	24.4%	200	266	220	10.1%	-17.0%	897	54%	54%
Gross margin	25.4%	25.8%		24.4%	24.9%	26.8%			26.3%		
Opex to revenue	21.5%	21.2%		20.2%	20.0%	22.6%			22.3%		
Operating margin	4.9%	5.5%		5.5%	5.8%	5.2%			4.8%		
Net margin	3.8%	4.3%		4.1%	4.5%	4.1%			4.0%		

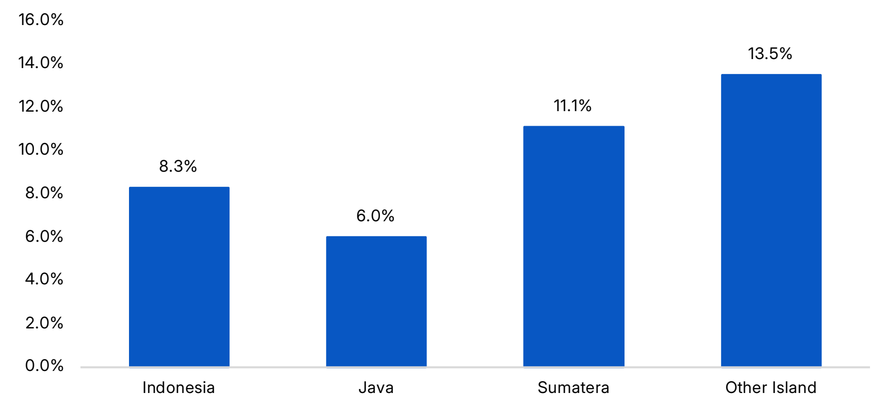
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 2. MIDI Earnings Estimate Revision

MIDI IJ (Rpbn)	Previous		New		Changes	
	2026F	**2027F**	**2026F**	**2027F**	**2026F**	**2027F**
Revenue	22,474	24,634	22,474	24,504	0.0%	-0.5%
Gross profit	5,911	6,499	5,860	6,422	-0.9%	-1.2%
Operating profit	1,078	1,192	1,044	1,196	-3.1%	0.4%
Pretax profit	1,077	1,197	1,047	1,201	-2.7%	0.4%
Net profit	897	1,017	880	1,009	-1.9%	-0.8%
Gross margin	26.3%	26.4%	26.1%	26.2%		
Operating margin	4.0%	4.1%	4.6%	4.9%		
Net margin	4.0%	4.1%	3.9%	4.1%		
Key assumption						
Total stores	2,703	2,853	2,703	2,853		
yoy growth	*4.5%*	*5.5%*	*4.5%*	*5.5%*		
Net additional stores	**200**	**150**	**200**	**150**		
Alfamidi	200	150	200	150		
Lawson	0	0	0	0		
Rev/store - yoy growth						
Alfamidi	*4.2%*	*3.9%*	*4.2%*	*3.3%*		
Lawson	*0.0%*	*0.0%*	*0.0%*	*0.0%*		
Revenue contribution						
Alfamidi (include Super and Fresh	100.0%	100.0%	100.0%	100.0%		
Lawson	0.0%	0.0%	0.0%	0.0%		

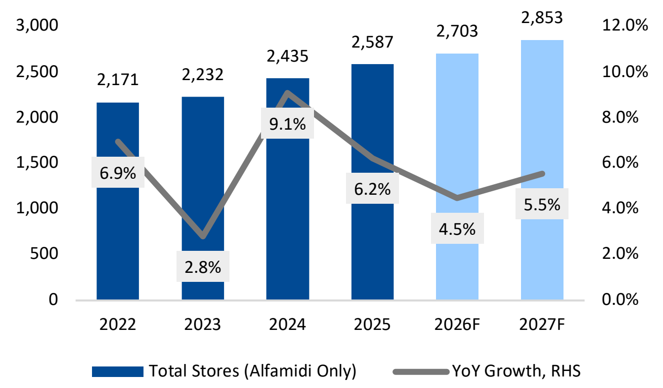
Source: BRIDS Estimates

Exhibit 3. Indonesia MT Growth by Region in 1H26



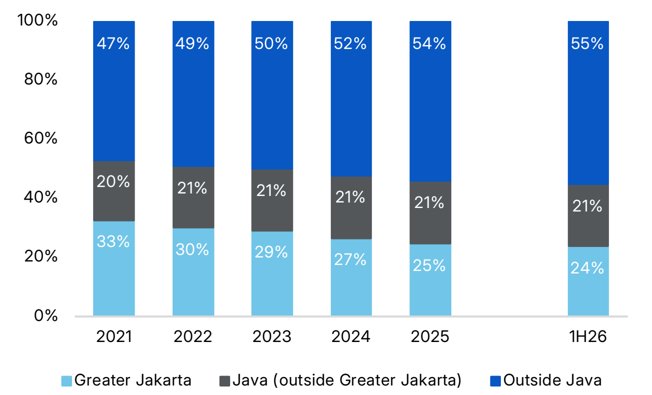
Source: Company, BRIDS

Exhibit 4. MIDI Number of Store



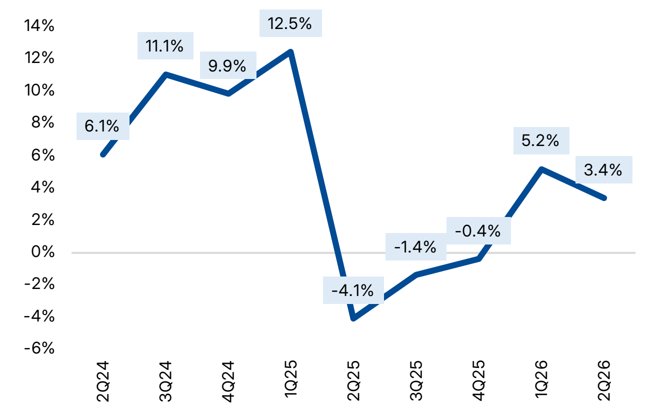
Source: Company, BRIDS Estimates

Exhibit 5. MIDI Store Composition by Region



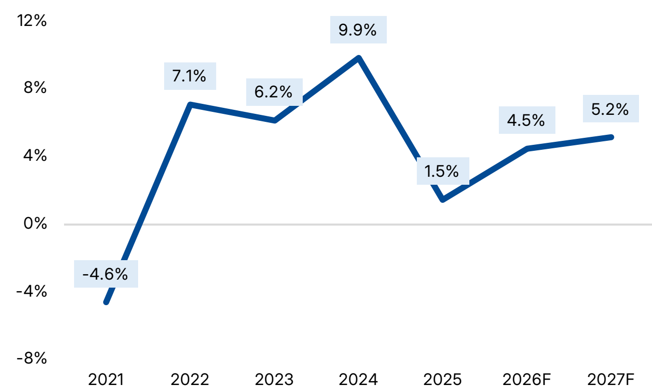
Source: Company, BRIDS

Exhibit 6. Alfamidi's Quarterly SSSG



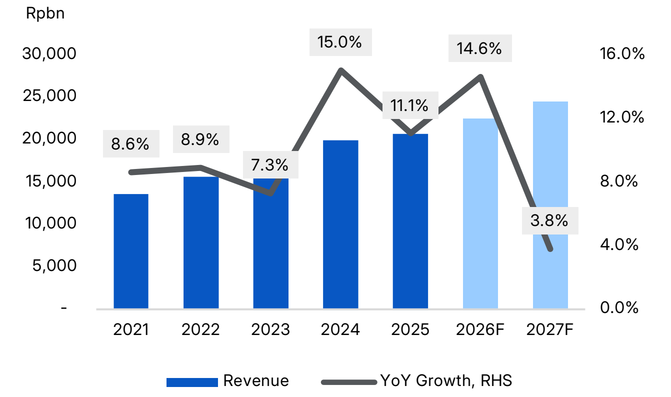
*Source: Company, BRIDS *SSSG 2026 include top-up mobile airtime & data*

Exhibit 7. Alfamidi's SSSG



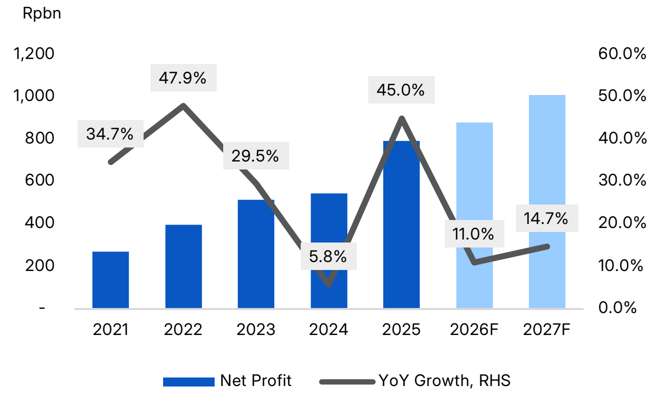
Source: Company, BRIDS

Exhibit 8. MIDI's Revenue and YoY Growth



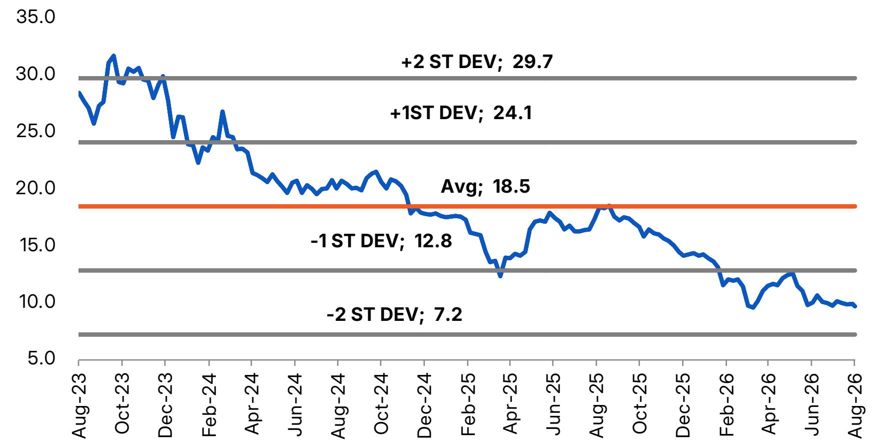
Source: Company, BRIDS Estimates

Exhibit 9. MIDI's Net Profit and YoY Growth



Source: Company, BRIDS Estimates

Exhibit 10. MIDI's PE Band



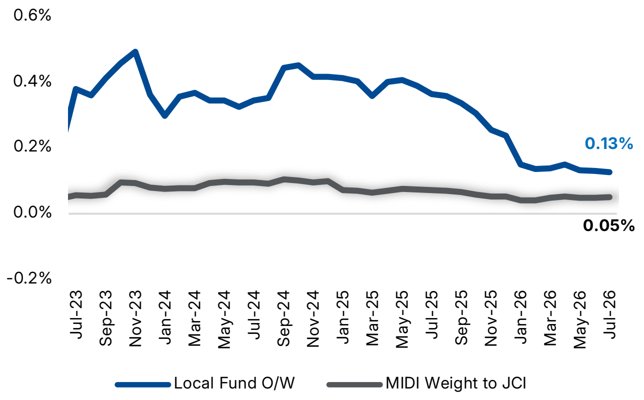
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 11. Retail Peers Valuation

Ticker	Rec	Target Price (Rp)	Market Cap (Rpbn)	P/E (x) 2026F	P/E (x) 2027F	P/BV (x) 2026F	P/BV (x) 2027F	ROE (%) 2026F	Dividend Yield (%) 2026F	EPS Growth (%) 2026F	EPS Growth (%) 2027F
MAPI	Hold	1,600	29,548.0	12.5	11.0	1.8	1.5	15.5	0.9	6.1	13.6
MAPA	Buy	750	18,955.2	10.1	8.9	1.8	1.5	19.5	0.8	8.5	14.0
ACES	Buy	450	6,060.6	8.8	8.1	0.9	0.8	10.3	5.7	3.5	8.8
MIDI	Buy	480	9,295.0	10.6	9.2	1.8	1.7	18.4	6.2	11.0	14.7
Sector				**11.2**	**9.8**	**1.7**	**1.5**	**16.6**	**2.1**	**7.3**	**13.4**

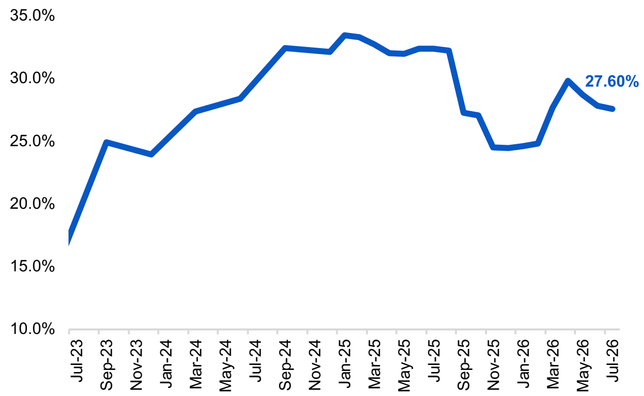
Source: Bloomberg, BRIDS Estimates

Exhibit 12. MIDI's Weighting and Local Fund Position



Source: KSEI, BRIDS

Exhibit 13. MIDI Foreign Ownership (Ex-Corporate)



Source: KSEI, BRIDS

Exhibit 14. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	**19,888**	**20,642**	**22,474**	**24,504**	**26,952**
COGS	(14,656)	(15,247)	(16,614)	(18,082)	(19,831)
Gross profit	**5,232**	**5,396**	**5,860**	**6,422**	**7,122**
EBITDA	**719**	**968**	**1,044**	**1,196**	**1,374**
Oper. profit	**719**	**968**	**1,044**	**1,196**	**1,374**
Interest income	4	13	14	16	20
Interest expense	(53)	(42)	0	0	0
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	192	193	174	181	196
Pre-tax profit	**658**	**927**	**1,047**	**1,201**	**1,382**
Income tax	(183)	(155)	(168)	(192)	(221)
Minority interest	71	20	0	0	0
Net profit	**546**	**792**	**880**	**1,009**	**1,161**
Core Net Profit	**546**	**792**	**880**	**1,009**	**1,161**

Exhibit 15. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	378	576	389	534	768
Receivables	442	382	490	534	587
Inventory	2,701	3,013	2,852	3,104	3,404
Other Curr. Asset	104	91	91	99	108
Fixed assets - Net	2,820	2,989	3,422	3,495	3,568
Other non-curr.asset	2,287	2,079	2,538	3,010	3,505
Total asset	**8,733**	**9,130**	**9,781**	**10,775**	**11,940**
ST Debt	231	109	119	130	143
Payables	3,287	3,481	3,550	3,866	4,244
Other Curr. Liabilities	346	391	426	465	511
Long Term Debt	433	451	491	535	589
Other LT. Liabilities	145	155	169	185	203
Total Liabilities	**4,442**	**4,588**	**4,756**	**5,181**	**5,690**
Shareholder'sFunds	4,129	4,542	5,025	5,594	6,251
Minority interests	162	0	0	0	0
Total Equity & Liabilities	**8,733**	**9,130**	**9,781**	**10,775**	**11,940**

Exhibit 16. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	546	792	880	1,009	1,161
Depreciation and Amort.	987	907	954	980	999
Change in Working Capital	130	(179)	134	30	37
OtherOper. Cash Flow	140	120	57	55	68
Operating Cash Flow	**1,803**	**1,641**	**2,024**	**2,074**	**2,265**
Capex	(1,345)	(1,075)	(1,387)	(1,053)	(1,072)
Others Inv. Cash Flow	(123)	217	(428)	(437)	(454)
Investing Cash Flow	**(1,468)**	**(859)**	**(1,815)**	**(1,490)**	**(1,526)**
Net change in debt	(63)	0	0	0	0
New Capital	(2)	(134)	0	0	0
Dividend payment	(155)	(246)	(396)	(440)	(504)
Other Fin. Cash Flow	(64)	(204)	0	0	0
Financing Cash Flow	**(283)**	**(584)**	**(396)**	**(440)**	**(504)**
Net Change in Cash	**51**	**198**	**(187)**	**145**	**235**
Cash - begin of the year	327	378	576	389	534
Cash - end of the year	378	576	389	534	768

Exhibit 17. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	14.6	3.8	8.9	9.0	10.0
EBITDA	(3.2)	34.6	7.9	14.6	14.8
Operating profit	(3.2)	34.6	7.9	14.6	14.8
Net profit	5.8	45.0	11.0	14.7	15.1
Profitability (%)					
Gross margin	26.3	26.1	26.1	26.2	26.4
EBITDA margin	3.6	4.7	4.6	4.9	5.1
Operating margin	3.6	4.7	4.6	4.9	5.1
Net margin	2.7	3.8	3.9	4.1	4.3
ROAA	6.6	8.9	9.3	9.8	10.2
ROAE	13.9	18.3	18.4	19.0	19.6
Leverage					
Net Gearing (x)	0.1	0.0	0.0	0.0	0.0
Interest Coverage (x)	13.6	22.9	0.0	0.0	0.0

Source: MIDI, BRIDS Estimates

BRI Danareksa Sekuritas

BRI Danareksa Equity Research Team		
Erindra Krisnawan, CFA	Head of EQR, Strategy, Automotive, Coal	erindra.krisnawan@brids.co.id
Victor Stefano	Banks, Poultry	victor.stefano@brids.co.id
Christy Halim	Consumer, Retailers	christy.halim@brids.co.id
Andhika Audrey Eko Nugroho	Metal Mining, Oil & Gas	andhika.nugroho@brids.co.id
Kafi Ananta Azhari	Telco, Technology	kafi.azhari@brids.co.id
Ni Putu Wilastita Muthia Sofi	Research Associate	wilastita.sofi@brids.co.id
Sabela Nur Amalina	Research Associate	sabela.amalina@brids.co.id
Nataniella Eva Kezia	Research Associate	nataniella.kezia@brids.co.id

BRI Danareksa Economic Research Team		
Helmy Kristanto	Chief Economist, Macro Strategy	helmy.kristanto@brids.co.id
Relindya Yuriswari S.	Economist	relindya.salehaningtyas@brids.co.id
Ebenezer Mesotuho Harefa	Junior Economist	ebenezer.harefa@brids.co.id

BRI Danareksa Institutional Equity Sales Team		
Novrita Endah Putrianti	Institutional Sales Unit Head	novrita.putrianti@brids.co.id
Ehrliech Suhartono	Institutional Sales Associate	ehrliech@brids.co.id
Adeline Solaiman	Institutional Sales Associate	adeline.solaiman@brids.co.id
Andreas Kenny	Institutional Sales Associate	andreas.kenny@brids.co.id
Jason Joseph	Institutional Sales Associate	Jason.joseph@brids.co.id

BRI Danareksa Sales Traders		
Mitcha Sondakh	Head of Sales Trader	mitcha.sondakh@brids.co.id
Suryanti Salim	Sales Trader	suryanti.salim@brids.co.id

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