PT Industri Jamu Dan Farmasi Sido Muncul Tbk. (SIDO)

3Q26 Marks the Turn After a Difficult 1H26

SIDO booked 9M26 net profit of IDR 619 bn (-24.4% YoY), ahead of our expectations at 72.8% of our previous FY26F, while revenue of IDR 2.5 tn (-8.4% YoY) was in line at 68.1% of our FY26F. After a difficult 1H26, 3Q26 marked a clear recovery from the Tolak Angin channel reset, with revenue rising +14.7% YoY to IDR 1.0 tn and net profit +30.9% YoY to IDR 285 bn, as Herbal returned to growth and lower A&P spend lifted OPM to 35.4% (vs. 31.2% in 3Q25). While the rainy season should support 4Q26 on a QoQ basis, a delayed onset and a high 4Q25 base are likely to weigh on YoY earnings. We raise our FY26F net profit to IDR 946 bn (previously IDR 850 bn), but maintain "Hold" with an unchanged TP of IDR 350/share, as the share price already reflects most of the recovery.

9M26 & 3Q26 Financial Performance

- **Revenue in Line, with 3Q26 Back to Growth.** SIDO's 9M26 revenue fell -8.4% YoY to IDR 2.5 tn, in line with our estimates at 68.1% of our FY26F forecast (9M25: 66.9% of FY25 revenue). 3Q26 revenue rose +14.7% YoY and +25.0% QoQ to IDR 1.0 tn, the highest third-quarter revenue since at least 3Q23 (vs. IDR 900 bn in 3Q25 and IDR 730 bn in 3Q24).
- **Sell-in Realigns with Sell-out.** Management confirmed that the Tolak Angin channel normalization was completed in May 2026, with the sell-in to sell-out ratio improving from 43% in 1Q26 to 94% in 3Q26 and Tolak Angin sell-in volume growing by a mid-single digit YoY. This confirms that the 1H26 decline reflected distributor destocking rather than weaker consumer demand.
- **F&B Overtakes Herbal in the 9M26 Revenue Mix.** In 9M26, Herbal & Supplements revenue fell -26.0% YoY to IDR 1.2 tn (from IDR 1.6 tn in 9M25), while F&B rose +18.2% YoY to IDR 1.2 tn (from IDR 1.0 tn) and Pharmacy +1.1% YoY to IDR 95 bn (from IDR 94 bn). F&B thus became the largest segment at 48.7% of revenue (vs. 37.7% in 9M25). In 3Q26, Herbal returned to growth at +4.3% YoY (+48.3% QoQ) to IDR 549 bn, volume-led, implying broadly stable pricing, while lower essential oil prices continued to weigh on export sales. F&B rose +33.0% YoY (+9.0% QoQ) to IDR 456 bn, also volume-led, driven by Kuku Bima Ener-G! and supported by C+ Collagen, Alang Sari RTD and unusually hot weather. International business contributed 11.3% of 9M26 revenue, with core international sell-in up +26% YoY excluding essential oils.
- **3Q26 Margins Rebound from the 2Q26 Trough.** 9M26 GPM contracted to 52.2% (vs. 56.7% in 9M25), OPM to 31.5% (vs. 37.6% in 9M25) and NPM to 24.8% (vs. 30.0% in 9M25). In 3Q26, GPM recovered to 54.6% (vs. 56.2% in 3Q25 / 50.5% in 2Q26), OPM to 35.4% (vs. 31.2% in 3Q25 / 28.7% in 2Q26) and NPM to 27.6% (vs. 24.2% in 3Q25 / 22.6% in 2Q26). At the segment level, Herbal GPM returned to 66.9% (vs. 66.7% in 3Q25 / 59.6% in 2Q26) as production volumes normalized, while F&B GPM eased to 41.2% (vs. 41.8% in 3Q25 / 43.8% in 2Q26) on higher taurine, flavoring and sugar costs.
- **Lower A&P Restores Operating Leverage.** Opex-to-sales eased to 19.8% in 3Q26 (vs. 26.2% in 3Q25), as opex fell -13.3% YoY against +14.7% YoY revenue growth. A&P spend dropped -24.6% YoY to IDR 104 bn as management focused on more cost-effective campaigns, including digital and e-commerce. On a 9M26 basis, opex-to-sales still rose to 22.3% (vs. 20.2% in 9M25) on the lower revenue base.

Margin Recovery Supports Our Upward FY26F Earnings Revision

- **Delayed Rainy Season Tempers the 4Q26 Seasonal Uplift.** 4Q is seasonally SIDO's strongest quarter, as the rainy season drives Tolak Angin demand (4Q25: 33.1% of FY25 revenue). This year, however, BMKG expects the onset to be delayed in 529 seasonal zones covering 61% of Indonesia's area, with the peak concentrated between December 2026 and February 2027. We therefore expect a smaller seasonal uplift in 4Q26, supporting QoQ growth but not offsetting the high 4Q25 base, with part of the seasonal Herbal demand shifting into 1Q27.
- **A High 4Q25 Base Caps the YoY Comparison.** 4Q25 was SIDO's strongest quarter of FY25 (revenue of IDR 1.35 tn, net profit of IDR 411 bn, OPM of 38.3%), inflated by heavy distributor sell-in ahead of the normalization. Management's FY26F revenue guidance of -10% YoY implies 4Q26 revenue of IDR 1.17 tn (-13.2% YoY, +13.6% QoQ). We therefore expect 4Q26 net profit of IDR 327 bn, below that base (-20.4% YoY) but above 3Q26 (+14.6% QoQ).
- **We Raise Our FY26F Net Profit.** We keep our FY26F revenue at IDR 3.7 tn (-10.0% YoY), in line with guidance, but raise our net profit forecast to IDR 946 bn (-23.0% YoY; previously IDR 850 bn). The faster Herbal margin recovery and lower A&P spend lift our FY26F GPM to 53.0% (previously 51.0%) and OPM to 32.8% (previously 29.1%). 9M26 represents 68.1% and 65.4% of our new FY26F revenue and net profit, respectively.

Maintain "Hold" Recommendation with Unchanged Target Price at IDR 350/Share

- **We maintain our "Hold" rating on SIDO with an unchanged TP of IDR 350/share, implying 10.9x FY26F P/E and a potential upside of 4.2%.** 3Q26 confirmed SIDO's recovery from a difficult 1H26: Herbal returned to growth on higher Tolak Angin volumes, F&B sustained double-digit growth led by Kuku Bima Ener-G! and new product launches, and A&P discipline restored margins.
- **Risks:** (1) a slower Herbal recovery or a renewed build-up in distributor inventory; (2) a weaker or shorter rainy season dampening Tolak Angin demand; (3) higher F&B input costs (taurine, sugar, packaging) and tighter competition in energy and RTD drinks; (4) weaker consumer purchasing power; (5) continued essential oil price volatility.

PT Industri Jamu Dan Farmasi Sido Muncul Tbk | Summary (IDR Billions)

	FY24/12A	FY25/12A	FY26/12F	FY27/12F	FY28/12F
Revenue	3,919	4,080	3,672	4,066	4,426
Growth (%y/y)	9.9%	4.1%	-10.0%	10.7%	8.8%
Net Profit	1,171	1,229	946	1,065	1,142
Growth (%y/y)	23.2%	5.0%	-23.0%	12.5%	7.2%
Basic EPS (IDR)	39	42	32	36	39
Price / Earnings	15.1	12.9	10.9	9.7	9.0
Price / Book Value	5.1	5.1	3.1	3.0	2.9
EV/EBITDA	10.7	9.4	7.3	6.6	6.1
ROE	33.6%	39.4%	28.5%	31.4%	32.1%
ROA	29.7%	33.4%	24.7%	27.1%	27.8%

Source : Company Data, NHKSI Research

Please consider the rating criteria & important disclaimer

Update Report | 16th November 2026

HOLD

Target Price (IDR)	**350**
Consensus Price	453
TP to Consensus Price	-22.7%
Potential Upside	+4.2%

Shares Data

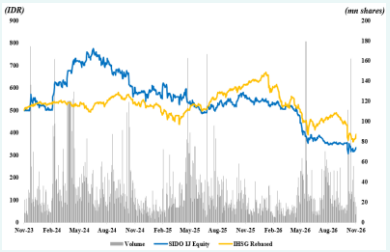
Last Price (IDR)	336
Price date as of	16th November 2026
52 wk range (Hi/Lo)	565 / 302
Free Float (%)	16.9
Outstanding sh (mn)	30,000
Market Cap (IDR bn)	10,080
Market Cap (USD mn)	553
Avg. Trd Vol – 3M (mn)	26.3

Sector
Healthcare

Sub-Sector
Pharmaceuticals & Herbal Products

Bloomberg	SIDO IJ Equity
Reuters	SIDO JK

Shares Price Performance

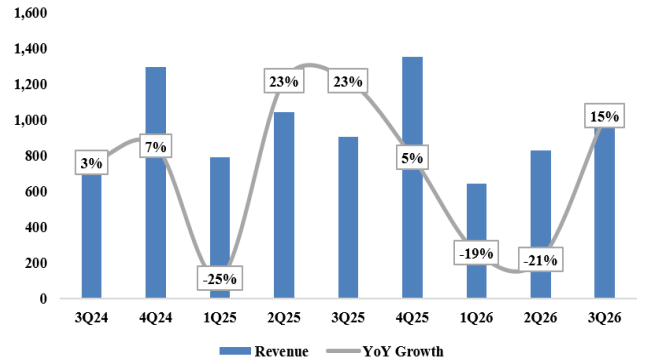


	YTD	3M	6M	12M
Abs.Ret	-37.8%	-4.0%	-24.4%	-38.8%
Rel.Ret	+4.2%	+13.7%	-4.4%	-3.6%

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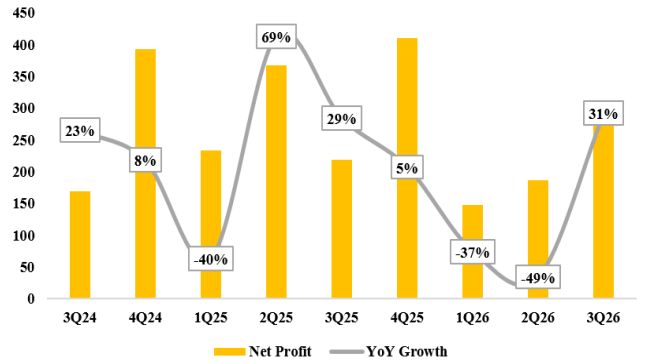
Performance Highlight for SIDO

Exhibit 1. SIDO Quarterly Revenue Performance (3Q24-3Q26)



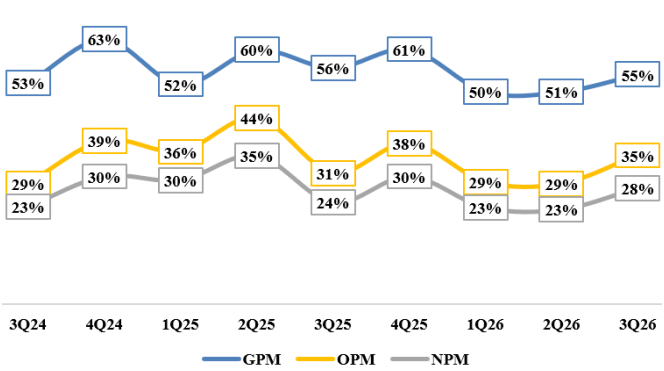
Source : Company, NHKSI Research

Exhibit 2. SIDO Quarterly Net Profit Performance (3Q24-3Q26)



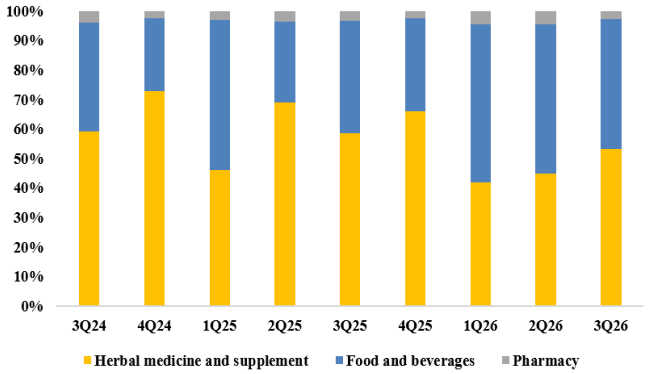
Source : Company, NHKSI Research

Exhibit 3. SIDO Margin Performance (3Q24-3Q26)



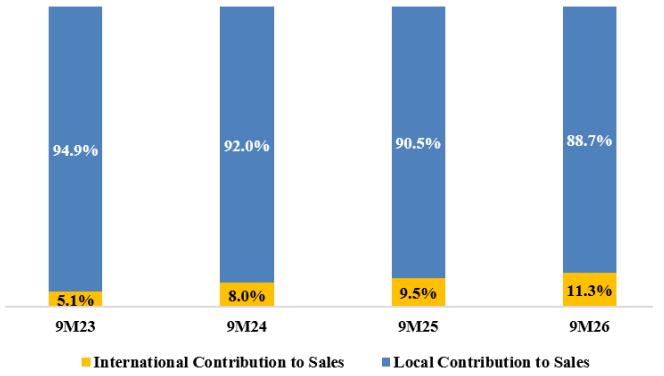
Source : Company, NHKSI Research

Exhibit 4. SIDO Revenue Contribution by Segment (3Q24 - 3Q26)



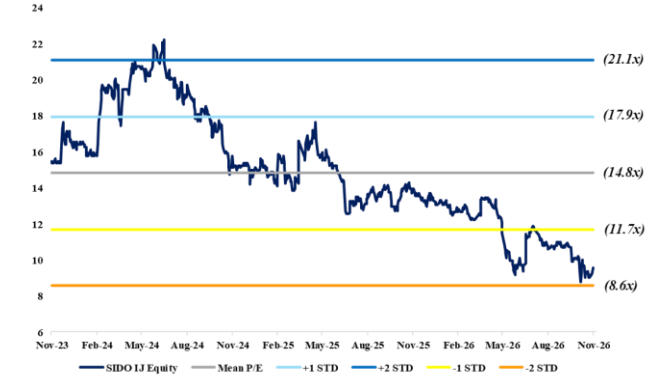
Source : Company, NHKSI Research

Exhibit 5. SIDO International & Local Contribution (9M23-9M26)



Source : Company, NHKSI Research

Exhibit 6. SIDO 3-Year P/E Band



Source : NHKSI Research

Summary of SIDO's Financials & Forecast

INCOME STATEMENT

IDR bn	FY24/12A	FY25/12A	FY26/12F	FY27/12F	FY28/12F
Revenue	**3,919**	**4,080**	**3,672**	**4,066**	**4,426**
Growth %	9.9%	4.1%	-10.0%	10.7%	8.8%
COGS	(1,618)	(1,715)	(1,727)	(1,862)	(2,045)
Gross Profit	**2,301**	**2,365**	**1,945**	**2,204**	**2,380**
Gross Margin	58.7%	58.0%	53.0%	54.2%	53.8%
Operating Expenses	(830)	(821)	(742)	(859)	(935)
EBIT	**1,471**	**1,544**	**1,203**	**1,345**	**1,446**
EBIT Margin	37.5%	37.8%	32.8%	33.1%	32.7%
Depreciation	108	126	116	118	123
EBITDA	**1,579**	**1,670**	**1,319**	**1,463**	**1,569**
EBITDA Margin	40.3%	40.9%	35.9%	36.0%	35.5%
Finance Expenses	(0.8)	(0.7)	(0.6)	(0.3)	(0.3)
EBT	**1,510**	**1,574**	**1,226**	**1,380**	**1,480**
Income Tax	(339)	(345)	(280)	(315)	(338)
Net Profit	**1,171**	**1,229**	**946**	**1,065**	**1,142**
Growth %	23.2%	5.0%	-23.0%	12.5%	7.2%
Net Profit Margin	29.9%	30.1%	25.8%	26.2%	25.8%

PROFITABILITY & STABILITY

	FY24/12A	FY25/12A	FY26/12F	FY27/12F	FY28/12F
ROE	33.6%	39.4%	28.5%	31.4%	32.1%
ROA	29.7%	33.4%	24.7%	27.1%	27.8%
Inventory Turnover	3.85	3.82	3.77	3.97	4.01
Receivables Turnover	4.72	4.28	3.96	4.66	4.60
Payables Turnover	8.89	8.83	8.50	9.18	9.26
Cash Conversion Cycle (days)	131.0	139.5	135.3	137.4	136.3
Dividend Payout Ratio	100%	89%	89%	89%	89%
DER	0%	0%	0%	0%	0%
DAR	0%	0%	0%	0%	0%
Current Ratio	5.36	3.86	4.77	4.63	4.85
Quick Ratio	4.31	2.95	3.79	3.65	3.80
Total Shares (mn)	30,000	30,000	30,000	30,000	30,000
Share Price (IDR)	590	540	350	350	350
Market Cap (IDR bn)	17,700	16,200	10,500	10,500	10,500

BALANCE SHEET

IDR bn	FY24/12A	FY25/12A	FY26/12F	FY27/12F	FY28/12F
Cash	856	463	904	854	898
Receivables	872	1,034	818	928	998
Inventories	432	466	450	487	534
Other Current Assets	44	24	34	29	31
Total Current Assets	**2,204**	**1,987**	**2,207**	**2,298**	**2,461**
Net Fixed Assets	1,506	1,520	1,453	1,460	1,473
Other Non Current Assets	230	175	175	175	175
Total Non Current Assets	**1,736**	**1,695**	**1,628**	**1,635**	**1,648**
Total Assets	**3,940**	**3,682**	**3,835**	**3,933**	**4,110**
Trade Payables	177	212	195	211	231
ST Bank Loan	–	–	–	–	–
Other Current Liabilities	234	303	268	285	277
Total Current Liabilities	**411**	**515**	**463**	**496**	**508**
LT Debt	–	–	–	–	–
Other Non Current Liabilities	40	47	47	47	47
Total Non Current Liabilities	**40**	**47**	**47**	**47**	**47**
Total Liabilities	**452**	**561**	**510**	**543**	**555**
Capital Stock & APIC	2,152	1,852	1,852	1,852	1,852
Retained Earnings	1,336	1,268	1,473	1,538	1,703
Shareholders' Equity	**3,488**	**3,120**	**3,325**	**3,390**	**3,555**

VALUATION INDEX

	FY24/12A	FY25/12A	FY26/12F	FY27/12F	FY28/12F
Price / Earnings	15.1x	12.9x	10.9x	9.7x	9.0x
Price / Book Value	5.1x	5.1x	3.1x	3.0x	2.9x
EPS Growth	23%	7%	-23%	13%	7%
Dividend Yield	7%	7%	8%	9%	10%
EV/EBITDA	10.7x	9.4x	7.3x	6.6x	6.1x
EV/EBIT	11.4x	10.2x	8.0x	7.2x	6.6x
EV (IDR bn)	16,848	15,739	9,597	9,647	9,603
Sales CAGR (3-Year)	-1%	2%	1%	1%	3%
Net Income CAGR (3-Year)	-2%	4%	-0%	-3%	-2%
Basic EPS (IDR)	39	42	32	36	39
BVPS (IDR)	116	106	113	115	121
DPS (IDR)	39	37	28	32	34

CASH FLOW STATEMENT

IDR bn	FY24/12A	FY25/12A	FY26/12F	FY27/12F	FY28/12F
Operating Cash Flow	1,119	1,284	1,233	1,075	1,157
Investing Cash Flow	(20)	(85)	(49)	(125)	(136)
Financing Cash Flow	(1,074)	(1,592)	(742)	(1,000)	(977)
Net Changes in Cash	25	(393)	442	(50)	44

OWNERSHIP

Shareholders	**%**
PT Hotel Candi Baru	77.6
PT Industri Jamu dan Farmasi Sido Muncul Tbk	1.9
Public	20.5
By Geography	**%**
Indonesia	92.9
United States	1.4
Others	5.7

Source: Company, Bloomberg & NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication
2. Rating system based on a stock's potential upside from the date of publication

- Buy : Greater than 15%
- Overweight : +5% to 15%
- Hold : -5% to +5%
- Underweight : -5% to -15%
- Sell : Less than -15%

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