



PT Hartadinata Abadi Tbk (HRTA)

Stellar Wholesaler Surge Amidst Margin Normalization Pressures

Solid earnings realization in 1H26. Total revenue surged sharply to IDR 33,806 bn (+125% y/y). Gross profit was recorded at IDR 1,248 bn (+67% y/y), but this achievement led to a contraction in the gross profit margin (GPM) to 3.69%. Operational efficiency was buffered with operating profit reaching IDR 1,056 bn (+70% y/y) and EBITDA at IDR 1,088 bn (+69% y/y), translating to an EBITDA margin of 3.22%. Ultimately, net profit jumped significantly by 101% y/y to IDR 700 bn. This massive bottom-line growth was strongly driven by a 46.74% y/y increase in pure gold sales volume to 13 tons, alongside a 53.21% y/y rise in the average selling price (ASP).

Robust operational trajectory. The company's overall operational performance demonstrated an extraordinary surge, primarily driven by the Wholesaler segment. The Wholesaler segment acted as the primary growth driver, with revenue skyrocketing by 149% y/y to IDR 30,208 bn. The Stores segment also showed growth, booking a revenue of IDR 3,484 bn, growing 22% y/y. This volume growth aligned with dominant gold bar sales reaching 12.83 tons in 1H26, which successfully translates into the company's strong market share at around 29.26%. Meanwhile, the pawn business also contributed consistently, with interest and loan administration income accounting for 0.33% of total revenue, in line with the expansion to 144 pawn outlets nationwide.

KEY TAKEAWAYS:

- **Stellar Wholesaler Performance.** This segment has become the backbone of the company's profitability and revenue, contributing an absolute 89.33% to total corporate revenue, with revenue expansion reaching 149% y/y.
- **Margin Normalization.** The company faced pressure on relative profitability levels, with GPM declining to 3.69%. This was primarily compressed by a 127.60% y/y surge in the COGS as well as a shift in the company's product mix, which now leans more heavily toward gold bars rather than retail jewelry.
- **Bullion Bank Ecosystem Ambitions.** Management continues to strengthen its long-term strategic vision by positioning HRTA as a key enabler in Indonesia's Bullion Bank ecosystem. This strategic move is supported by an increase in production capacity and refinery facilities to 60 tons in 2026.

RECOMMENDATION "BUY"

We are revising our target price downward but maintaining a **BUY** recommendation with a 12-month target price of IDR 2,900. This target price is constructed using a Blended Valuation method, assigning a 50% weight to P/E valuation and 50% to DCF. This target represents a potential upside of **33.03% from the last closing price of IDR 2,180 (as of 9 Oct 2026)**. This valuation implies the company's shares are trading at a 2026F P/E of 9.6x and a P/BV of 3.0x. Downside risks include: 1) Gold price fluctuations; 2) Weakening domestic purchasing power; 3) Slower-than-expected progress in obtaining LBMA certification.

FINANCIAL HIGHLIGHTS

End 31 Dec	2023A	2024A	2025A	2026F	2027F	2028F
Revenue (IDR Bn)	12,857	18,229	44,548	65,993	74,948	86,885
Net profit (IDR Bn)	306	447	978	1,391	1,514	1,793
EBITDA margin (%)	5.66%	4.94%	3.65%	3.36%	3.37%	3.38%
NPM (%)	2.38%	2.45%	2.20%	2.11%	2.02%	2.06%
ROE (%)	15.50%	19.03%	30.29%	31.75%	27.28%	25.72%
P/E (x)	5.2	3.6	10.1	9.6	8.8	7.4
P/BV (x)	0.8	0.7	3.1	3.0	2.4	1.9
Dividend yield (%)	4.31%	5.93%	2.47%	2.60%	2.83%	3.36%

Source: Company, KSI Research estimates.

STOCK RATING

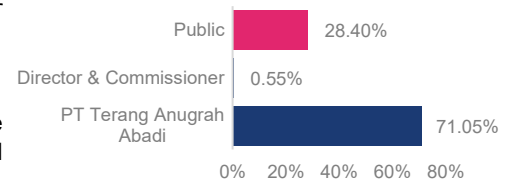
BUY

MAINTAINED

TP 12M (IDR) **2,900**vs. Last Price **+33.03%**Previous TP **IDR 3,810**

Ticker	HRTA
Sub-Sector	Apparel & luxury goods
Last Price (IDR)	2,180
Market Cap (IDR Tn)	10.04
Shares Issued (Bn)	4.61
AVG 3M Turnover (Bn)	24.35

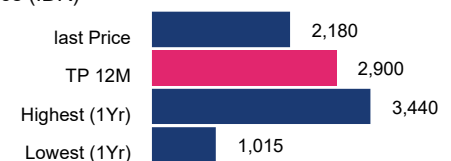
SHAREHOLDER STRUCTURE

**Adrian Djie**

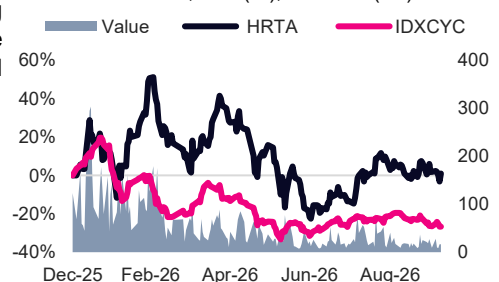
Equity Research Analyst

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Price (IDR)



Price Performance, YTD(%), Turnover(Bn)



ESG Rating

Environmental	-
Social	-
Governance	-

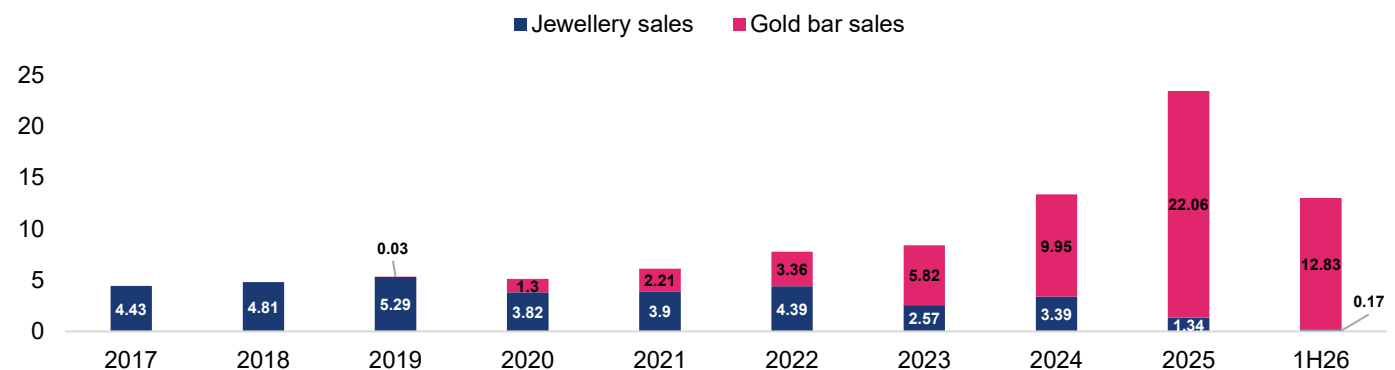
PERFORMANCE OVERVIEW

Top-Line Surge and Margin Compression

IDR Bn	6M25	6M26	yoy	2Q25	1Q26	Quarters 2Q26	qoq	yoy
Revenue segment								
Stores	2,846	3,484	22%	1,680	1,840	1,644	-11%	-2%
Wholesaler	12,140	30,208	149%	6,548	18,264	11,944	-35%	82%
Sales to Partners	1	0	-100%	0	0	0	-	-100%
Pawns	61	111	83%	32	53	59	11%	81%
Refining Services	4	2	-50%	2	1	1	-37%	-58%
Revenue	15,051	33,806	125%	8,263	20,158	13,648	-32%	65%
Gross profit	747	1,248	67%	404	744	504	-32%	25%
Operating profit	623	1,056	70%	344	634	422	-33%	23%
EBITDA	645	1,088	69%	356	649	438	-32%	23%
Net income	349	700	101%	199	433	267	-39%	34%
EPS (Full IDR)	76	152	101%	43	94	58	-39%	34%
Liabilities	4,203	7,604	81%	4,203	10,100	7,604	-25%	81%
Equity	2,602	3,747	44%	2,602	3,664	3,747	2%	44%
Asset	6,805	11,351	67%	6,805	13,764	11,351	-18%	67%
GPM %	4.96%	3.69%	-1%	4.89%	3.69%	3.69%	0%	-1%
OPM%	4.14%	3.12%	-1%	4.16%	3.14%	3.09%	0%	-1%
NPM %	2.32%	2.07%	0%	2.41%	2.15%	1.95%	0%	0%
EBITDA Margin %	4.29%	3.22%	-1%	4.31%	3.22%	3.21%	0%	-1%
ROE %	22%	35%	13%	22%	34%	35%	1%	13%
ROA %	9%	12%	3%	9%	9%	12%	3%	3%

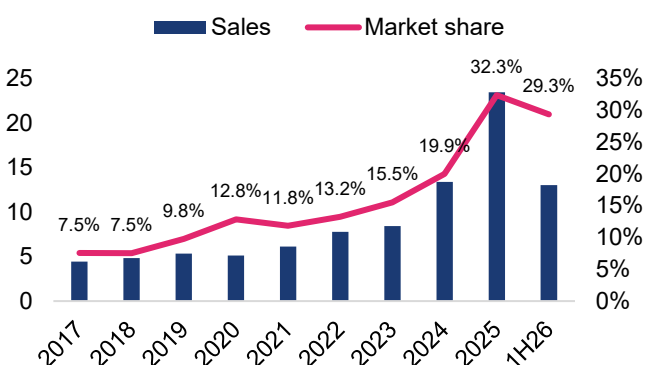
Source: Company, Bloomberg, KSI Research

HRTA Gold Sales Mix (ton)



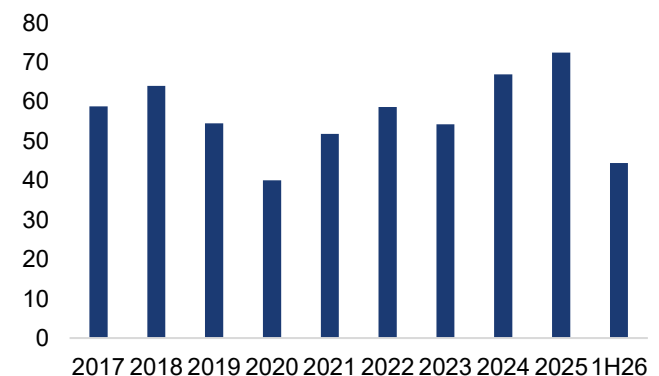
Source: Company, KSI Research

HRTA Gold Sales (ton)



Source: Company, KSI Research

Indonesia Gold Demand (ton)



Source: Company, KSI Research

VALUATION

TP Lowered to IDR 2,900; Rated BUY

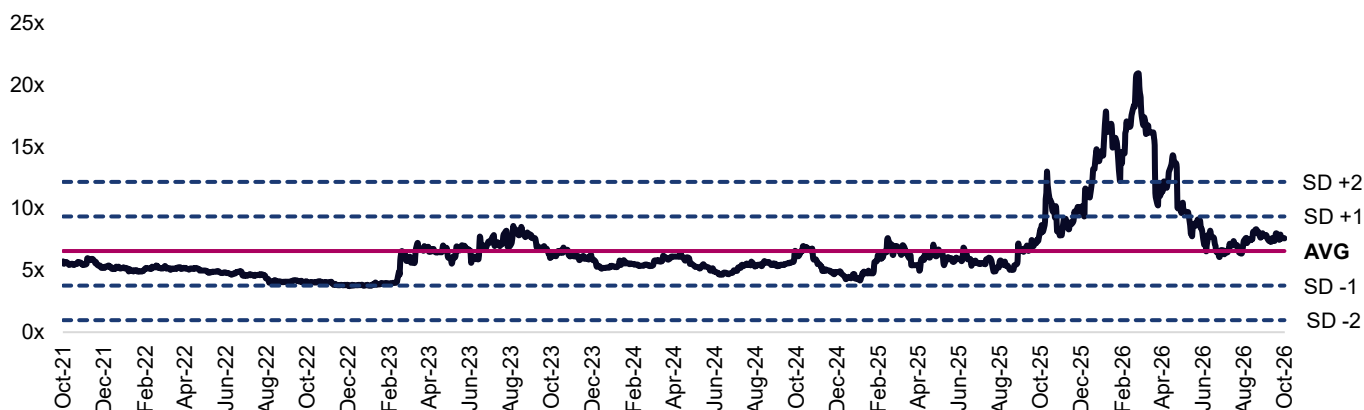
BUY TP 12M: IDR 2,900

vs. Last Price (IDR 2,180, 9 Oct 2026): +33.03% upside | Previous TP: IDR 3,810

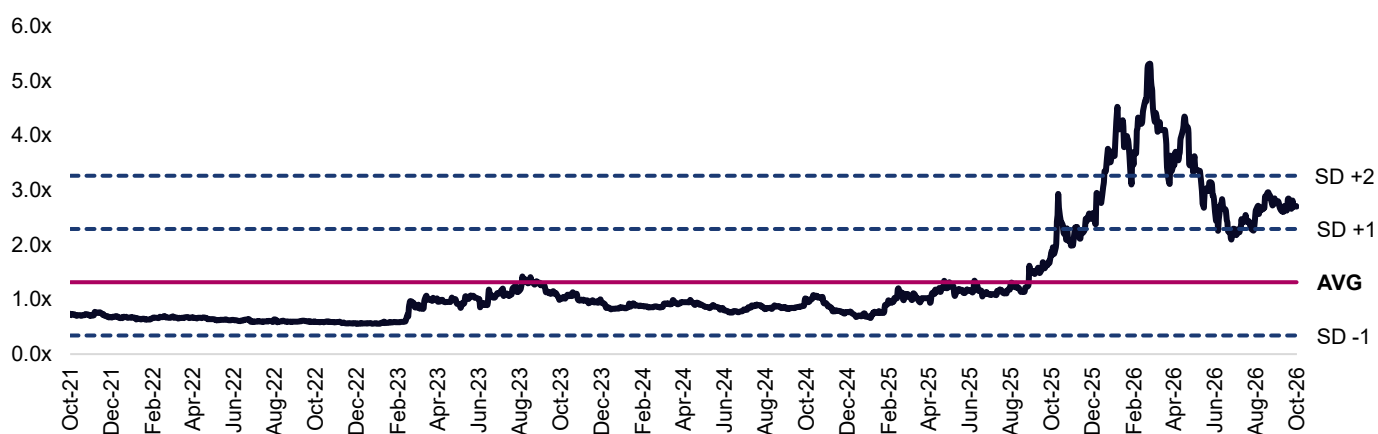
BLENDED VALUATION

Summary	Base Amount	Target Multiple	Value (Bn)	Weight (%)	The Value of the firm
P/E	1,391	9.6x	13,353	50%	6,676
DCF	13,391	1.0x	13,391	50%	6,695
Total Value (Bn)					13,372
Shares (Bn)					4.61
Intrinsic Value (IDR)					2,904
Target Price (IDR)					2,900
Last Price (9 Oct 26)					2,180
Potential Upside					33.03%

HISTORICAL P/E 5Y



HISTORICAL P/BV 5Y



FINANCIAL EXHIBITS

Income Statement, Balance Sheet & Cash Flow

Income Statement

End 31 Dec (IDR Bn)	2023A	2024A	2025A	2026F	2027F	2028F
Revenue	12,857	18,229	44,548	65,993	74,948	86,885
Cost of revenue	11,910	17,132	42,627	63,361	71,962	83,429
Gross profit	947	1,097	1,922	2,632	2,986	3,456
Operating income	708	877	1,597	2,152	2,440	2,824
EBITDA	727	900	1,627	2,216	2,525	2,934
Income before tax	396	572	1,260	1,785	1,943	2,301
Tax expenses	90	124	280	393	428	506
Minority interest	0	1	1	2	2	2
Net income	306	447	978	1,391	1,514	1,793
EPS (IDR)	66	97	212	302	329	389

Balance Sheet

End 31 Dec (IDR Bn)	2023A	2024A	2025A	2026F	2027F	2028F
Cash and cash equivalents	293	214	1,529	2,074	2,605	3,345
Account receivables	908	981	713	1,045	1,175	1,349
Inventories	3,169	3,859	8,269	12,046	13,407	15,233
Fixed asset	233	392	649	1,028	1,521	2,015
Other assets	427	515	1,442	1,753	1,881	2,054
Total assets	5,029	5,960	12,602	17,946	20,590	23,996
S-T liabilities	1,893	2,529	2,802	3,823	4,093	4,462
Other S-T liabilities	243	170	5,315	8,036	9,120	10,575
L-T liabilities	904	896	1,239	1,690	1,810	1,973
Other L-T liabilities	17	16	16	16	17	17
Total liabilities	3,057	3,610	9,372	13,565	15,039	17,027
Total equity	1,973	2,350	3,231	4,381	5,550	6,969
BVPS (IDR)	428	510	702	951	1,205	1,513

Cash Flow Statement

End 31 Dec (IDR Bn)	2023A	2024A	2025A	2026F	2027F	2028F
Net income	306	447	978	1,391	1,514	1,793
Depreciation	19	23	30	64	85	110
Change in working capital	(779)	(966)	85	(1,698)	(535)	(716)
Others	(1)	(5)	(1)	-	-	-
Operating cash flow	(454)	(501)	1,092	(243)	1,063	1,186
Capital expenditure	(48)	(182)	(287)	(444)	(578)	(604)
Others	(4)	41	(10)	-	-	-
Investing cash flow	(52)	(140)	(296)	(444)	(578)	(604)
Dividend paid	(55)	(69)	(97)	(245)	(348)	(378)
Net change in debt	748	627	617	1,472	389	532
Others	0	4	0	4	4	4
Financing cash flow	693	563	520	1,231	45	158
Change in cash	187	(79)	1,316	545	531	740
Beginning cash balance	106	293	214	1,529	2,074	2,605
Ending cash balance	293	214	1,529	2,074	2,605	3,345

Source: Company, KSI Research estimates

FINANCIAL RATIOS

Growth, Margins & Multiples

Key Ratios	2023A	2024A	2025A	2026F	2027F	2028F
Revenue growth (%)	86%	42%	144%	48%	14%	16%
Gross profit growth (%)	27%	16%	75%	37%	13%	16%
Operating profit growth (%)	29%	24%	82%	35%	13%	16%
EBITDA growth (%)	29%	24%	81%	36%	14%	16%
Net income growth (%)	21%	46%	119%	42%	9%	18%
EPS growth (%)	21%	46%	119%	42%	9%	18%
Gross margin (%)	7%	6%	4%	4%	4%	4%
EBITDA margin (%)	6%	5%	4%	3%	3%	3%
EBIT margin (%)	6%	5%	4%	3%	3%	3%
Pretax margin (%)	3%	3%	3%	3%	3%	3%
Net margin (%)	2%	2%	2%	2%	2%	2%
ROE (%)	16%	19%	30%	32%	27%	26%
ROA (%)	6%	8%	8%	8%	7%	7%
Current ratio (x)	2.21x	2.05x	1.47x	1.42x	1.44x	1.46x
Cash ratio (%)	14%	8%	19%	17%	20%	22%
Payable days	0	0	0	0	0	0
Receivable days	26	20	6	6	6	6
Inventory days	97	82	71	69	68	67
Dividend yield (%)	4.31%	5.93%	2.47%	2.60%	2.83%	3.36%
DER (x)	1.42x	1.46x	1.25x	1.26x	1.06x	0.92x
P/E (x)	5.2x	3.6x	10.1x	9.6x	8.8x	7.4x
P/BV (x)	0.81x	0.69x	3.06x	3.05x	2.41x	1.92x
P/Sales (x)	0.12x	0.09x	0.22x	0.20x	0.18x	0.15x
EV/EBITDA (x)	5.65x	5.38x	7.63x	7.58x	6.59x	5.61x

Source: Company, KSI Research estimates

Rating Guide, Disclaimer & Contact

KIWOOM SEKURITAS GUIDE TO SECTOR / STOCK RATINGS

SECTOR / INDUSTRY

OVERWEIGHT	Sector & Industry outlook has potential and good condition
NEUTRAL	Sector & Industry outlook stable or tends to be stagnant
UNDERWEIGHT	Sector & Industry outlook has challenges and bad condition

STOCK

BUY	Performance > +15% over the next 12 months (ex-dividend)
TRADING BUY	Performance +5% to +15%, minor to medium term
HOLD	Performance -10% to +15% over the next 12 months (ex-dividend)
SELL	Performance < -15% over the next 12 months (ex-dividend)
TRADING SELL	Performance -5% to -15%, minor to medium term
NOT RATED	Stock not within regular research coverage

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