

Solusi Sinergi Digital (WIFI IJ)

Solid Underlying With Attractive Valuation

Highlights

- Integrated broadband and infrastructure platform.** WIFI operates FWA and FTTH businesses while managing an over 8,000km fibre backbone that can also be leased to third parties.
- Hashim remains economically exposed to WIFI.** His effective interest is around 24.5%, while DOOH's plans to acquire WIFI and INET could point to broader digital-infrastructure consolidation.
- Strong financial growth supports expansion.** 1H26 revenue rose 206% yoy and EBITDA increased 117% yoy, although three-month free periods could delay revenue contribution from recent subscribers into 2027.

Analysis

- WIFI combines a broadband ISP business with a fibre-infrastructure platform through two subsidiaries.** Telemedia Komunikasi Pratama (TKP), 99.9%-owned by Solusi Sinergi Digital (WIFI), operates the 5G fixed wireless access (FWA) business, while Integrasi Jaringan Ekosistem (WEAVE), 51%-owned by WIFI and 49% by Nippon Telegraph and Telephone East, operates the fibre-to-the-home (FTTH) business. WEAVE also manages WIFI's over 8,000km railway fibre backbone, which supports FTTH rollout and can be leased to third parties. As of 1H26, WIFI had 1.85m FTTH and 513,000 FWA subscribers. By end-26, it targets over 3m combined subscribers, 3.5m FTTH homes passed and 5,500 FWA sites. WIFI uses mini-towers installed above residential properties to accelerate FWA rollout, although deployment pace remains a key execution risk.
- Hashim's resignation does not necessarily signal a break with WIFI.** Market speculation has centred on a potential disagreement after Hashim Djojohadikusumo stepped down as WIFI's President Commissioner only three months after his appointment, alongside the resignation of Director Henny Santoso. However, several developments suggest that the move could instead reflect a broader restructuring of Hashim's investment interests. Hashim, through Arsari Sentra Data, owns 45% of Investasi Sukses Bersama, which controls 54.42% of WIFI, giving him an effective economic interest of around 24.5% in WIFI. WIFI has also stated that the resignations have no material impact on its operations, financial condition or business continuity. In addition, Era Media Sejahtera (DOOH) has indicated plans to acquire WIFI, while also pursuing an acquisition of INET, which could point to a broader consolidation of digital-infrastructure assets rather than a full exit by Hashim from the ecosystem.

Key Financials

Year to 31 Dec (Rpb)	2021	2022	2023	2024	2025
Net turnover	391	461	439	672	1,659
EBITDA	68	153	229	492	1,152
Operating profit	21	93	125	345	955
Net profit (rep./act.)	26	58	59	231	409
EPS (Rp)	13.1	28.3	26.0	99.4	111.2
PE (x)	110.4	51.3	55.9	14.6	13.0
P/B (x)	5.8	5.4	4.4	3.5	1.1
EV/EBITDA (x)	159.1	71.2	47.3	22.1	9.4
Dividend yield (%)	0.0	0.0	0.1	0.1	0.1
Net margin (%)	6.6	12.7	13.3	34.4	24.6
Net debt/(cash) to equity (%)	61.1	103.7	75.0	131.4	(11.5)
Interest cover (x)	1.2	2.5	2.2	4.7	3.3
ROE (%)	5.6	10.4	8.7	27.0	9.9

Source: WIFI, Bloomberg, UOB Kay Hian

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NOT RATED

Share Price	Rp1,400
Target Price	n.a.
Upside	n.a.

Stock Data

Sector	Communication Services
Bloomberg ticker	WIFI IJ
Shares issued (m)	5,309
Market cap (Rpb)	7,432
Market cap (US\$m)	415
3-mth avg daily t'over (US\$m)	2.9

Price Performance (%)

52-week high/low			Rp4,420/Rp1,270	
1mth	3mth	6mth	1yr	YTD
(33.0)	(19.3)	(34.6)	(57.7)	(56.9)

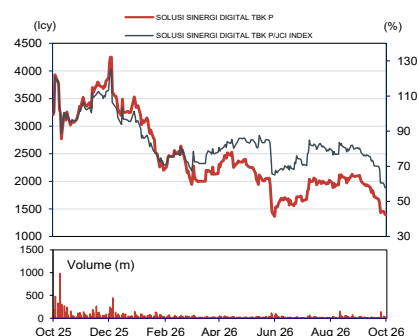
Major Shareholders (%)

Investasi Sukses Bersama	54.42
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Balance Sheet Metrics

FY26 NAV/Share	n.a.
FY26 Net Debt/Share	n.a.

Price Chart



Source: Bloomberg

Company Description

Solusi Sinergi Digital (WIFI) is an Indonesian digital-infrastructure company focused on broadband connectivity, fibre infrastructure and 5G fixed wireless access (FWA), with operations spanning both wholesale network infrastructure and retail broadband services.

BoD And BoC With Various Stakeholders In IRA Launch



Source: Bisnis Tekno, WIFI

- **WIFI's 1H26 results show strong growth as telecommunications becomes the main revenue driver.** Revenue reached Rp1.57t, up 206% yoy, with telecommunications revenue rising 357% yoy to Rp1.28t and contributing 82% of total revenue. EBITDA increased 117% yoy to Rp948.9b, with a 60.4% margin, while net profit rose 118% yoy to Rp496.8b. 1H26 capex exceeded Rp1t, mainly for FWA sites, FTTH home passes and customer-premises equipment. WIFI ended 1H26 with Rp8.29t of cash and 0.85x net debt/EBITDA. Management targets a 50-60% 2026 EBITDA margin. WIFI also offers a three-month free period for new subscribers, including customers acquired through its World Cup campaign, which could delay revenue recognition, with the full revenue contribution potentially flowing through in 2027.

Valuation

- **WIFI currently trades at a 4.63x trailing 12-month EV/EBITDA**, a slight premium to Indonesian mobile network operators of 4.31x. However, this does not fully reflect its ongoing FWA expansion.

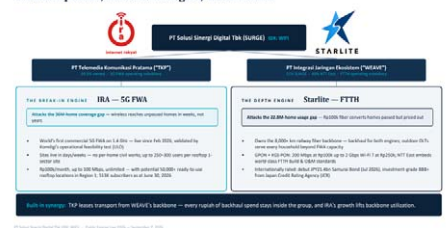
Risk/Catalyst

- **Risk:** a) Execution risk, and b) worsening macro environment.
- **Catalyst:** Announcement of corporate actions.

Broadband Business

GROUP STRUCTURE — THE DUAL-ENGINE MODEL

Two companies, two technologies, one mission



Source: WIFI

Product Portfolio

PRODUCT PORTFOLIO

Five products, one deliberate ladder

IRA	Starlite	Starlite Prime	Starlite Combo	Starlite Super
100 Mbps	200 Mbps	500 Mbps	Prime + IRA	2 Gbps
Rp100k /line /month	Rp200k /line /month	Rp500k /line /month	Rp100k /line /month	Rp200k /line /month
Available for home and business use	Available for home and business use	Available for home and business use	Available for home and business use	Available for home and business use

Declining price per Mbps at increasing — Rp1,000 in 5G FWA+ to Rp100 in 5G FWA+ to Rp10 in 5G FWA+ to Rp1 in 5G FWA+ to Rp0.1 in 5G FWA+ — premiumization path started at each step, and the flagging is also the best value offer (Prime and Super) and the transition with natural concepts.

WIFI can maintain the business: Customers upgrade with the 5G FWA+ portfolio instead of sharing to competitors.

Source: WIFI

Profit & loss

Year to 31 Dec (Rpb)	2022	2023	2024	2025
Net turnover	461	439	672	1,659
EBITDA	153	229	492	1,152
Deprec. & amort.	60	104	147	196
EBIT	93	125	345	955
Total other non-op. income	(45)	(58)	(73)	(251)
Associate contributions				
Net interest income/(expense)	6	0	0	0
Pre-tax profit	54	68	272	704
Tax	4	(9)	(43)	(71)
Minorities	0	0	2	(224)
Net profit	58	59	231	409
Net profit (adj.)	58	59	231	409

Cash Flow

Year to 31 Dec (Rpb)	2022	2023	2024	2025
Operating	55	225	419	(814)
Pre-tax profit	54	68	272	704
Tax	4	(9)	(43)	(71)
Deprec. & amort.	60	104	147	196
Working capital changes	(73)	41	(61)	(678)
Non cash items	10	21	104	(965)
Investing	(329)	(205)	(364)	(3,944)
Capex (growth)	(498)	(237)	(55)	(2,704)
Investments	0	0	2	1
Others	169	32	(311)	(1,242)
Financing	284	(1)	(76)	10,904
Dividend payments	0	0	(3)	(5)
Issue of shares	17	0	0	11,569
Proceeds from borrowings	280	0	0	0
Loan repayment	(29)	(77)	(74)	(661)
Others/interest paid	16	76	0	1
Net cash inflow (outflow)	10	19	(22)	6,146
Beginning cash & cash equivalent	11	21	40	18
Ending cash & cash equivalent	21	40	18	6,165

Balance Sheet

Year to 31 Dec (Rpb)	2022	2023	2024	2025
Fixed assets	1,047	1,198	2,299	5,219
Other LT assets	142	103	22	1,261
Cash/ST investment	21	40	18	6,165
Other current assets	198	223	568	2,523
Total assets	1,408	1,564	2,907	15,168
ST debt	86	110	415	3,215
Other current liabilities	45	113	169	766
LT debt	570	487	878	1,971
Other LT liabilities	94	111	476	698
Shareholders' equity	610	741	969	7,299
Minority interest	2	2	0	1,219
Total liabilities & equity	1,408	1,564	2,907	15,168

Key Metric

Year to 31 Dec (%)	2022	2023	2024	2025
Profitability				
EBITDA margin	33.1	52.2	73.2	69.4
Pre-tax margin	11.7	15.4	40.5	42.4
Net margin	12.7	13.3	34.4	24.6
ROA	5.1	3.9	10.3	4.5
ROE	10.4	8.7	27.0	9.9
Growth (% yoy)				
Turnover	18.0	(4.8)	52.9	147.0
EBITDA	123.6	50.4	114.3	134.1
Pre-tax profit	121.2	24.7	303.1	158.5
Net profit	126.5	0.1	294.4	77.0
Net profit (adj.)	126.5	0.1	294.4	77.0
EPS	115.3	(8.2)	283.1	11.8
Leverage				
Debt to total capital	51.7	44.6	57.1	37.8
Debt to equity	107.1	80.4	133.3	60.9
Net debt/(cash) to equity	103.7	75.0	131.4	(11.5)
Interest cover (x)	2.5	2.2	4.7	3.3

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