UOBKayHian

Country Daily | Indonesia

Thursday, 13 August 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	53770.3	(0.0)	(1.1)	2.2	11.9
S&P 500	7748.5	0.3	0.3	2.3	13.2
FTSE 100	10833.2	(0.1)	(0.5)	3.2	9.1
AS30	9404.7	(0.4)	(0.0)	4.5	4.3
CSI 300	4690.9	0.6	0.7	(0.1)	1.3
FSSTI	5720.8	(0.6)	1.9	4.6	23.1
HSCEI	8446.3	(1.0)	(1.8)	4.7	(5.2)
HSI	25440.2	(0.8)	(1.8)	5.2	(0.7)
JCI	6373.8	1.7	0.4	5.6	(26.3)
KLCI	1741.6	0.6	(0.4)	2.5	3.7
KOSPI	6579.0	3.7	(0.3)	(3.3)	56.1
Nikkei 225	67524.1	0.8	5.6	0.4	34.1
SET	1612.6	(0.7)	(0.3)	(0.9)	28.0
TWSE	45518.1	0.9	2.0	0.3	57.2
BDI	2939	(3.5)	(4.0)	(0.2)	56.6
CPO (RM/mt)	4546	0.4	0.7	1.5	15.6
Brent Crude (US$/bbl)	89	0.1	12.0	17.1	46.2

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Hybrid Meeting with UltraGreen.ai Ltd (UGAI SP)	Singapore	13 Aug	13 Aug
Virtual Meeting on Indonesia Economic Outlook by Mr. Enrico Tanuwidjaja	Indonesia	19 Aug	19 Aug
Analyst Marketing by Julia Pan on Greater China Internet Sector	Singapore	07 Sep	08 Sep
Analyst Marketing by Julia Pan on Greater China Internet Sector	Malaysia	09 Sep	11 Sep

Top Stories

Sector Update | Healthcare Page 2 →

- MIKA and HEAL delivered 1H26 revenue growth of 8.0% and 6.5% yoy respectively despite softer utilisation, supported by higher revenue intensity. Maintain OVERWEIGHT on structural healthcare demand, rising treatment complexity and trough valuations. Maintain BUY on MIKA for its resilient margins and Rp3.0t net cash. Maintain BUY on HEAL but lower our target price to Rp1,120 after cutting 2026/27 earnings significantly as we rebase our forecasts and reduce target EV/EBITDA to 10x. A 2H26 volume recovery is the key catalyst.

Technical Analysis

Petrosea | PTRO IJ Page 4 →

- Trading Buy Range: We have a technical Buy at Rp5,450, and take profit at Rp5,900.

Bumi Resources Minerals | BRMS IJ Page 4 →

- Trading Buy Range: We have a technical Buy at Rp630, and take profit at Rp680.

Disclaimer: In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.

Healthcare

Intensity Cushions Softer Volumes; Awaiting A 2H26 Recovery

Highlights

- **Intensity offsets softer utilisation.** Both MIKA and HEAL posted higher revenue intensity despite softer patient volume. Companies expect volume improvement in 2H26 after the school holidays end.
- **Diverging financial positions**. MIKA maintained a 38.4% EBITDA margin and Rp3.0t net cash, providing expansion flexibility. HEAL's EBITDA margin fell 1.6ppt to 26.0%, while net debt/EBITDA rose to 1.49x as new capacity remained underutilised.
- **Maintain OVERWEIGHT; 2H26 volume recovery is key**. Maintain BUY on MIKA for its earnings resilience and balance sheet. Maintain BUY on HEAL but cut our target price to Rp1,120 after making significant earnings cuts and lowering our target multiple to 10x.

Analysis

- **Resilient results despite softer volumes**. Mitra Keluarga (MIKA) and Medikaloka Hermina (HEAL) posted 1H26 revenue growth of 8.0% and 6.5% yoy respectively, but overall patient volumes were relatively soft due to: a) fewer effective operating days, b) stricter private and national health Insurance (JKN) referral and reimbursement mechanisms, and c) weaker demand amid softer economic conditions. MIKA's patient activity declined by low single digits, largely due to weaker JKN traffic, while HEAL's inpatient admissions and outpatient visits grew 6.5%/9.2% respectively. Nevertheless, HEAL's beds grew faster at 8.8% (total operational beds: 9,019 beds), reducing bed occupancy rate (BOR) to 68% from 70%. Both hospitals are maintaining revenue guidance on patient volume improvement in 2H26 after the school holiday end, although tighter payer controls and weak purchasing power may keep the recovery gradual.
- **Higher revenue intensity driving growth**. Amid weaker volume, both hospitals reported higher revenue intensity largely due to: a) higher ASP, and b) increase in high complexity revenue. MIKA's average revenue per inpatient day (ARPID) and outpatient visit (ARPOP) increased 12.2% and 12.6% yoy respectively, supported by a 28.6% increase in high-complexity revenue while HEAL's revenue per inpatient days for both JKN and private patients grew 6.5% and 7.09% respectively. This indicates that investments in cardiology, oncology, orthopaedics, urology and advanced diagnostics are increasing the value generated per patient. Nevertheless, the improvement was uneven: HEAL's outpatient revenue grew only 1.9% despite a 9.2% visit growth, with revenue per outpatient visit of non-JKN patient down 15% yoy, highlighting scope to improve conversion into diagnostics, procedures and inpatient admissions.
- **Margins and balance sheets reflect different stages of expansion**. MIKA maintained a 38.4% EBITDA margin despite a 1.2% gross margin decline, as disciplined opex offset a higher contribution from lower-margin drugs and implants. HEAL's EBITDA margin declined to 26.0% from 27.6% as new capacity raised staffing and depreciation costs before reaching efficient utilisation. MIKA's negative two-day cash cycle and Rp3.0t net cash provide substantial expansion flexibility, while HEAL's stable 66-day receivable cycle indicates manageable JKN collections, although net debt increased to Rp2.8t and net debt/EBITDA to 1.49x. Improving utilisation should therefore take priority over aggressive expansion at HEAL.

Analyst(s)

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OVERWEIGHT (Maintained)

Sector Picks

Company	Ticker	Rec	Share Price (Rp)	Target Price (Rp)
Mitra Keluarga	MIKA	BUY	1,800	2,500
Medikaloka Herm	HEAL	BUY	760	1,120

Source: Bloomberg, UOB Kay Hian

MIKA's EV/EBITDA

Source: Bloomberg, UOB Kay Hian

HEAL's EV/EBITDA

Source: Bloomberg, UOB Kay Hian

Peer Comparison

		Price	Target	Market	3M Avg	----------- EV/EBITDA ---------		------------ PE -----------		--------- P/B ---------		ROE	Net
		12-Aug-26	Price	Cap	Turnover	2026F	2027F	2026F	2027F	2026F	2027F	2026F	Gearing
Ticker	Rec	(Rp)	(Rp)	(US$m)	(US$m)	(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)
MIKA	BUY	1,800	2,500	1,401	0.9	10.2	9.02	17.4	15.9	3.1	2.8	19.2	(32.5)
HEAL	BUY	760	1,120	654	0.5	8.26	7.36	21.3	18.0	2.0	1.8	10.2	34.6
SILO	NR	2,400	NR	1,747	0.1	9.57	8.26	26.1	22.9	3.6	3.3	11.6	4.8

Source: Bloomberg, UOB Kay Hian

Valuation/Recommendation

- **Maintain OVERWEIGHT.** Our OVERWEIGHT call is anchored in Indonesia's structural healthcare demand, greater treatment complexity, and the continued migration of care towards organised hospital networks. Current EV/EBITDA multiples are below both companies' five-year -2SD levels at 10.2x for MIKA and 8.3x for HEAL, and provide attractive entry points. A sustained re-rating, however, will require clearer evidence of volume recovery in 2H26. Our BUY call on MIKA is due to its resilient 38.4% EBITDA margin, rising treatment intensity and Rp3.0t net cash which provide earnings and balance-sheet support. We also maintain BUY on HEAL with a lower target price of Rp1,120 due to lower earnings and a lower multiple. We cut our earnings forecasts significantly and reduce our target EV/EBITDA multiple to 10x from 14x, reflecting weaker utilisation, margin pressure and a more cautious sector valuation. Nevertheless, HEAL's expanded capacity and strategic shareholders, Astra and Djarum Group, support its long-term outlook, with BOR recovery from 68% being the key catalyst.

Earnings Revision/Risk

- We make no changes to our earnings estimates for MIKA as 1H26 results are within our expectation. Furthermore, management is maintaining its low-mid single-digit revenue growth and 38-39% EBITDA margin. However, we revise down our earnings estimate for HEAL as we have rebased our forecasts for volumes, intensity, utilisation and costs since our last update on HEAL. These changes have led to significant earnings revisions, with a 40.8%/37.9% reduction in 2026/27 earnings forecasts respectively.

HEAL's Earnings Revisions

	---------------New------------		-------------Old-------------		---------------Diff---------------	
(Rpb)	2026	2027	2026	2027	2026	2027
Revenue	7,642	8,504	8,154	9,157	-6.3%	-7.1%
Opr profit	953	1,110	1,277	1,467	-25.4%	-24.3%
Net profit	389	473	657	760	-40.8%	-37.9%
Margins						
Gross profit	34.2%	34.8%	35.9%	35.9%	-1.7%	-1.2%
Opr profit	12.5%	13.1%	15.7%	16.0%	-3.2%	-3.0%
Net profit	5.1%	5.6%	8.1%	8.3%	-3.0%	-2.7%

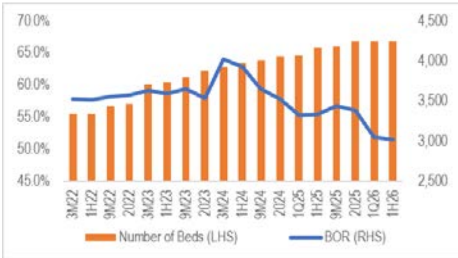
Source: UOB Kay Hian

Sector Catalyst/Risk

- **Catalysts: a) 2H26 volume recovery -** a recovery would support MIKA's 2026 guidance and improve HEAL's capacity utilisation and fixed-cost absorption, **b) Rp20t JKN funding -** the budgeted injection, pending regulatory release, would reduce claims payment and hospital working-capital risks, particularly for HEAL given its higher JKN exposure, **c) continued revenue-intensity growth - h**igher treatment complexity remains the clearest operating support. MIKA's ARPID and ARPOP rose 12.2% and 12.6% yoy respectively, while HEAL's revenue per inpatient day increased 6.5% for JKN and 7.1% for non-JKN patients, **d) favourable regulatory implementation -** favourable iDRG tariffs could support returns on advanced-equipment investments, and **e) COB implementation** could increase private-insurance participation and revenue intensity, with HEAL benefitting more due to its larger JKN patient base. However, execution delays, claims complexity and negotiated tariffs remain key risks.

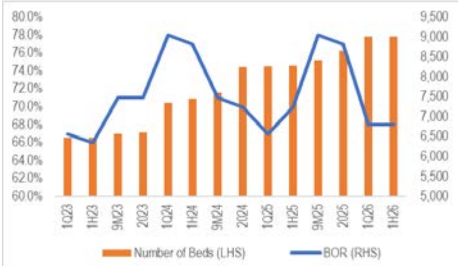
- **Risks: a) prolonged volume weakness -** MIKA's calculated patient volume declined around 2.6% yoy in 1H26, while HEAL's inpatient utilisation failed to keep pace with bed expansion. Failure to recover in 2H26 would challenge MIKA's guidance and delay HEAL's BOR-led margin recovery, **b) tighter payer controls - s**tricter referrals and greater insurer use of pre-authorisation, utilisation review and claims scrutiny could constrain both patient volumes and revenue intensity, **c) medical-cost inflation -** higher drug, implant and consumable costs could pressure margins if hospitals cannot fully pass them through, as reflected by MIKA's diluted gross margin, and **d) structural BPJS funding pressure -** the Rp20t injection is a temporary bridge rather than a permanent solution. Without further premium or funding reform, renewed JKN deficits could reintroduce claims payment and working-capital risks from 2027 onward.

MIKA's Number Of Beds & BOR



Source: MIKA, UOB Kay Hian

HEAL's Number Of Beds & BOR



Source: HEAL, UOB Kay Hian

Patient Volume And Revenue Intensity

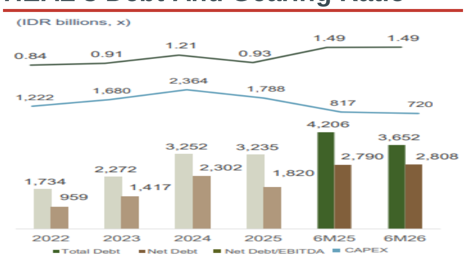
MIKA	1H26	1H25	yoy
Patient volume (m)	1.52	1.56	-2.60%
Outpatient vit (m)	1.36	1.4	-2.80%
Inpatient days (m)	0.4	0.41	-2.50%
ARPOP (Rp000)	664	590	12.60%
ARPIPD (Rp000)	4,675	4,169	12.20%
HEAL	1H26	1H25	yoy
Patient volume (m)	4.92	4.52	9.00%
Outpatient vit (m)	4.561	4.177	9.20%
Inpatient days (m)	1.096	1.016	7.90%
ARPOP (Rp000)	279	299	-6.70%
ARPIPD (Rp000)	2,054	1,985	3.50%

Source: HEAL, MIKA, UOB Kay Hian
**All data is calculated with available data*

MIKA's Revenue Based On Complexity

Source: MIKA, UOB Kay Hian

HEAL's Debt And Gearing Ratio



Source: Bloomberg, UOB Kay Hian

Technical Analysis

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Source: ChartGenie

Petrosea
PTRO IJ

Technical BUY with 8% potential return

Resistance:	Rp5,750, Rp5,900
Support:	Rp5,225, Rp5,000
Stop-loss:	Rp5,200

Share price closed significantly higher and formed a bullish candlestick. Price broke above the Rp5,225 resistance level; hence, it could trigger more rallies and challenge the resistance at Rp5,450 and Rp5,750. Technical indicator RSI is sloping upwards and into its overbought zone, while the MACD remains on a bullish crossover. Buy at Rp5,450 and take profit at Rp5,900.

Approximate timeframe: 2-4 weeks.

Source: ChartGenie

Bumi Resources Minerals
BRMS IJ

Technical BUY with 8% potential return

Resistance:	Rp655, Rp685
Support:	Rp590, Rp535
Stop-loss:	Rp590

Share price closed higher and formed a bullish candlestick. Price advanced with positive momentum; hence, we see potential for more rallies ahead and challenge the resistance at Rp650 and Rp725. Technical indicator RSI is sloping upwards and approaching its overbought zone, while the MACD remains on a bullish crossover. Buy at Rp630 and take profit at Rp680.

Approximate timeframe: 2-4 weeks.

Our institutional research has a fundamental BUY and target price of Rp1,040.