

## Team Coverage

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|                              |              |
|------------------------------|--------------|
| <b>Recommendation:</b>       | <b>HOLD</b>  |
| Current Price:               | RM 1.31      |
| Previous Target Price:       | RM 1.26      |
| Target Price:                | ↔ RM 1.26    |
| Capital Upside/Downside:     | -3.8%        |
| Dividend Yield (%):          | 1.0%         |
| <b>Total Upside/Downside</b> | <b>-2.9%</b> |

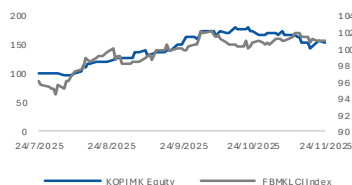
## Stock information

|                          |               |
|--------------------------|---------------|
| Board                    | ACE           |
| Sector                   | Consumer      |
| Bursa / Bloomberg Code   | 0338 / KOPIMK |
| Shariah Compliant        | Yes           |
| ESGRating                | ***           |
| Shares issued (m)        | 2,000.0       |
| Market Cap (RM' m)       | 2,620.0       |
| 52-Week Price Range (RM) | 1.61-0.625    |
| Beta (x)                 | N/A           |
| Free float (%)           | 31.3          |
| 3M Average Volume (m)    | 7.1           |
| 3M Average Value (RM' m) | 9.3           |

## Top 3 Shareholders

|                      | (%)  |
|----------------------|------|
| Chern Dato Chan Jian | 42.2 |
| Chan Yen Min         | 15.6 |
| Koay Song Leng       | 10.9 |

## Share Price Performance



|              | 1M    | 3M   | 12M |
|--------------|-------|------|-----|
| Absolute (%) | -10.9 | 21.3 | N/A |
| Relative (%) | -10.8 | 19.0 | N/A |

| Earnings Summary | FY25  | FY26F | FY27F |
|------------------|-------|-------|-------|
| Revenue          | 450.9 | 563.6 | 622.9 |
| PATAMI           | 60.8  | 83.6  | 96.3  |
| CNP              | 60.0  | 83.6  | 96.3  |
| EPS - core (sen) | 3.0   | 4.2   | 4.8   |
| P/E(x)           | 43.7  | 31.3  | 27.2  |

Source: Company, Apex Securities

## Oriental Kopi Holdings Bhd

## Within Expectations

- KOPI's 4QFY25 CNP came in at RM14.8m (-12.9% QoQ), bringing 12MFY25 CNP to RM60.0m, accounting for 98% of our full-year forecast and 97% of consensus estimates.
- The Group declared a first interim dividend of 1.0 sen (ex-date: 9 Dec 2025).
- KOPI's café segment is expected to remain the key earnings driver in FY26F, supported by resilient domestic consumption, strengthening tourism under the Visit Malaysia 2026 campaign and plans to expand its domestic café network (FY26F: 6 new outlets).
- With the surge in share price narrowing upside potential, we downgrade to HOLD from BUY while maintaining our TP at RM1.26, based on unchanged 30x FY26F EPS of 4.2 sen.

**Results within expectations.** Excluding a fair value gain from other investments (-RM1.1m), KOPI reported a 4QFY25 CNP of RM14.8m (-12.9% QoQ), bringing the 12MFY25 total to RM60.0m. The result was within expectations, accounting for 98% of our full-year forecast and 97% of consensus estimates.

**Dividend.** The Group declared a first interim dividend of 1.0 sen (ex-date: 9 Dec 2025).

**QoQ.** Despite a 14.1% increase in revenue, KOPI reported a 12.9% decline in CNP, mainly due to a sharp rise in administrative expenses (+90.1%) and higher tax expenses (+53.5%). The surge in administrative expenses is likely linked to financial year-end bonuses and staff incentives. Meanwhile, the effective tax rate increased to 35% (from 24% in 3QFY25), largely due to non-deductible pre-commencement and start-up expenses tied to new outlet openings during the year.

**YoY.** Since KOPI was only listed in January 2025, no YoY comparison is available.

**Outlook.** We expect KOPI's café segment to remain the key earnings driver in FY26F, supported by resilient domestic consumption and rising household spending across urban and suburban areas. Tourism momentum is also strengthening, with international arrivals projected to reach 35.6m by 2026 under the Visit Malaysia 2026 campaign, which should lift footfall in malls where KOPI's cafés are typically located. As part of its growth strategy, the Group will continue expanding its domestic café network and, excluding Singapore outlets, we forecast 6 additional cafés to be added in FY26F.

**Earnings Revision.** Forecasts maintained, as results were within expectations.

**Valuation & Recommendation.** With the surge in share price reducing the stock's upside potential, we downgrade our call to **HOLD** from BUY. We maintain our TP at **RM1.26**, based on unchanged 30x FY26F EPS of 4.2 sen, alongside its three-star ESG rating.

**Risks.** Quality control, shortage of labour and supply chain disruptions.

# Results Note

Wednesday, 26 Nov, 2025

## Results Comparison

| FYE Sep (RM m)        | 4QFY25 | 4QFY24 | yoy (%) | 3QFY25 | qoq (%) | 12MFY25 | 12MFY24 | yoy (%) |
|-----------------------|--------|--------|---------|--------|---------|---------|---------|---------|
| Revenue               | 133.2  | N/A    | N/A     | 116.7  | 14.1    | 450.9   | N/A     | N/A     |
| EBITDA                | 33.3   | N/A    | N/A     | 31.6   | 5.5     | 113.6   | N/A     | N/A     |
| Pre-tax profit        | 24.4   | N/A    | N/A     | 23.5   | 3.9     | 83.4    | N/A     | N/A     |
| PATMI                 | 15.9   | N/A    | N/A     | 17.9   | (11.5)  | 60.8    | N/A     | N/A     |
| Core net profit       | 14.8   | N/A    | N/A     | 17.0   | (12.9)  | 60.0    | N/A     | N/A     |
| Core EPS (sen)        | 0.7    | N/A    | N/A     | 0.9    | (12.9)  | 3.0     | N/A     | N/A     |
| EBITDA margin (%)     | 25.0   | N/A    |         | 27.0   |         | 25.2    | N/A     |         |
| PBT margin (%)        | 18.3   | N/A    |         | 20.1   |         | 18.5    | N/A     |         |
| Core PATMI margin (%) | 11.1   | N/A    |         | 14.6   |         | 13.3    | N/A     |         |

## Segmental Breakdown

| FYE Sep (RM m)                         | 4QFY25       | 4QFY24      | yoy (%)   | 3QFY25       | qoq (%)     | 12MFY25      | 12MFY24     | yoy (%)   |
|--|--------------|-------------|-----------|--------------|-------------|--------------|-------------|-----------|
| <b>Revenue</b>                         |              |             |           |              |             |              |             |           |
| Operation of café chain                | 122.6        | N/A         | N/A       | 107.8        | 13.7        | 418.49       | N/A         | N/A       |
| Distribution & retail of packaged food | 9.2          | N/A         | N/A       | 8.2          | 12.0        | 29.21        | N/A         | N/A       |
| Others                                 | 1.4          | N/A         | N/A       | 0.7          | 91.7        | 3.21         | N/A         | N/A       |
| <b>Total</b>                           | <b>133.2</b> | <b>-</b>    | <b>nm</b> | <b>116.7</b> | <b>14.1</b> | <b>450.9</b> | <b>-</b>    | <b>nm</b> |
| <b>Gross Segment profit/(loss)</b>     |              |             |           |              |             |              |             |           |
| Operation of café chain                | 28.8         | N/A         | N/A       | 25.8         | 11.4        | 98.93        | N/A         | N/A       |
| Distribution & retail of packaged food | 4.0          | N/A         | N/A       | 4.4          | (9.7)       | 14.7         | N/A         | N/A       |
| Others                                 | 0.2          | N/A         | N/A       | 0.1          | 93.5        | 0.5          | N/A         | N/A       |
| <b>Total</b>                           | <b>33.0</b>  | <b>-</b>    | <b>nm</b> | <b>30.3</b>  | <b>8.7</b>  | <b>114.1</b> | <b>-</b>    | <b>nm</b> |
| <b>Gross Profit Margin (%)</b>         |              |             |           |              |             |              |             |           |
| Operation of café chain                | 23%          | N/A         |           | 24%          |             | 23.6%        | N/A         |           |
| Distribution & retail of packaged food | 43%          | N/A         |           | 54%          |             | 50.2%        | N/A         |           |
| Others                                 | 15%          | N/A         |           | 15%          |             | 15.1%        | N/A         |           |
| <b>Overall Gross Profit Margin (%)</b> | <b>24.7%</b> | <b>0.0%</b> |           | <b>26.0%</b> |             | <b>25.3%</b> | <b>0.0%</b> |           |

Source: Company, Apex Securities

# Results Note

Wednesday, 26 Nov, 2025

## ESG Matrix Framework:

### Environment

| Parameters       | Rating | Comments   |
|------------------|--------|--|
| Climate          | ★★★    | Collect the used cooking oil and arrange for its proper handling and repurposing, effectively reducing environmental impact.   |
| Waste & Effluent | ★★★★   | Collaborate with the mall's management to separate leftover food and deliver it to the designated location for conversion into organic waste.                                    |
| Energy           | ★★     | Most of the cafés are operated within malls, so there is no specific energy-saving plan as most of the malls have already implemented measures.                                  |
| Water            | ★★★★   | Installed oil and grease (FOG) traps in all cafés to prevent wastewater buildup and protect the drainage system from clogging and river pollution.                               |
| Compliance       | ★★★★   | Installed oil and grease (FOG) traps in all cafes to prevent wastewater buildup, comply with local regulations, and reduce pollution by preventing clogging in drainage systems. |

### Social

|                                |     |  |
|--------------------------------|-----|--|
| Diversity                      | ★★★ | At least 30% of directors are female.  |
| Human Rights                   | ★★  | Eliminating inappropriate behaviors, such as bullying, discrimination, harassment, and victimization, while ensuring equal opportunities for all employees regardless of their age, gender, ethnicity, religion, national origin, sexual orientation, or disability. |
| Occupational Safety and Health | ★★  | Established safe, healthy and nurturing work environment.  |
| Labour Practices               | ★★★ | Organizes various recreational events, such as employee birthday celebrations, sports tournaments, movie nights, and cultural festivals, to foster team bonding, cultural exchange, and a sense of unity and appreciation among employees.                           |

### Governance

|              |     |   |
|--------------|-----|---|
| CSR Strategy | ★★  | Due to lack of CSR strategy.                                  |
| Management   | ★★  | At least half of the Board members are independent directors. |
| Stakeholders | ★★★ | Two quarterly results briefings were conducted.               |

Overall ESG Scoring: ★★★

## Recommendation Framework:

**BUY:** Total returns\* are expected to exceed 10% within the next 12 months.

**HOLD:** Total returns\* are expected to be within +10% to – 10% within the next 12 months.

**SELL:** Total returns\* are expected to be below -10% within the next 12 months.

**TRADING BUY:** Total returns\* are expected to exceed 10% within the next 3 months.

**TRADING SELL:** Total returns\* are expected to be below -10% within the next 3 months.

\*Capital gain + dividend yield

## Sector Recommendations:

**OVERWEIGHT:** The industry defined by the analyst is expected to exceed 10% within the next 12 months.

**NEUTRAL:** The industry defined by the analyst is expected to be within +10% to – 10% within the next 12 months.

**UNDERWEIGHT:** The industry defined by the analyst, is expected to be below -10% within the next 12 months.

## ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

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As of **Wednesday, 26 Nov, 2025**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:

(a) nil.