

## Research Team

(603) 7890 8888

[research.dept@apexsecurities.com.my](mailto:research.dept@apexsecurities.com.my)

<b>Recommendation:</b>	<b>BUY</b>
Current Price:	RM 1.18
Previous Target Price:	RM 1.62
Target Price:	RM 1.34
Capital Upside/ Downside:	13.6%
Dividend Yield (%):	5.0%
<b>Total Upside/ Downside:</b>	<b>18.6%</b>

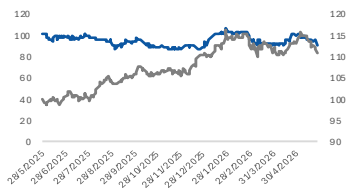
## Stock information

Board	MAIN
Sector	Consumer
Bursa / Bloomberg Code	7035 / CCKMK
Syariah Compliant	Yes
ESGRating	★★★
Shares issued (m)	615.8
Market Cap (RM' m)	726.6
52-Week Price Range (RM)	1.4-1.13
Beta (x)	0.7
Free float (%)	34.6
3M Average Volume (m)	0.1
3M Average Value (RM' m)	0.1

## Top 3 Shareholders (%)

Central Coldstorage Sarawak Sdn Bh	22.4
Sk Tiong Enterprise Sdn Bhd	16.8
Chong Nyuk Kiong Enterprise Sdn Bh	5.5

## Share Price Performance



	1M	3M	12M
Absolute (%)	-7.1	-6.3	-10.6
Relative (%)	-5.1	-4.6	-19.4

## Earnings Summary

FYE Dec (RM m)	FY25	FY26F	FY27F
Revenue (RM'm)	263.1	1080.2	1112.7
PATAMI (RM'm)	31.2	73.8	93.6
CNP (RM'm)	16.6	73.8	93.6
EPS - core (sen)	2.7	11.7	14.8
P/E(x)	44.1	10.1	8.0

Source: Company, Apex Securities

## CCK Consolidated Holdings Bhd

## Within Expectations

- CCK posted a 1QFY26 CNP of RM16.6m (-1.3% YoY, 12.0% QoQ). The results came in within our expectations, meeting 22% of our full-year forecast and 21% of consensus estimates.
- We expect CCK to deliver resilient earnings into FY26, supported by its defensive retail exposure and vertically integrated operations, with earnings recovery expected in 4QFY26 following the commencement of the Boyolali facility.
- Maintain BUY with a lower TP of RM1.34 (from RM1.62), based on 9.0x FY27F EPS of 14.8sen (from 13.5x FY26F EPS of 12.0sen), which remains below the Group's 3-year historical mean forward PE.

**Results within expectations.** Excluding gain on PPE (-RM0.3m) and other EIs (-RM0.1m), CCK reported a 1QFY26 CNP of RM16.6m (-1.3% YoY, 12.0% QoQ). The results were within our expectations, meeting 22% of our full-year forecast and 21% of consensus estimates. Earnings continued to be supported by resilient retail demand and improving poultry margins, partly offset by weaker prawn exports.

**YoY.** Revenue was broadly stable at RM263.1m (-0.3%) as stronger retail and food service contributions offset weaker prawn segment sales. Retail revenue increased 2.9% on resilient consumer demand, while food service revenue rose 22.0% driven by higher sales to government schools in Sarawak. However, prawn revenue declined 29.1% due to softer export demand from Japan, Korea and China. Segment operating profit declined 2.7% mainly due to the absence of egg and broiler subsidies during the quarter. Nevertheless, poultry operating margin improved to 23.6% (1QFY25: 20.2%), supported by lower feed costs and improving operational efficiencies.

**QoQ.** Revenue remained broadly flattish (-0.4%) as resilient retail sales offset weaker poultry and food service contributions. Retail revenue remained firm (+0.7%), supported by healthy demand and stable sales of in-house processed food products. Meanwhile, poultry and food service revenue declined 7.7% and 5.8% respectively due to softer institutional demand and lower sales to government schools. Despite largely stable operating performance, CNP increased 12.0% supported by lower taxation, lower minority interests and a modest improvement in gross profit margin to 22.9% (4QFY25: 22.8%) driven by a more favourable retail product mix.

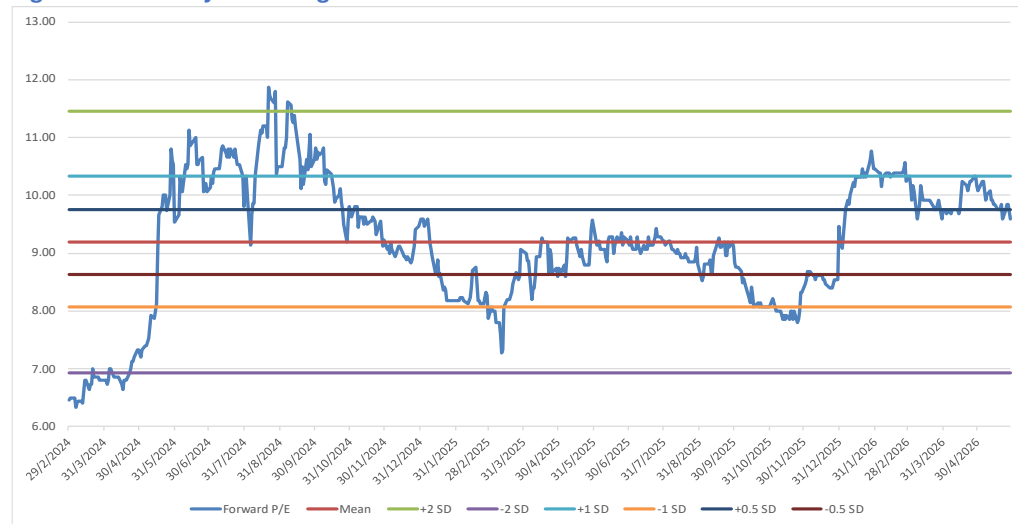
**Outlook.** We expect near-term earnings to moderate towards end-2QFY26 following the temporary disruption at its Indonesian operations arising from the recent fire incident. Nevertheless, we believe the overall impact should remain manageable, as the Indonesian segment contributes approximately 10% of group revenue and the disruption is expected to be temporary in nature. More importantly, we expect earnings momentum to recover in 4QFY26, supported by the commencement of the new Boyolali food processing facility in Central Java, which should help restore production capacity and improve operational efficiencies. Longer term, we continue to favour CCK for its dominant retail network in East Malaysia, vertically integrated operations and defensive consumer staples exposure.

**Earnings Revision.** We are maintaining our earnings forecasts at this juncture as the 1QFY26 results came in broadly within our expectations and management's operational guidance remains largely unchanged.

**Valuation.** We maintain our **BUY** call with a lower TP of **RM1.34** (from RM1.62) after rolling forward our valuation base to FY27F. Our TP is based on 9.0x FY27F EPS of 14.8sen (from 13.5x FY26F EPS of 12.0sen). The applied multiple remains below the Group's 3-year historical mean forward PE, reflecting near-term earnings uncertainties from weaker prawn exports and ongoing cost pressures.

**Risks.** Key risks include volatility in poultry selling prices and feed costs, currency fluctuations and weaker export demand for the prawn segment.

Figure 1: CCK's 3-year average P/E Chart



Source: Bloomberg, Apex Securities

## Results Comparison

FYE Dec (RM m)	1QFY26	1QFY25	yoy (%)	4QFY25	qoq (%)	3MFY26	3MFY25	yoy (%)	Comments
Revenue	263.1	264.0	(0.4)	264.2	(0.4)	263.1	264.0	(0.4)	
EBITDA	31.2	29.9	4.3	(13.3)	nm	31.2	29.9	4.3	
Pre-tax profit	25.1	26.0	(3.2)	24.3	3.3	19.5	20.2	(3.3)	
PATAMI	17.1	17.5	(2.4)	14.5	17.5	31.2	17.5	78.2	
Core net profit	16.6	16.8	(1.3)	14.8	12.0	16.6	16.8	(1.3)	
Core EPS (sen)	2.7	2.7	(1.3)	2.4	12.0	2.7	2.7	(1.3)	
EBITDA margin (%)	11.9	11.3		(5.0)		11.9	11.3		
PBT margin (%)	9.6	9.8		9.2		7.4	7.6		
Core PATMI margin (%)	6.3	6.4		5.6		6.3	6.4		

Source: Company, Apex Securities

## Segmental Breakdown

FYE Dec (RM m)	1QFY26	1QFY25	yoy (%)	4QFY25	qoq (%)	3MFY26	3MFY25	yoy (%)
<b>Segment revenue</b>								
Poultry	26.0	27.1	(4.2)	28.1	(7.7)	26.0	27.1	(4.2)
Prawn	16.5	23.3	(29.1)	16.7	(1.4)	16.5	23.3	(29.1)
Food Service	4.2	3.4	22.0	4.5	(5.8)	4.2	3.4	22.0
Retail	216.2	210.0	2.9	214.6	0.7	216.2	210.0	2.9
Corporate	0.2	0.2	24.5	0.3	(14.7)	0.2	0.2	24.5
<b>Total</b>	<b>263.1</b>	<b>263.8</b>	<b>(0.3)</b>	<b>264.2</b>	<b>(0.4)</b>	<b>263.1</b>	<b>264.0</b>	<b>(0.4)</b>
<b>Segment operation profits</b>								
Poultry	6.1	5.5	11.7	7.6	(18.9)	6.1	5.5	11.7
Prawn	2.3	2.6	(12.2)	0.4	465.0	2.3	2.6	(12.2)
Food Service	0.3	0.0	414.3	0.2	6.3	0.3	0.0	414.3
Retail	16.3	17.4	(6.4)	15.8	3.3	16.3	17.4	(6.4)
Corporate	(0.1)	(0.2)	(57.4)	5.3	nm	(0.1)	(0.2)	(57.4)
<b>Total</b>	<b>24.9</b>	<b>25.6</b>	<b>(2.7)</b>	<b>29.3</b>	<b>(14.9)</b>	<b>24.9</b>	<b>25.4</b>	<b>349.9</b>
<b>Segment OP margin (%)</b>								
Poultry	23.6%	20.2%		26.9%		23.6%	20.2%	
Prawn	14.1%	11.4%		2.5%		14.1%	11.4%	
Food Service	6.0%	1.4%		5.3%		6.0%	1.4%	
Retail	7.5%	8.3%		7.4%		7.5%	8.3%	
Corporate	n.m	n.m		n.m		n.m	n.m	
<b>Total</b>	<b>51.2%</b>	<b>41.3%</b>		<b>42.0%</b>		<b>51.2%</b>	<b>41.3%</b>	

Source: Company, Apex Securities

# Results Note

Friday, 29 May, 2026

## Financial Highlights

### Income Statement

FYE Dec (RM m)	FY23	FY24	FY25	FY26F	FY27F
Revenue	980.7	1057.6	1047.7	1080.2	1112.7
Gross Profit	198.1	225.9	223.2	226.8	255.9
EBITDA	131.4	136.6	127.5	126.7	155.7
Depreciation & Amortisation	-26.7	-29.5	-32.7	-33.8	-37.8
EBIT	104.7	107.9	95.7	92.9	117.9
Net Finance Income/ (Cost)	-2.1	-0.9	0.3	0.7	1.1
Associates & JV	4.8	5.0	5.2	5.0	5.6
Pre-tax Profit	107.4	112.0	101.3	98.5	124.6
Tax	-24.1	-40.5	-27.5	-23.6	-29.9
Profit After Tax	83.4	71.6	73.8	74.9	94.7
Minority Interest	0.1	0.1	12.7	1.1	1.1
PATAMI	83.3	71.5	61.2	73.8	93.6
Exceptionals	1.9	-9.4	0.0	0.0	0.0
Core Net Profit	81.4	80.9	61.1	73.8	93.6

### Key Ratios

FYE Dec (RM m)	FY23	FY24	FY25	FY26F	FY27F
P/E (x)	9.1	9.2	12.2	10.1	8.0
EPS	12.9	12.8	9.7	11.7	14.8
P/B (x)	1.7	1.3	1.3	1.1	1.3
EV/EBITDA (x)	2.7	3.6	4.0	3.7	3.4
DPS (sen)	3.4	4.2	8.4	4.7	5.9
Dividend Yield (%)	2.9%	3.5%	7.1%	4.0%	5.0%
EBITDA margin	13.4%	12.9%	12.2%	11.7%	14.0%
EBIT margin	10.7%	10.2%	9.1%	8.6%	10.6%
PBT margin	11.0%	10.6%	9.7%	9.1%	11.2%
PAT margin	8.5%	6.8%	7.0%	6.9%	8.5%
Net Profit margin	8.5%	6.8%	5.8%	6.8%	8.4%
Core NP margin	8.5%	6.8%	5.8%	6.8%	8.4%
ROE	19.1%	11.6%	9.7%	9.9%	14.4%
ROA	14.4%	9.3%	8.0%	8.4%	11.9%
Net gearing	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

### Key Assumptions

FYE Dec (RM m)	FY25	FY26F	FY27F
No. of chickens sold/year (m)	13.3	13.4	13.4
Prawn production (tonne)	541	552	572
No. of stores	78	79	79

### Valuations

FYE Dec (RM)	FY27F
EPS (RM)	0.148
Multiple (x)	9.0
Equity Value/share (RM)	1.34
ESG premium/discount	0.0%
Fair Value (RM)	1.34

Source: Company, Apex Securities

### Balance Sheet

FYE Dec (RM m)	FY23	FY24	FY25	FY26F	FY27F
Cash	124.6	173.0	166.2	314.0	167.6
Receivables	66.6	71.4	90.1	52.0	94.4
Inventories	92.6	106.6	102.3	94.0	107.8
Other current assets	27.5	130.4	92.1	92.1	92.1
Total Current Assets	311.3	481.3	450.7	552.1	461.9
Fixed Assets	225.7	245.5	270.5	279.9	281.1
Deferred income taxes	1.8	1.7	0.8	0.8	0.8
Other non-current assets	37.5	39.4	44.5	44.5	44.5
Total Non-current assets	265.0	286.6	315.8	325.2	326.4
Borrowings	44.3	44.5	45.5	50.5	49.5
Current tax liabilities	8.5	13.8	3.9	3.9	3.9
Other current liabilities	1.6	1.7	2.0	2.0	2.0
Accounts payable	57.9	56.9	54.6	57.6	55.0
Total Current Liabilities	112.2	116.8	106.1	114.1	110.5
Borrowings	5.5	4.6	11.7	5.6	5.5
Other non-current liabilities	9.6	8.6	8.3	8.3	8.3
Total Non-current Liabilities	15.1	13.2	20.0	13.9	13.8
Shareholder's equity	436.4	571.3	566.9	678.2	586.2
Minority Interest	0.6	47.4	63.2	64.3	65.4
Equity	437.0	618.7	630.1	742.5	651.7

### Cash Flow

FYE Dec (RM m)	FY23	FY24	FY25	FY26F	FY27F
Pre-tax profit	107.4	112.0	101.3	98.5	124.6
Depreciation & amortisation	26.7	29.5	32.7	33.8	37.8
Changes in working capital	7.4	-24.0	-20.5	49.5	-58.8
Others	-30.4	-40.4	-43.5	-29.9	-30.9
Operating cash flow	111.2	77.1	70.0	151.9	72.7
Capex	-33.7	-37.1	-63.0	-37.8	-38.9
Others	5.2	-101.6	40.9	71.0	-73.5
Investing cash flow	-28.5	-138.7	-22.0	33.1	-112.5
Dividends paid	-7.8	-21.7	-26.4	-52.7	-29.5
Others	-13.7	134.2	-14.4	20.0	-77.0
Financing cash flow	-21.5	112.4	-40.8	-32.8	-106.5
Net cash flow	61.3	50.8	7.2	152.3	-146.3
Forex	2.0	-5.2	-11.4	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash	57.0	120.3	165.9	161.7	314.0
Ending cash	120.3	165.9	161.7	314.0	167.6

## ESG Matrix Framework:

### Environment

Parameters	Rating	Comments
Climate	★★★	In FY25, GHG emission stood at 6,016.59 tCO2e, a 24.6% reduction from FY24.
Waste & Effluent	★★★	108.4 tonnes of total waste diverted from disposal and 1,764.4 tonnes of total waste directed to disposal in FY25. A significant improvement from FY24 whereby 1.8 tonnes of total waste diverted from disposal and 2,051.4 tonnes of total waste directed to disposal.
Energy	★★★	Energy consumption stood at 9,050 MWh at FY25, a 9.4% reduction from FY24.
Water	★★★	Water consumption stood at 199 Megalitres in FY25, a 19.3% reduction from FY24.
Compliance	★★★	There were no cases of non-compliance in FY25, and CCK remain committed to maintaining zero reports and penalties for FY26.

### Social

Diversity	★★★	The gender distribution is 60% male and 40% female (from 62% and 38% respectively in FY24). There is a slight improvement from recruiting more female employees in the organisation.
Human Rights	★★★	Zero number of substantiated complaints concerning human rights violations.
Occupational Safety and Health	★★★★	Remained 0 fatalities in FY25, with 9,541.1 hours dedicated to train workforce.
Labour Practices	★★★	CCK opposes discrimination, promoting diversity and equal opportunities regardless of gender or ethnicity.

### Governance

CSR Strategy	★★★	In FY25, CCK donated a total of RM65,533.19 to various organisations to help the needy.
Management	★★★★	1/9 female directors, 3/9 independent directors.
Stakeholders	★	1x AGM per annum and no analyst briefings 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

**Disclaimer:** The report is for internal and private circulation only and shall not be reproduced either in part or otherwise without the prior written consent of Apex Securities Berhad. The opinions and information contained herein are based on available data believed to be reliable. It is not to be construed as an offer, invitation or solicitation to buy or sell the securities covered by this report.

Opinions, estimates and projections in this report constitute the current judgment of the author. They do not necessarily reflect the opinion of Apex Securities Berhad and are subject to change without notice. Apex Securities Berhad has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

Apex Securities Berhad does not warrant the accuracy of anything stated herein in any manner whatsoever and no reliance upon such statement by anyone shall give rise to any claim whatsoever against Apex Securities Berhad. Apex Securities Berhad may from time to time have an interest in the company mentioned by this report. This report may not be reproduced, copied or circulated without the prior written approval of Apex Securities Berhad.

As of Friday, 29 May, 2026, 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.