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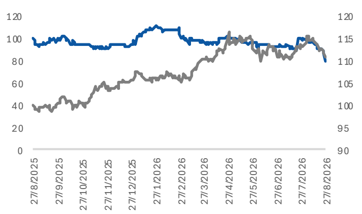
Recommendation:		BUY
Current Price:		RM 0.98
Previous Target Price:		RM 1.34
Target Price:	↓	RM 1.17
Capital Upside/Downside:		19.4%
Dividend Yield (%):		5.3%
Total Upside/Downside:		24.7%

Stock information	
Board	MAIN
Sector	Consumer
Bursa / Bloomberg Code	7035 / CCK MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	613.3
Market Cap (RM' m)	601.0
52-Week Price Range (RM)	1.4-0.98
Beta (x)	0.6
Free float (%)	31.7
3M Average Volume (m)	0.2
3M Average Value (RM' m)	0.2

Top 3 Shareholders	(%)
Central Coldstorage Sarawak Sdn Bh	22.5
Sk Tiong Enterprise Sdn Bhd	16.9
Chong Nyuk Kiong Enterprise Sdn Bh	5.5

Share Price Performance



	1M	3M	12M
Absolute (%)	-11.7	-19.0	-21.6
Relative (%)	-13.5	-21.3	-28.8

Earnings Summary

FYE Dec (RM m)	FY25	FY26F	FY27F
Revenue (RM'm)	1047.7	1059.8	1091.7
PATAMI (RM'm)	61.2	62.7	81.9
CNP (RM'm)	61.1	62.7	81.9
EPS - core (sen)	9.7	9.9	13.0
P/E (x)	10.1	9.9	7.5

Source: Company, Apex Securities

CCK Consolidated Holdings Bhd

Below Expectations

- **CCK posted a 1HFY26 CNP of RM30.7m (-11.4% YoY), after adjusting for CCK's 60% equity interest in the RM16.0m one-off write-off from the Cikupa (Indonesia) fire incident. Results came in below our expectations, meeting 41.6% of our full-year forecast and 42.5% of consensus estimates.**
- **We cut our FY26F/FY27F core net profit forecasts by 15.0%/12.5%, on the back of the continued absence of government subsidies, ongoing feed cost pressures, and a more gradual recovery expected at CCK's Indonesian operations.**
- **Maintain BUY with a lower TP of RM1.17 (from RM1.34), based on an unchanged 9.0x FY27F P/E applied to our revised FY27F EPS of 13.0 sen (from 14.8 sen).**

Results below expectations. Excluding gain on disposal of PPE (-RM0.01m), property, plant and equipment written off (+RM5.3m), fair value gain on investment securities (-RM0.5m), inventories written off (+RM3.7m) and other directly attributable costs (+RM0.5m) arising from the fire incident at CCK's Cikupa (Indonesia) manufacturing facility on 28 May 2026 (adjusted for CCK's 60% equity interest in the affected entity), CCK reported 2QFY26 core net profit (CNP) of RM14.1m (-20.8% YoY; -15.0% QoQ). **This brings cumulative 1HFY26 CNP to RM30.7m, accounting for 42% of our full-year forecast and 43% of consensus estimates**. Results came in below our expectations, dragged by the fire-related disruption to CCK's Indonesian operations, though earnings continued to be supported by resilient retail demand, partly offset by weaker prawn exports.

YoY. Revenue declined 3.0% YoY to RM250.7m, while CNP fell 20.8% YoY to RM14.1m. The weaker revenue was mainly due to lower prawn sales and reduced contributions from Indonesian operations following the Cikupa fire incident and IDR depreciation, partly offset by resilient domestic retail demand and stronger food service sales. Retail revenue was broadly flat, while poultry remained stable, prawn revenue fell 28.2%, and food service grew 19.2%. Meanwhile, retail swung to an LBT of RM5.2m due to the one-off fire-related write-off, while poultry PBT declined due to the absence of government subsidies.

QoQ. Revenue declined 4.7% QoQ to RM250.7m, while CNP fell 15.0% QoQ to RM14.1m. The revenue moderation was mainly due to lower retail contribution, particularly from Indonesian operations following the Cikupa fire incident, partly cushioned by improved prawn and food service sales. Retail revenue eased to RM198.6m (1QFY26: RM216.2m) on lower Indonesian production volumes, while prawn revenue improved to RM19.5m (1QFY26: RM16.5m) on better export sales and poultry remained stable. Meanwhile, the retail segment swung to a LBT of RM5.2m (1QFY26: PBT of RM16.3m), mainly due to the one-off fire-related write-off, while poultry PBT eased to RM3.9m (1QFY26: RM6.1m) due to input cost timing differences.

Outlook. We expect near-term earnings to remain pressured as the Cikupa facility continues to recover from the fire incident. While a full recovery at Cikupa may take time, the Boyolali food processing facility remains on track to commence operations in 4QFY26 and should provide substantially greater capacity than that affected by the fire, increasingly underpinning the Group’s earnings recovery in FY27. The Pontianak facility continues to operate at full capacity to support demand in the interim. Longer term, we continue to favour CCK for its dominant East Malaysia retail network, vertically integrated operations and defensive consumer staples exposure, although key risks include weaker prawn export demand, feed cost volatility and a slower-than-expected recovery of its Indonesian operations.

Earnings Revision. We **cut our FY26F/FY27F core net profit forecasts by 15.0%/12.5%** to RM62.7m/RM81.9m (from RM73.8m/RM93.6m) respectively, on the back of the continued absence of government subsidies for eggs and broilers, ongoing feed cost pressures, and a more gradual recovery expected at CCK's Indonesian operations following the Cikupa fire incident. While we view the fire-related write-off itself as a one-off, we believe a more conservative earnings base is warranted until there is greater visibility on the pace of the Cikupa recovery and the Boyolali facility's ramp-up. **We also introduce our FY28F core net profit estimate of RM95.0m** (+16.0% YoY), rolling forward our forecasts to reflect a full year of contribution from the Boyolali facility.

Valuation & Recommendation. We maintain our **BUY** recommendation but lower our **TP to RM1.17** (from RM1.34), following our earnings revision. Our TP remains pegged to an unchanged **9.0x FY27F P/E**, applied to our revised FY27F EPS of **13.0 sen** (from 14.8 sen). We continue to see upside from CCK's dominant East Malaysia retail network, vertically integrated operations and the earnings recovery potential from the Boyolali facility.

Risks. Key risks include a slower-than-expected recovery at the Cikupa facility, delays to the Boyolali facility commissioning, volatility in poultry selling prices and feed costs, currency fluctuations, and weaker export demand for the prawn segment.

Results Comparison

FYE Dec (RM m)	2QFY26	2QFY25	yoy (%)	1QFY26	qoq (%)	6MFY26	6MFY25	yoy (%)
Revenue	250.7	258.4	*(3.0)*	263.1	*(4.7)*	513.8	522.4	*(1.7)*
EBITDA	7.7	33.2	*(76.8)*	(12.6)	*nm*	38.9	35.3	*10.1*
Pre-tax profit	1.9	26.2	*(92.9)*	25.1	*(92.5)*	27.0	52.2	*(48.3)*
PATAMI	5.1	17.8	*(71.6)*	17.1	*(70.4)*	22.1	40.7	*(45.6)*
Core net profit	14.1	17.8	*(20.8)*	16.6	*(15.0)*	30.7	34.7	*(11.4)*
Core EPS (sen)	2.3	2.9	*(20.8)*	2.7	*(15.0)*	5.0	5.6	*(11.4)*
EBITDA margin (%)	3.1	12.8		(4.8)		7.6	6.8	
PBT margin (%)	0.7	10.2		9.6		5.3	10.0	
Core PATMI margin (%)	5.6	6.9		6.3		6.0	6.6	

Source: Company, Apex Securities

Segmental Breakdown

FYE Dec (RM m)	2QFY26	2QFY25	yoy (%)	1QFY26	qoq (%)	6MFY26	6MFY25	yoy (%)
Segment revenue								
Poultry	27.6	27.9	*(1.0)*	26.0	*6.2*	53.5	54.9	*(2.6)*
Prawn	19.5	27.1	*(28.2)*	16.5	*17.9*	36.0	50.4	*(28.6)*
Food Service	4.7	4.0	*19.2*	4.2	*12.3*	8.9	7.4	*20.5*
Retail	198.6	199.2	*(0.3)*	216.2	*(8.1)*	414.8	409.3	*1.4*
Corporate	0.3	0.3	*27.7*	0.2	*31.3*	0.6	0.5	*26.3*
Total	**250.7**	**258.1**	***(2.9)***	**263.1**	***(4.7)***	**513.8**	**522.4**	**(1.7)**
Segment operation profits								
Poultry	3.9	4.4	*(11.2)*	6.1	*(36.4)*	10.0	9.9	*1.5*
Prawn	2.3	5.5	*(58.6)*	2.3	*(2.1)*	4.6	8.1	*(43.5)*
Food Service	0.4	0.4	*(10.2)*	0.3	*39.7*	0.6	0.4	*37.0*
Retail	(5.2)	15.8	*nm*	16.3	*nm*	11.1	33.3	*(66.5)*
Corporate	(0.4)	0.0	*nm*	(0.1)	*336.0*	(0.5)	(0.2)	*164.9*
Total	**1.0**	**26.1**	***(96.3)***	**24.9**	***(96.1)***	**25.9**	**51.6**	**93.4**
Segment OP margin (%)								
Poultry	14.1%	15.8%		23.6%		37.7%	36.0%	
Prawn	11.7%	20.2%		14.1%		25.8%	31.6%	
Food Service	7.5%	9.9%		6.0%		13.5%	11.3%	
Retail	-2.6%	8.0%		7.5%		4.9%	16.3%	
Corporate	n.m	n.m		n.m		n.m	n.m	
	30.7%	**53.9%**		**51.2%**		**81.9%**	**95.2%**	

Source: Company, Apex Securities

Financial Highlights

Income Statement

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	**1057.6**	**1047.7**	**1059.8**	**1091.7**	**1128.0**
Gross Profit	**225.9**	**223.2**	**209.8**	**238.0**	**259.4**
EBITDA	**136.6**	**127.5**	**112.2**	**140.3**	**154.5**
Depreciation & Amortisation	-29.5	-32.7	-33.8	-37.7	-35.0
EBIT	**107.9**	**95.7**	**78.4**	**102.6**	**119.6**
Net Finance Income/ (Cost)	-0.9	0.3	0.7	1.1	1.3
Associates & JV	5.0	5.2	4.9	5.5	5.6
Pre-tax Profit	**112.0**	**101.3**	**84.0**	**109.2**	**126.5**
Tax	-40.5	-27.5	-20.1	-26.2	-30.4
Profit After Tax	**71.6**	**73.8**	**63.8**	**83.0**	**96.1**
Minority Interest	0.1	12.7	1.1	1.1	1.1
PATAMI	**71.5**	**61.2**	**62.7**	**81.9**	**95.0**
Exceptionals	-9.4	0.0	0.0	0.0	0.0
Core Net Profit	**80.9**	**61.1**	**62.7**	**81.9**	**95.0**

Key Ratios

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
P/E (x)	7.6	10.1	9.9	7.5	6.5
EPS	12.8	9.7	9.9	13.0	15.1
P/B (x)	1.1	1.1	0.9	1.1	1.0
EV/EBITDA (x)	3.6	4.0	4.2	3.9	0.0
DPS (sen)	4.2	8.4	4.0	5.2	6.0
Dividend Yield (%)	4.3%	8.5%	4.1%	5.3%	6.1%
EBITDA margin	12.9%	12.2%	10.6%	12.9%	13.7%
EBIT margin	10.2%	9.1%	7.4%	9.4%	10.6%
PBT margin	10.6%	9.7%	7.9%	10.0%	11.2%
PAT margin	6.8%	7.0%	6.0%	7.6%	8.5%
Net Profit margin	6.8%	5.8%	5.9%	7.5%	8.4%
Core NP margin	6.8%	5.8%	5.9%	7.5%	8.4%
ROE	11.6%	9.7%	8.5%	12.6%	13.3%
ROA	9.3%	8.0%	7.2%	10.6%	13.7%
Net gearing	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

Key Assumptions

FYE Dec (RM m)	FY26F	FY27F	FY28F
No. of chickens sold/year (m)	13.3	13.4	13.4
Prawn production (tonne)	541	530	550
No.of stores	78	79	79

Valuations	FY27F
EPS (RM)	0.130
Multiple (x)	9.0
Equity Value/share (RM)	**1.17**
ESG premium/discount	0.0%
Fair Value (RM)	**1.17**

Source: Company, Apex Securities

Balance Sheet

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Cash	173.0	166.2	311.3	152.4	125.6
Receivables	71.4	90.1	49.3	94.3	54.1
Inventories	106.6	102.3	93.3	107.9	92.0
Other current assets	130.4	92.1	92.1	92.1	92.1
Total Current Assets	**481.3**	**450.7**	**545.9**	**446.6**	**363.7**
Fixed Assets	245.5	270.5	279.1	279.6	284.2
Deferred income taxes	1.7	0.8	0.8	0.8	0.8
Other non-current assets	39.4	44.5	44.5	44.5	44.5
Total Non-current assets	**286.6**	**315.8**	**324.4**	**324.9**	**329.5**
Borrowings	44.5	45.5	50.5	49.6	48.5
Current tax liabilities	13.8	3.9	3.9	3.9	3.9
Other current liabilities	1.7	2.0	2.0	2.0	2.0
Accounts payable	56.9	54.6	57.2	55.1	59.1
Total Current Liabilities	**116.8**	**106.1**	**113.7**	**110.6**	**113.6**
Borrowings	4.6	11.7	5.6	5.5	5.4
Other non-current liabilities	8.6	8.3	8.3	8.3	8.3
Total Non-current Liabilities	**13.2**	**20.0**	**13.9**	**13.8**	**13.7**
Shareholder's equity	571.3	566.9	678.2	586.2	649.3
Minority Interest	47.4	63.2	64.3	65.4	66.5
Equity	**618.7**	**630.1**	**742.5**	**651.6**	**715.8**

Cash Flow

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Pre-tax profit	**112.0**	**101.3**	**84.0**	**109.2**	**126.5**
Depreciation & amortisation	29.5	32.7	33.8	37.7	35.0
Changes in working capital	-24.0	-20.5	52.5	-61.8	60.2
Others	-40.4	-43.5	-26.2	-30.4	-31.3
Operating cash flow	**77.1**	**70.0**	**144.1**	**54.7**	**190.3**
Capex	-37.1	-63.0	-37.1	-38.2	-39.5
Others	-101.6	40.9	71.0	-73.5	-73.5
Investing cash flow	**-138.7**	**-22.0**	**33.9**	**-111.8**	**-113.0**
Dividends paid	-26.4	-52.7	-25.1	-32.8	-38.0
Others	138.8	12.0	-3.2	-69.2	-67.0
Financing cash flow	**112.4**	**-40.8**	**-28.3**	**-101.9**	**-105.0**
Net cash flow	**50.8**	**7.2**	**149.7**	**-159.0**	**-27.8**
Forex	-5.2	-11.4	0.0	0.0	1.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash	120.3	165.9	161.7	311.3	152.4
Ending cash	**165.9**	**161.7**	**311.3**	**152.4**	**125.6**

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

As of **Thursday, 27 Aug, 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.