COMPANY UPDATE
Thursday, June 18, 2026
FBMKLCI: 1,709.99
Sector: Consumer

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Beshom Holdings Berhad

Dispose 14.6 Acres Industrial Land for RM85.8mn

TP: RM0.58 (-7.2%)

Last Traded: RM0.625

SELL (ESG: ★★★)

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Beshom Holdings Bhd (Beshom) plans to dispose of 14.6 acres of industrial land in Klang for RM85.8mn (~RM135 psf), with the proceeds earmarked for the construction of a new warehouse, the setup of a new TNB substation, property refurbishment, and working capital. The transaction is expected to unlock an estimated gain of RM52.8mn, enhancing near-term financial flexibility and supporting operational improvements amid the challenging operating environment. Overall, we maintain our earnings forecasts, pending greater clarity on the timing of the gain recognition and the impact of the reinvestment. We maintain our SELL recommendation with a revised TP of RM0.58/share (based on 15x CY27 EPS), after rolling forward our valuation base year.

Disposed 14.6 Acres of Industrial Land for RM85.8mn

On 16 June 2026, Beshom entered into a sale and purchase agreement with JT Development Sdn Bhd for the disposal of three parcels of freehold industrial land in Klang, measuring approximately 635,027 sf (14.58 acres), for a total cash consideration of RM85.8mn (~RM135psf).

Management indicated that the disposal proceeds *(refer to* ***Appendix 2****)* will primarily be utilised for the acquisition of a new warehouse, the construction of a new TNB substation on adjacent land owned by the group, refurbishment of existing properties, and working capital purposes. The new substation is required as electricity supply to the group's adjoining property is currently routed through the existing TNB substation located on the disposal site.

Based on management's estimates, the proposed disposal is expected to generate a pro forma gain of approximately RM52.8mn after taking into account the net book value of the land, estimated real property gains tax (RPGT), and other allowable expenses. The transaction is expected to be completed in 1QCY27 (4QFY27).

Our View

Based on our channel checks, the transacted price of approximately RM135psf appears attractive, falling within the prevailing asking price range of RM85–155psf observed across various property listing platforms. More importantly, the disposal price represents a ~42.4% premium to a recent industrial land transaction completed in March 2026 at approximately RM95psf within the same vicinity.

Beyond the attractive valuation, we view the timing of the monetisation favourably, given the group's challenging operating environment. The transaction is expected to unlock an estimated gain of RM52.8mn, enhancing near-term financial flexibility, supporting operational infrastructure upgrades, and preserving liquidity amid ongoing headwinds.

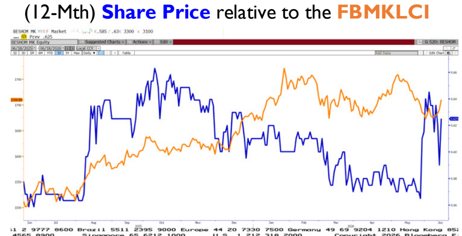
Share Information	
Bloomberg Code	BESHOM MK
Stock Code	7668
Listing	Main Market
Share Cap (mn)	299.2
Market Cap (RMmn)	187.0
52-wk Hi/Lo (RM)	0.689/0.52
12-mth Avg Daily Vol ('000 shrs)	149.1
Estimated Free Float (%)	50.8
Beta	0.5
Major Shareholders (%)	
Tan Kai Hee Family Holdings Sdn bhd	11.7%
Akintan Sdn Bhd	9.2%
Excellent Communication Sdn Bhd	5.4%

Forecast Revision	FY26	FY27
Forecast Revision (%)	0.0	0.0
Net profit (RMm)	7.9	11.4
Consensus	8.0	11.0
TA's / Consensus (%)	98.3	103.6
Previous Rating		Sell (Maintained)
Consensus Target Price (RM)	0.51	

Financial Indicators	FY26	FY27
Net Debt / Equity (x)	Net Cash	Net Cash
ROE (%)	2.5	3.6
ROA (%)	2.2	3.1
NTA/Share (RM)	1.1	1.1
Price/NTA (x)	0.6	0.6

Share Performance (%)		
Price Change	BESHOM	FBM KLCI
1 mth	8.7	(1.7)
3 mth	5.9	0.8
6 mth	(2.3)	3.7
12 mth	2.4	12.5

(12-Mth) **Share Price** relative to the **FBMKLCI**



Source: Bloomberg

Importantly, management has indicated that the disposal proceeds will be reinvested into initiatives that support the group's long-term growth strategy. These include the acquisition of a new warehouse, refurbishment and expansion of retail outlets, enhancement of product and member development programmes, as well as upgrades to its IT infrastructure. Collectively, these initiatives are expected to improve operating efficiency, strengthen member engagement, and support the medium- to long-term growth of the group's multi-level marketing, retail, and wholesale segments.

Impact

Based on the estimated disposal gain of ~RM52.8mn, FY27 EPS would increase to 21.4sen/share from our previous forecast of 3.8sen/share. However, we maintain our earnings forecasts at this stage, as the one-off gain is excluded from core earnings, pending greater clarity on the timing of recognition and the potential impact of the reinvestment of proceeds.

Valuation

After rolling forward our valuation base year, we revise our TP to **RM0.58/share** *(previously: RM0.51/share)*, based on 15x CY27 EPS. Maintain **SELL**.

Appendix 1: Details of the Proposed Disposal

Subject Properties	Land 1	Land 2	Land 3
Registered owner	Hai-O Enterprise Bhd (wholly-owned subsidiary of Beshom)		
Location	Mukim Kapar, Tempat Batu 3 ½, Jalan Kapar, Daerah Klang, Negeri Selangor.		
Land tenure	Freehold		
Approximate land area (sf)	293,703	170,732	170,592
Category of land use	Industrial		
Existing use/Occupation	Part vacant & part for rent	Vacant	Vacant
Estimated market value (RM)	41,400,000	22,300,000	22,100,000
Average price per sf (RM/sf)	141	131	130
Valuation approach	Comparison approach		
Audited net book value as at 30 April 2025 (RM)	26,075,276		

Source: Independent valuer (KGV International Property Consultants), Company, TA Securities

Appendix 2: Details of the Use of Proceeds

Details of use	Amount (RM'000)	% of total proceeds	Expected timeframe for the use of the disposal consideration *
Acquisition of a new warehouse	28,000	32.6%	Within 12 months
Working capital	45,840	53.4%	Within 12 months
Estimated cost of erecting new TNB substation & other infrastructure	3,000	3.5%	Within 12 months
Refurbishment of existing property & upgrading costs	2,650	3.1%	Within 12 months
Estimated RPGT payable	5,810	6.8%	Within 2 months
Estimated expenses in relation to the disposal	500	0.6%	Within 6 months
Total	**85,800**	**100%**	

** From the date of full receipt of the disposal consideration*

Source: Company, TA Securities

Earnings Summary

Profit and Loss Statement

FYE Apr (RM mn)		2024	2025	2026E	2027F	2028F
Revenue		151.1	155.1	155.6	166.4	172.9
EBIT		14.2	12.6	9.9	14.5	14.9
Net finance cost		0.4	0.1	0.7	0.6	0.6
EI		(0.7)	0.0	0.0	0.0	0.0
PBT		14.5	12.6	10.3	14.9	15.3
Taxation		(3.5)	(3.9)	(2.5)	(3.6)	(3.7)
MI		0.1	0.2	0.0	0.0	0.0
Net profit		11.1	8.9	7.9	11.4	11.7
Core net profit		**11.7**	**8.9**	**7.9**	**11.4**	**11.7**
Core EPS	(sen)	3.9	3.0	2.6	3.8	3.9
DPS	(sen)	3.0	4.0	2.0	2.0	2.0
Book value	(RM)	1.1	1.1	1.1	1.1	1.2
NTA	(RM)	1.1	1.1	1.1	1.1	1.1

Ratios

FYE Apr (RM mn)		2024	2025	2026E	2027F	2028F
Valuations						
Core PER	(x)	16.0	21.1	23.8	16.4	16.0
Div. yield	(%)	4.8	6.4	3.2	3.2	3.2
P/BV	(x)	0.6	0.6	0.6	0.6	0.5
Profitability ratios						
EBITDA margin	(%)	13.5	11.6	10.0	12.2	12.0
PBT margin	(%)	10.0	8.1	6.6	9.0	8.9
Core net margin	(%)	7.8	5.7	5.1	6.8	6.8
Core ROE	(%)	3.8	2.9	2.5	3.6	3.6
Core ROA	(%)	3.3	2.5	2.2	3.1	3.2
Liquidity ratios						
Current ratio	(x)	8.4	6.6	7.0	6.8	6.5
Quick ratio	(x)	5.2	4.0	5.1	4.9	4.6
Leverage ratios						
Equity/total liabilities	(x)	11.6	8.8	9.0	8.7	8.3
Net debt / equity	(x)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash
Growth ratios						
Revenue	(%)	(13.3)	2.6	0.3	6.9	3.9
PBT	(%)	(40.3)	(13.3)	(17.8)	44.8	2.7
Core net profit	(%)	(34.9)	(24.5)	(11.4)	44.9	2.5

Balance Sheet

FYE Apr (RM mn)	2024	2025	2026E	2027F	2028F
PPE	73.5	71.8	73.3	74.6	75.9
Intangible asset	0.1	0.1	0.1	0.1	0.1
Others	72.7	93.8	93.6	93.4	93.2
Non-current assets	**146.3**	**165.7**	**166.9**	**168.0**	**169.1**
Inventories	76.9	74.8	51.9	55.5	59.6
Trade receivables	15.7	25.0	12.0	12.8	13.3
Cash and bank balance	34.5	31.5	67.1	69.2	71.7
Others	76.3	61.0	61.0	61.0	61.0
Current assets	**203.4**	**192.2**	**191.9**	**198.4**	**205.5**
Total assets	**349.7**	**358.0**	**358.8**	**366.4**	**374.6**
LT borrowings	0.0	3.0	3.0	3.0	3.0
Others	3.6	4.6	5.1	5.6	6.0
Non-current liabilities	**3.6**	**7.6**	**8.1**	**8.6**	**9.0**
Trade payables	22.0	25.0	23.3	25.0	26.8
ST borrowings	0.0	1.9	1.9	1.9	1.9
Others	2.1	2.2	2.3	2.5	2.7
Current liabilities	**24.2**	**29.1**	**27.6**	**29.4**	**31.4**
Shareholders funds	310.1	309.9	311.8	317.2	322.8
MI	11.8	11.4	11.4	11.3	11.3
Total equity	**321.9**	**321.3**	**323.1**	**328.5**	**334.2**
Total E&L	**349.7**	**358.0**	**358.8**	**366.4**	**374.6**

Cash Flow Statement

FYE Apr (RM mn)	2024	2025	2026E	2027F	2028F
Pretax profit	14.5	12.6	10.3	14.9	15.3
Depreciation	5.5	5.4	5.7	5.8	5.9
Net interest	(0.4)	(0.1)	(0.7)	(0.6)	(0.6)
Changes in WC	6.8	1.7	34.3	(2.8)	(2.8)
Tax	(4.9)	(3.0)	(2.5)	(3.6)	(3.7)
Others	(2.7)	(1.9)	0.2	0.2	0.2
Operational cash flow	**18.8**	**14.7**	**47.4**	**14.0**	**14.4**
Capex	(3.1)	(7.1)	(5.0)	(5.0)	(5.0)
Interest income	0.6	0.5	1.2	1.2	1.2
Others	(4.6)	(4.5)	0.0	0.0	0.0
Investing cash flow	**(7.1)**	**(11.0)**	**(3.8)**	**(3.8)**	**(3.8)**
Net share issue	0.0	0.0	0.0	0.0	0.0
Net borrowings	0.0	4.9	0.0	0.0	0.0
Dividend paid	(10.7)	(9.2)	(6.0)	(6.0)	(6.0)
Interest paid	(0.2)	(0.5)	(0.5)	(0.6)	(0.6)
Others	(1.4)	(1.4)	(1.5)	(1.5)	(1.5)
Financial cash flow	**(12.4)**	**(6.1)**	**(8.0)**	**(8.1)**	**(8.1)**
Net cash flow	**(0.7)**	**(2.5)**	**35.6**	**2.1**	**2.5**
Beginning cash	35.2	34.5	31.5	67.1	69.2
Forex & others	0.0	(0.5)	0.0	0.0	0.0
Ending cash	**34.5**	**31.5**	**67.1**	**69.2**	**71.7**

Stock Recommendation Guideline

BUY : Total return of the stock exceeds 12%.
HOLD : Total return of the stock is within the range of 7% to12%.
SELL : Total return of the stock is lower than 7%.
Not Rated: The company is not under coverage. The report is for information only.

Total Return of the stock includes expected share price appreciation, adjustment for ESG rating and gross dividend. Gross dividend is excluded from total return if dividend discount model valuation is used to avoid double counting.

Total Return of the sector is market capitalisation weighted average of total return of the stocks in the sector.

ESG Scoring & Guideline

	Environmental	Social	Governance	Average
Scoring	★★★	★★★	★★★	★★★
Remark	It has established Code of Business Ethics for Suppliers and Business Associate to ensure sustainable supply. Meanwhile, Beshom is exploring way to adopt more environmentally friendly packaging. However, score remains muted owing to absence of quantifiable goal for near future.	Committed in promoting healthcare culture and improving human's well-being. The group also provide extensive leadership workshop to develop entrepreneurial spirit within distributors and community.	The board is well represented by independent directors yet may consider having more gender diversity in the board. Beshom has target of paying more than 50% of earnings as dividend.	

★★★★★	**(≥80%)**	: Displayed market leading capabilities in integrating ESG factors in all aspects of operations, management and future directions.	+5% premium to target price
★★★★	**(60-79%)**	: Above adequate integration of ESG factors into most aspects of operations, management and future directions.	+3% premium to target price
★★★	**(40-59%)**	: Adequate integration of ESG factors into operations, management and future directions.	No changes to target price
★★	**(20-39%)**	: Have some integration of ESG factors in operations and management but are insufficient.	-3% discount to target price
★	**(<20%)**	: Minimal or no integration of ESG factors in operations and management.	-5% discount to target price

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