RESULTS UPDATE

Monday, June 29, 2026
FBMKLCI: 1,667.74
Sector: Consumer

THIS REPORT IS STRICTLY FOR INTERNAL CIRCULATION ONLY*

Beshom Holdings Berhad

TP: RM0.56 (+2.8%)

Navigating a Challenging Outlook

Last Traded: RM0.545

SELL (ESG: ★★★)

Liew Yi Jiet | Tel: +603-2167 9602 | yjliew@ta.com.my | www.taonline.com.my

Review

- Beshom Holdings Bhd's (Beshom) 4QFY26 results came in within expectations. FY26 core earnings of RM7.8mn accounted for 99% and 98% of our and consensus full-year earnings forecasts, respectively.
- 4QFY26 core profit declined 7.6% YoY to RM2.0mn, while revenue eased 1.6% YoY to RM35.4mn. The weaker performance was mainly attributable to i) softer sales in the MLM division due to weaker member productivity, and ii) higher provisions for slow-moving inventories, coupled with increased operating costs in the wholesale division.
- On a cumulative basis, FY26 core earnings fell 17.4% YoY, mainly due to i) weaker MLM sales despite various promotional initiatives and incentive campaigns, resulting in a lower EBIT margin of 6.1% (-1.7pp YoY), and ii) an 8.7% YoY decline in retail sales, reflecting softer contributions from higher-margin house brands and value herbs.
- The group declared a final dividend of 1.5sen/share, bringing its FY26 dividend to 2.5sen/share (vs. FY25: 4.0sen/share).

Impact

- Following the incorporation of the FY26 results, we have revised our FY27 and FY28 core earnings estimates downward by 4.3%.

Outlook

- We believe consumer spending on non-essential goods will remain subdued amid inflationary pressures and softer consumer sentiment, which could weigh on distributor productivity and transaction values. As such, the FY27 outlook for both the MLM and retail divisions is expected to remain challenging, due to a declining distributor base amid intensifying industry competition and softer consumer spending, which may result in lower transaction values per customer.
- To mitigate these headwinds, the group plans to roll out more targeted marketing initiatives and incentive strategies aimed at improving member productivity and increasing customer spending.
- Separately, the wholesale division, the group's key earnings contributor, is expected to remain resilient in FY27, supported by a more favourable sales mix and continued cost optimisation initiatives.

Valuation

- Following our earnings revision, we maintain **SELL** on Beshom with a revised TP of **RM0.56/share** *(previously RM0.58/share),* based on 15x CY27 EPS.

Share Information	
Bloomberg Code	BESHOM MK
Stock Code	7668
Listing	Main Market
Share Cap (mn)	299.1
Market Cap (RMmn)	163.0
52-wk Hi/Lo (RM)	0.689/0.52
12-mth Avg Daily Vol ('000 shrs)	154.6
Estimated Free Float (%)	50.7
Beta	0.4
Major Shareholders (%)	
Tan Kai Hee Family Holdings Sdn bhd	11.7%
Akintan Sdn Bhd	9.2%
Excellent Communication Sdn Bhd	5.4%

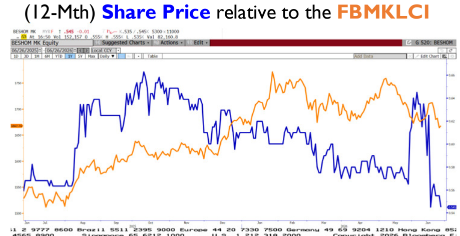
Forecast Revision	FY27	FY28
Forecast Revision (%)	(4.3)	(4.3)
Net profit (RMm)	10.9	11.2
Consensus	11.4	11.7
TA's / Consensus (%)	95.6	95.5
Previous Rating	Sell (Maintained)	
Consensus Target Price (RM)	0.58	

Financial Indicators	FY27	FY28
Net Debt / Equity (x)	Net Cash	Net Cash
ROE (%)	3.5	3.6
ROA (%)	3.1	3.1
NTA/Share (RM)	1.1	1.1
Price/NTA (x)	0.5	0.5

Scorecard	% of FY	
vs TA	99	Within
vs Consensus	98	Within

Share Performance (%)		
Price Change	BESHOM	FBM KLCI
1 mth	(3.5)	(1.8)
3 mth	(6.0)	(2.5)
6 mth	(12.1)	(0.6)
12 mth	(6.2)	9.1

(12-Mth) Share Price relative to the FBMKLCI



Source: Bloomberg

Table 1: Earnings Summary

FYE Apr (RM mn)		2025	2026	2027F	2028F	2029F
Revenue		155.1	144.8	166.4	172.9	179.8
EBITDA		17.7	16.0	20.2	20.6	21.4
EBIT		12.3	10.7	14.5	14.9	15.6
PBT		12.2	10.3	14.9	15.3	16.0
Net profit		8.5	7.9	10.9	11.2	11.6
Core net profit		9.4	7.8	10.9	11.2	11.6
Core EPS	(sen)	2.8	2.6	3.6	3.7	3.9
Core PER	(x)	17.4	21.0	15.0	14.6	14.0
DPS	(sen)	4.0	2.5	2.0	2.0	2.0
Div. yield	(%)	7.3	4.6	3.7	3.7	3.7

Table 2: 4QFY26 Results Analysis

FYE 30 Apr ('mn)		4QFY25	3QFY26	4QFY26	QoQ (%)	YoY (%)	FY25	FY26	YoY (%)
Revenue		36.0	35.4	35.4	(0.0)	(1.6)	155.1	144.8	(6.7)
-MLM		*13.1*	*9.2*	*9.1*	*(1.3)*	*(31.0)*	*53.9*	*40.8*	*(24.2)*
-Wholesale		*12.9*	*16.8*	*15.5*	*(7.7)*	*20.9*	*59.4*	*65.5*	*10.2*
-Retail		*8.4*	*8.2*	*9.3*	*13.8*	*11.8*	*35.7*	*32.6*	*(8.7)*
-Others		*1.6*	*1.1*	*1.4*	*24.1*	*(11.5)*	*6.1*	*5.8*	*(4.9)*
Cost of sales		(18.3)	(20.4)	(20.1)	1.6	(9.4)	(92.2)	(86.5)	6.2
Gross profit		17.6	15.0	15.3	2.2	(13.1)	62.9	58.3	(7.4)
EBIT		3.2	3.2	2.9	(10.1)	(8.8)	12.3	10.7	(13.1)
-MLM		*0.6*	*0.3*	*1.2*	*>100*	*82.3*	*4.3*	*2.5*	*(40.9)*
-Wholesale		*0.2*	*2.9*	*0.0*	*(98.8)*	*(77.3)*	*4.3*	*5.1*	*20.2*
-Retail		*(0.0)*	*0.1*	*0.1*	*(49.2)*	*nm*	*(0.1)*	*(0.8)*	*>-100*
-Others		*2.5*	*(0.0)*	*1.6*	*nm*	*(33.7)*	*3.8*	*3.9*	*0.5*
Adj. EBIT		3.4	2.9	2.9	(0.6)	(15.5)	13.2	10.6	(19.6)
Net interest		(0.0)	(0.1)	(0.1)	(0.0)	>-100	0.1	(0.2)	nm
Extraordinary Items		0.2	(0.4)	(0.0)	87.2	nm	0.9	(0.1)	nm
PBT		3.2	3.1	2.8	(8.7)	(10.5)	12.2	10.3	(15.5)
Adj. PBT		3.4	2.7	2.8	1.6	(17.1)	13.1	10.2	(21.9)
Taxation		(1.2)	(0.8)	(0.8)	2.2	36.6	(3.9)	(2.8)	27.6
Minority Interest		(0.0)	0.1	(0.1)	nm	(47.6)	0.2	0.4	91.4
Net Profit		1.9	2.5	2.0	(17.7)	4.3	8.5	7.9	(7.7)
Adj. Net Profit		2.1	2.1	2.0	(5.9)	(7.6)	9.4	7.8	(17.4)
Basic EPS	(sen)	0.6	0.8	0.7	(17.7)	4.5	2.8	2.6	(7.5)
DPS	(sen)	2.5	-	1.5	nm	(40.0)	4.0	2.5	(37.5)
					%-points	**%-points**			**%-points**
EBIT Margin	(%)	8.9	9.2	8.2	(0.9)	(0.6)	7.9	7.4	(0.5)
PBT Margin	(%)	8.8	8.8	8.0	(0.8)	(0.8)	7.9	7.1	(0.7)
Net Margin	(%)	5.4	6.9	5.7	(1.2)	0.3	5.5	5.4	(0.1)
Adj. Net Margin	(%)	5.9	5.9	5.6	(0.3)	(0.4)	6.1	5.4	(0.7)
Tax Rate	(%)	37.5	24.8	26.6	1.8	(10.9)	31.8	27.3	(4.5)

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

Disclaimer

As of Monday, June 29, 2026, the analyst, Liew Yi Jiet, who prepared this report, has interest in the following securities covered in this report:
(a) nil

Kaladher Govindan – Head of Research

TA SECURITIES HOLDINGS BERHAD 197301001467 (14948-M)
A Participating Organisation of Bursa Malaysia Securities Berhad

Menara TA One | 22 Jalan P. Ramlee | 50250 Kuala Lumpur | Malaysia | Tel: 603 – 2072 1277 | Fax: 603 – 2032 5048
www.ta.com.my