

Waiting for strategic growth roadmap

- A weak 1Q26 profit on border-hit revenue drops
- Strategic expansions in new markets/products underline growths
- Downgrade to HOLD and cut TP to THB4.1

Weak sales across the board in 1Q26

MALEE reported a 1Q26 net profit (NP) of THB20m, down 72% y-y and 15% q-q, on weak revenue of THB1.82b (+0.1% y-y, -9% q-q), mostly driven by the renewed manufacturing contract of dairy products since 4Q25. Branded products revenue however declined, particularly dairy products in Thailand as a result of the Cambodia-Thailand border conflict. Juice revenue remained resilient, supported by Malee COCO products, including newly launched Malee COCO Matcha in January 2026, which accounted for ¼ of Malee COCO coconut water sales.

Margins plummeted

Gross profit margin (GPM) was 16.5% in 1Q26 (-4% pts y-y, +1% pts q-q) while EBITDA margin dipped to 6.1% in 1Q26 (-3.5% y-y, -0.5% q-q), mainly due to the higher promotional expense and trade activities in the branded business, aiming at stimulating higher sales, and the impact of the higher raw material cost, mainly packaging and energy. Net profit margin plummeted to 1.1% (-2.8% y-y, -0.1% q-q), following the lower GPM.

Market share remained steadily high

Sales from domestic market shrank to THB1.39b in 1 Q26 (-25% y-y, -7% q-q) while sales from international market plunged to THB431m (-40% y-y, -14% q-q), on the 0.6% y-y declining market value of the domestic ready-to-drink (RTD) fruit and vegetable juice market with a moving annual total (MAT) value of THB12.2b for the 12-month period (Apr-25 to Mar-26), in which Malee had a 23% market share. Premium RTD juice segment, the segment Malee retained its leadership with 37% market share, saw a market value of THB4.5b (+18% y-y).

Weak sales on border tensions

By segment, revenue from branded sales was THB609m in 1Q26 (-15% y-y, -8% q-q), representing 33% of total sales, due to the slowdown in dairy product sales caused by Thailand-Cambodia border tension, partly offset by higher revenue from coconut water products. Revenue from Contract Manufacturing business (CMG) (66% of total revenue in 1Q26) grew to THB1.2b (+12% y-y, -8% q-q), boosted by higher dairy customers and RTD canned coffee customers. But revenue from agriculture and dairy farm saw the biggest plunge to THB13.5m (-53% y-y, -9% q-q).

Waiting for strategic catalysts

We downgrade from BUY to HOLD and cut our TP from THB6.9, previously based on 12x 2026E P/E, to THB4.1, now based on 6x 2026E P/E, as we think MALEE's transformation strategy could take longer time to materialize than we previously anticipate.

ESG Rating : n.a.

CG Rating : ▲▲▲▲▲

HOLD (from BUY)

Target Price 12M (THB)	4.10
VS. BB Consensus TP (%)	+20.6%
Share Price (THB)	3.92
Upside/Downside	+4.6%

Share Data

Market Cap (THB m)	2,139.27
Par (THB)	0.50
Free Float (%)	46.42
Issued shares (m shares)	545.73

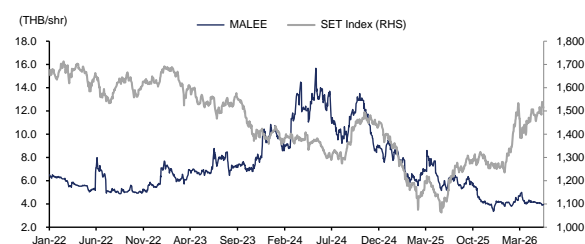
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	7,848	8,136	8,631	9,166
Net profit	197	325	366	429
Core net profit	197	325	366	429
vs Consensus (%)		339.5	192.9	190.1
Net profit growth (%)	(35.9)	64.8	12.6	17.3
Core net profit growth (%)	(35.9)	64.8	12.6	17.3
EPS (THB)	0.36	0.60	0.67	0.79
Core EPS (THB)	0.36	0.60	0.67	0.79
Chg from previous (%)		(16.79)	(16.78)	na
DPS (THB)	0.19	0.18	0.20	0.24
P/E (x)	11.61	6.58	5.84	4.98
P/BV (x)	1.12	0.91	0.87	0.80
ROE (%)	8.20	12.61	12.96	13.77
Dividend yield (%)	4.51	4.56	5.13	6.02

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(5.31)	(13.66)	(3.45)	(6.67)
Market	(7.52)	(16.56)	(19.21)	(22.54)
12M High/Low (THB)				8.05 / 4.46



Major Shareholders (%) as of 12 Mar 2026

Mr. Chaichat Boonyarat	18.63
Miss Kamolchat Juangroongruangkit	16.34
Miss Roongchat Boonyarat	16.07

Company Profile

Manufacturer, Distributor, and Exporter of food and beverages.

Source: SETSMART, SET

Analyst

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Exhibit 1: Summary of 1Q26 operations

	1Q25	4Q25	----- 1Q26 -----			2025	2026E	chg.
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	
Revenue	1,820	1,995	1,822	(8.7)	0.1	7,848	8,136	3.7
Operating costs	(1,649)	(1,889)	(1,727)	(8.6)	4.7	(7,265)	(7,411)	2.0
EBITDA	172	106	96	(10.2)	(44.3)	583	725	24.3
EBITDA margin (%)	9.4	5.3	5.2	<i>nm</i>	<i>nm</i>	7.4	8.9	<i>nm</i>
Depn & amort.	(64)	(65)	(62)	(4.2)	(2.1)	(262)	(293)	11.7
EBIT	108	42	33	(19.6)	(69.1)	321	432	34.5
Interest expense	(18)	(17)	(15)	(11.3)	(17.4)	(69)	(69)	0.9
Interest & invt inc	0	1	0	(99.8)	<i>na</i>	2	-	<i>na</i>
Other income	0	7	2	(76.2)	952.4	26	40	54.9
Associates' contrib	(2)	0	(0)	<i>na</i>	<i>na</i>	(3)	-	<i>na</i>
Exceptionals	5	5	11	120.7	<i>na</i>	11	-	<i>na</i>
Pretax profit	93	38	31	(19.3)	(66.7)	288	403	39.9
Tax	(23)	(18)	(14)	(22.7)	(38.4)	(105)	(78)	(26.1)
Tax rate (%)	24.8	48.0	45.9	<i>nm</i>	<i>nm</i>	36.5	19.3	<i>nm</i>
Minority interests	1	4	3	<i>na</i>	<i>na</i>	14	-	<i>na</i>
Net profit	71	24	20	(14.6)	(71.6)	197	325	64.8
Non-recurring				<i>na</i>	<i>na</i>			<i>na</i>
Core net profit	71	24	20	(14.6)	(71.6)	197	325	64.8
EPS (THB)	0.26	0.09	0.07	(14.6)	(71.6)	0.36	0.60	64.8
Core EPS (THB)	0.26	0.09	0.07	(14.6)	(71.6)	0.36	0.60	64.8

Sources: MALEE; Globlex Research

Exhibit 2: SoTP TP valuation

SoTP valuation	2026E Profit weight (%)	Net Profit (THB m) THB m	EPS (THB/share) THB/share	Value (THB/share) THB/share	Valuation 2026E P/E (x)
Dairy product	24	105	0.19	1.0	5.0
Fruit juice	36	157	0.29	2.6	9.0
Coconut Water	26	111	0.20	2.0	10.0
Canned Fruit	6	27	0.05	0.2	3.0
Tea & Coffee	7	31	0.06	0.3	5.0
Net Debt		(1,042)		(1.9)	
Target Price				4.1	

Sources: MALEE; Globlex Research

Exhibit 3: Key changes in EPS forecasts and assumptions

THB m	----- Current -----			----- Previous -----			----- Change (%) -----		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Revenue	8,136	8,631	9,166	9,475	10,129	9,166	(14.1)	(14.8)	0.0
Gross profit	1,877	2,009	2,175	2,153	2,318	2,175	(12.8)	(13.3)	0.0
Operating profit	432	483	569	515	575	569	(16.1)	(16.1)	0.0
Net profit	325	366	429	390	439	429	(16.6)	(16.6)	0.0
EPS (THB/share)	0.60	0.67	0.79	0.71	0.80	0.79	(16.6)	(16.6)	0.0

Sources: Globlex Research

Balance sheet (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	220	243	343	494	685
Account receivable	1,228	1,434	1,648	1,875	2,116
Inventories	884	960	972	1,029	1,086
Others	132	118	122	130	138
Non-current assets					
Net fixed assets	2,164	2,063	1,970	1,866	1,758
Others	780	680	680	680	680
Total Assets	5,408	5,497	5,736	6,074	6,464
Current liabilities					
Account payable	1,123	1,087	1,101	1,165	1,230
ST borrowing	588	729	729	729	729
Others	90	78	81	86	91
Long-term liabilities					
Long-term debts	845	656	656	656	656
Others	329	414	414	414	414
Total liabilities	2,975	2,965	2,982	3,051	3,121
Paid-up capital	273	273	273	273	273
Retained earnings	563	695	917	1,186	1,505
Others	1,513	1,500	1,500	1,500	1,500
Minority interest	84	64	64	64	64
Shareholders' equity	2,433	2,533	2,755	3,023	3,343

Key ratios					
Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	7.4	(7.2)	3.7	6.1	6.2
Operating profit	75.1	(18.6)	24.3	8.5	11.5
EBITDA	75.1	(18.6)	24.3	8.5	11.5
Net profit	284.6	(35.9)	64.8	12.6	17.3
Core net profit	284.6	(35.9)	64.8	12.6	17.3
EPS	284.6	(35.9)	64.8	12.6	17.3
Core EPS	284.6	(35.9)	64.8	12.6	17.3
Profitability (%)					
Gross margin	22.6	21.3	23.1	23.3	23.7
Operation margin	8.5	7.4	8.9	9.1	9.6
EBITDA margin	8.5	7.4	8.9	9.1	9.6
Net margin	3.6	2.5	4.0	4.2	4.7
ROE	14.0	8.2	12.6	13.0	13.8
ROA	5.6	3.6	5.8	6.2	6.9
Stability					
Interest bearing debt/equity (x)	0.6	0.5	0.5	0.5	0.4
Net debt/equity (x)	0.5	0.5	0.4	0.3	0.2
Interest coverage (x)	5.3	4.7	6.2	7.0	8.2
Interest & ST debt coverage (x)	0.7	0.4	0.5	0.6	0.7
Cash flow interest coverage (x)	0.0	(0.0)	0.1	0.1	0.1
Current ratio (x)	1.4	1.5	1.6	1.8	2.0
Quick ratio (x)	0.8	0.9	1.0	1.2	1.4
Net debt (THB m)	1,213	1,143	1,042	891	700
Activity					
Asset turnover (X)	1.6	1.3	1.3	2.1	4.2
Days receivables	53.0	66.7	0.0	0.0	0.0
Days inventory	49.3	56.7	0.0	0.0	0.0
Days payable	62.7	64.2	0.0	0.0	0.0
Cash cycle days	39.7	59.2	0.0	0.0	0.0

Profit & loss (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue from sales and service					
Revenue from sales and service	8,456	7,848	8,136	8,631	9,166
Cost of goods sold	(6,541)	(6,177)	(6,259)	(6,622)	(6,991)
Gross profit	1,914	1,671	1,877	2,009	2,175
Operating expenses	(1,198)	(1,088)	(1,153)	(1,223)	(1,298)
Operating profit	717	583	725	787	877
EBIT	436	321	432	483	569
Depreciation	(281)	(262)	(293)	(304)	(308)
EBITDA	717	583	725	787	877
Non-operating income					
Other incomes	39	26	40	40	40
Other non-op income	2	2	0	0	0
Non-operating expense					
Interest expense	(82)	(69)	(69)	(69)	(69)
Other non-op expense	6	11	0	0	0
Equity income/(loss)	(3)	(3)	0	0	0
Pre-tax Profit	398	288	403	453	540
Extraordinary items					
Current taxation	(77)	(105)	(78)	(87)	(110)
Minorities	(13)	14	0	0	0
Net Profit	308	197	325	366	429
Core net profit	308	197	325	366	429
EPS (THB)	0.56	0.36	0.60	0.67	0.79
Core EPS (THB)	0.56	0.36	0.60	0.67	0.79

Cash flow (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow					
Operating cash flow	87	(94)	221	246	253
Net profit	308	197	325	366	429
Depre. & amortization	281	262	293	304	308
Change in working capital	(317)	(316)	(214)	(222)	(236)
Others	(186)	(237)	(183)	(202)	(248)
Investment cash flow					
Investment cash flow	47	2	(416)	(255)	(255)
Net CAPEX	(177)	(164)	(161)	0	0
Change in LT investment	288	220	(200)	(200)	(200)
Change in other assets	(64)	(53)	(55)	(55)	(55)
Free cash flow					
Free cash flow	134	(91)	(195)	(10)	(3)
Financing cash flow					
Financing cash flow	(241)	114	296	160	194
Change in share capital	0	0	0	0	0
Net change in debt	11	(20)	0	0	0
Dividend paid	(161)	(103)	(103)	(98)	(110)
Others	(90)	237	399	258	304
Net cash flow	(107)	22	101	150	191

Per share (THB)					
EPS	0.56	0.36	0.60	0.67	0.79
Core EPS	0.56	0.36	0.60	0.67	0.79
CFPS	1.10	0.82	1.13	1.23	1.35
BVPS	4.30	4.52	4.93	5.42	6.01
Sales/share	15.49	14.38	14.91	15.82	16.80
EBITDA/share	1.31	1.07	1.33	1.44	1.61
DPS	0.30	0.19	0.18	0.20	0.24
Valuation					
P/E (x)	16.56	11.61	6.58	5.84	4.98
P/BV (x)	3.61	1.12	0.91	0.87	0.80
Dividend yield (%)	3.16	4.51	4.56	5.13	6.02
Dividend payout ratio (%)	52.38	52.38	30.00	30.00	30.00

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Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

- BUY:** Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.