# Foodie Media Berhad

## Digital Media Rising Star

- **Through its subsidiaries, Foodie Media Berhad is principally involved in the digital media publishing, where it creates, produces, and publishes digital content on social media pages and platforms; namely Facebook, Instagram, TikTok, Threads, YouTube, RedNote, Lemon8, X, Douyin, Telegram, WhatsApp and blogs.**
- **We project a 3-year (FY26–28f) earnings CAGR of 39.1% for FOODIE, underpinned by its ability to deliver cross-vertical campaigns at scale, combined with its healthy traffic. Moreover, we expect talent acquisition to be a key growth driver, as production capacity relies heavily on its editors.**
- **We assign a target PER of 28x based on FY26F EPS, translating into a fair value of RM0.47 per share. While this multiple sits above the 2-year average PER of FBMSCAP, we believe FOODIE warrants the 40.0% premium given its strong EPS growth of 51.1%/32.1%/34.7% over the next three years.**

## Investment Merits

**All-in-one platforms with extensive audience reach…** Renowned for spotlighting overlooked food businesses through its FOODIE brand, Foodie Media Berhad (FOODIE) has built a strong digital presence since its establishment in 2016, reaching approximately 46.0m followers across its 37 brands. All in all, these brands cover diverse content niches, enabling clients to effectively target specific audiences for their goods.

**…appealing for traffic-seeking clients.** Moreover, the Group was able to generate approximately 6.1m traffic over 13 months from its blogging activities alone, which is well above the median of approximately 93K pageviews (annualized from April 2023 Databox data). While the competitive landscape of this industry is intense due to its low barrier to entry, we think FOODIE's ability to deliver cross-vertical campaigns at scale is the premium its clients are willing to pay, reflected in its net margins that stand well above peers, with 3-YR revenue reaching CAGR of 32.3%, all of which reflects strong interest in FOODIE's unique value propositions.

**IPO proceeds mainly for talents expansion.** With that, approximately 55.8% of IPO proceeds (c.RM23.1m) will be allocated to talent acquisition, bringing in at least 190 new personnel across content production, business development, marketing, live hosting, film production, IT, and administration. Assuming an effective rate of 0.4 (based on annualised FPE25/number of editors), we expect its digital media publishing alone to deliver at least a >30% growth rate for FY27–28F. Hence, we believe this expansion is key to meeting stronger monetisation efficiency as well as key to ramp-up its production capacity.

**Robust industry demand outlook.** Demand for the digital media advertising industry is also expected to rise as social media and streaming platforms become deeply integrated into users' daily routines. Consequently, FOODIE is aiming to develop up to five new brands post-IPO, all focusing on beauty, health & wellness, high-end luxury, and high-street fashion, strategically positioning itself to dominate digital media advertising in response to changing consumer preferences, which are projected to grow at a CAGR of 7.8%, to reach RM3.0bn industry value, according to Providence Research.

IPO Notes – Non Rated

**Muhammad Nabil**
muhammadnabil@msec.com.my
**(603) 2201 2100**

## Not-Rated

| | |
|---|---|
| **Share price** | **RM0.30** |
| Target price | RM0.47 |
| Previous TP | - |
| Capital upside | 56.7% |
| Dividend return | 2.3% |
| Total return | 59.0% |

### Company profile

The group is principally involved in digital media publishing, creating and distributing content across major social platforms and blogs. Its portfolio comprises 37 lifestyle-focused Brands across Southeast Asia, featuring content related to F&B, property, home and living, travel, leisure, technology, sports, and automotive topics.

### Stock information

| | |
|---|---|
| Bursa Code | 0382 |
| Bloomberg ticker | FOODIE MK |
| Listing market | ACE |
| Share issued (m) | 888.0 |
| Market Cap (m) | 266.4 |
| Shariah compliant | NO |

| Major shareholders | % |
|---|---|
| Pinn Yang | 27.4 |
| Rui Mei | 18.9 |
| Pinn Jian | 17.9 |

### Earnings snapshot

| FYE (Aug) | FY24 | FY25f | FY26f |
|---|---|---|---|
| PATMI (m) | 7.5 | 11.3 | 14.9 |
| EPS (sen) | 0.84 | 1.27 | 1.68 |
| P/E (x) | 35.7 | 23.7 | 17.9 |

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## Company Overview

Foodie Media Berhad is principally an investment holding company. The Group (Foodie Media and its subsidiaries) is primarily involved in digital media publishing, where it creates, produces, and publishes lifestyle-focused digital content through a portfolio of 37 Brands across established social media platforms and blogs.

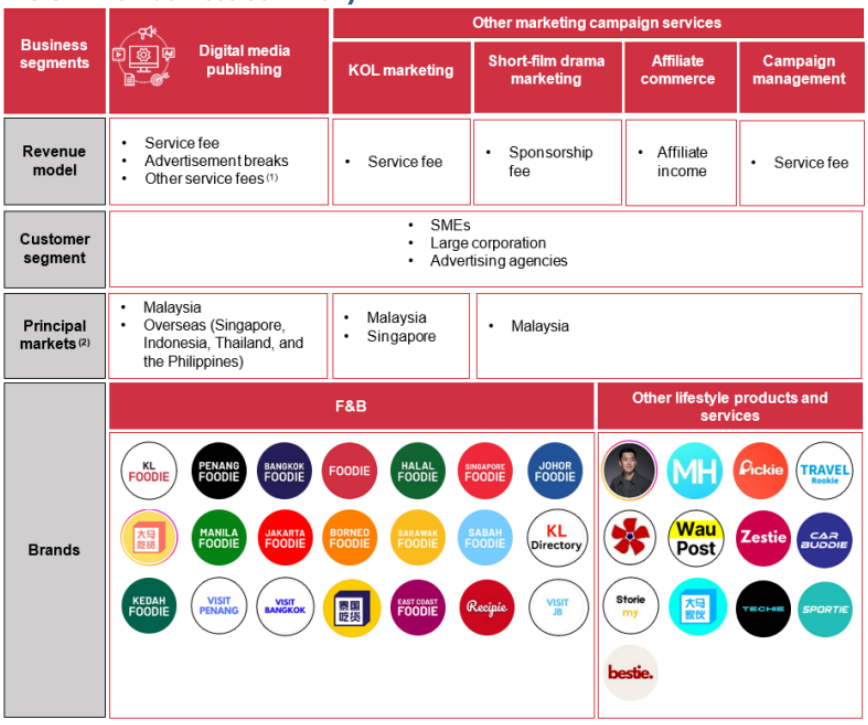
The Group operates other marketing campaign services, including KOL marketing, short-film drama marketing, affiliate commerce (which involves live commerce selling), and campaign management services. As at the LPD, the Brands maintained a large combined follower base of approximately 46.0m followers across social media.

The Group's revenue contribution by business activities is presented below:

i. **Digital media publishing (63.1% of FPE25 revenue).** FOODIE creates, produces and publishes digital content across social media platforms and blogs. As at the LPD, its portfolio includes 163 social media pages on platforms such as Facebook, Instagram, TikTok, YouTube, RedNote, Lemon8, X, Douyin, Threads, Telegram and WhatsApp, as well as 10 blogs.

ii. **Other marketing campaigns (36.9% of FPE25 revenue).** FOODIE delivers integrated marketing services, which includes (i) KOL campaigns with 440 influencers, (ii) third-party short-film drama marketing, and (iii) affiliate commerce on social platforms.

**Fig #1 FOODIE's Business Summary**




*Source: Foodie Media Berhad*

Helming the Group are:

i. **Pinn Yang (Chief Executive Officer).** Began his career in marketing roles at Wechat Malaysia and Marvel Media, before co-founding Good People Venture and GFM MY in 2018. Responsible in overseeing the Group's overall development, corporate planning and business growth.

ii. **Rui Mei (Chief Operating Officer).** Co-founding Good People Venture and GFM MY in 2018; responsible for operational functions, aligning processes with the Group's strategic vision, managing staff operations, and supporting business growth.

iii. **Pinn Jian (Chief Content Officer).** Began his career at Exabytes in digital marketing before co-founding Good People Venture and GFM MY in 2018; responsible in overseeing content strategies and production across the Group.

**Fig #2 Corporate Milestones**

| Year | Milestones |
|---|---|
| 2016 - 2017 | Launched Penang Foodie, the Group's first F&B-focused digital media brand under Good People Venture.<br>Expanded nationwide with the creation of Foodie and KL Foodie brands. |
| 2019 - 2021 | Secured funding from Penang i4.0 Seed Fund; incorporated GFM SG in Singapore; introduced Bangkok Foodie and Chinese-language brand.<br>Expanded into new digital verticals with Recipe, Malaysia Pickie, and Wau Post; began affiliate commerce services. |
| 2022 - 2023 | Regional expansion with Jakarta Foodie, Manila Foodie, Sarawak Foodie, Sabah Foodie, and "Visit" series (Visit Penang, Visit JB, Visit Bangkok).<br>Launched Pinn Yang and Yang Malaysia lifestyle brands; began KOL marketing services. |
| 2023 - 2024 | Introduced live commerce and campaign management services via BKSB; launched new brands including Zestie Malaysia, Car Buddie Malaysia, Da Ma Jia Huo, Techie Malaysia, Kedah Foodie, and East Coast Foodie; began short-film drama marketing.<br>Introduced new media brands Malaysia Bestie, Storie Malaysia, and Sportie Malaysia, further expanding lifestyle and storytelling content. |

*Source: Foodie Media Berhad*

**Fig #3 FOODIE's SWOT Analysis**

| Strength | Weakness |
|---|---|
| • Its strong brand presence and proven track record in delivering offerings cross verticals appear to place FOODIE above its peers.<br>• Moreover, its strong brand positioning also grants FOODIE higher pricing power, as the industry increasingly values efficient monetisation. | • FOODIE heavily relies on external social media platforms, where outages, cyberattacks, bans, or account issues could its disrupt content distribution.<br>• FOODIE's performance depends on public perception; negative publicity or viral criticism may reduce its engagement. |
| **Opportunity** | **Threat** |
| • According to Providence Research, the digital media advertising industry is projected to grow at a CAGR of 7.8% to reach RM3.0bn by 2027, a trend to which FOODIE's revenue is highly exposed.<br>• We understand this growth is expected to be driven by consumers' increasing preference for social media, prompting businesses to shift their marketing strategies accordingly. | • All in all, digital media advertising is highly competitive, given its low barrier to entry, which could pressure pricing if the premium diverges too far from the industry average.<br>• Also, consumer fatigue is subtler but real, as audiences may tune out ads, shift platforms, or even become allergic to sponsored content. |

*Source: M+ Research*

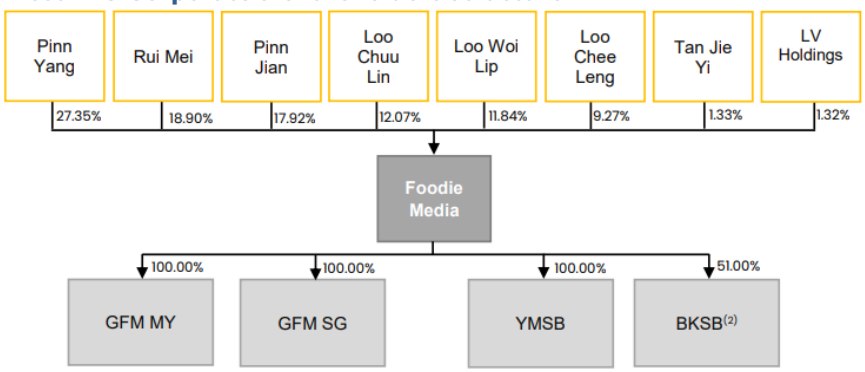
## Future Plans and Business Strategies

**Expand digital publishing, KOL marketing, and campaign management.** Up to 190 new personnel will be hired across content production, business development, marketing, live hosting, film production, IT, and administration, while up to 5 new Brands focusing on beauty, health & wellness, high-end luxury, and high-street fashion will be developed within 12 months.

**To support growth in live commerce.** The Group intends to acquire a ~10,000 sq. ft. property in Klang Valley to establish up to 30 live streaming rooms. The live commerce team will be expanded with up to 47 new hosts and co-hosts over the next three years, and live commerce activities will be integrated under the newly launched Brands to drive revenue.

**Producing its own short-film dramas.** While currently relying on third-party sponsored productions, the move to in-house production responds to customer demand for advertising through short-film dramas and represents a new avenue for content creation and monetization.

### Fig #4 Post-IPO Corporate & Shareholders Structure




*Source: Foodie Media Berhad*

### Fig #5 Utilisation of Proceeds

| Use of proceeds | RM 'm | % | Estimated time frame |
|---|---|---|---|
| Recruitment of workforce | 23.1 | 55.80 | Within 36 months |
| Purchase and renovation of life streaming building | 7.0 | 16.90 | Within 24 months |
| Purchase of equipment for expansion and upgrading existing equipment | 1.5 | 3.60 | Within 36 months |
| Subscription in software solutions integrated with AI functionality | 0.7 | 1.70 | Within 36 months |
| Working capital | 4.5 | 10.90 | Within 12 months |
| Defraying fees and expenses in relation to IPO and listing | 4.6 | 11.10 | Within 3 months |
| **Total** | **41.4** | **100.00** | |

*Source: M+ Research*

## Financials and Valuations

**Financial Highlights.** FOODIE's revenue grew from RM13.7m in FY22 to RM24.0m in FY24, delivering a 2-year CAGR of 32.3%. Geographically, this strong growth was led by Malaysia, where turnover climbed from RM9.8m to RM21.3m, supported by increased engagements from advertising agencies and large corporations. However, Ireland and Singapore softened mainly due to lower advertisement break income and softer enquiries.

Breaking down, its digital media publishing segment remained the core driver, expanding from RM12.8m to RM21.6m, primarily driven by higher sponsored content fees, with customer acquisition growing in tandem. Its smaller segment grew from RM0.9m to RM2.4m, supported by stronger KOL marketing, short-film drama marketing and new campaign management services.

**Earnings forecast.** We project a 3-year (FY26–28f) earnings CAGR of 39.1% for FOODIE, underpinned by its ability to deliver cross-vertical campaigns at scale, on the heels of its healthy traffic turnover. Moreover, we expect talent acquisition to be a key growth driver, as production capacity relies heavily on its editors; all of which impacts the number of contents published per day.

**Valuations.** We assign a target PER of 28x based on FY26F EPS, translating into a fair value of RM0.47 per share. While this multiple sits above the 2-year average PER of FBMSCAP, we believe FOODIE warrants a 40.0% premium against its peer average P/E of 17.7x given its strong EPS growth of 51.1%/32.1%/34.7% over the next three years, combined with its solid brand profile as well as its decent net margin of 31.1% versus the peer average of 12.2%.

### Fig #6 Peer comparison

| Company | Market Group | FYE | Price (RM) | Market Cap (RM'm) | P/E (x) | Forward P/E (x) | NP Margin (%) |
|---|---|---|---|---|---|---|---|
| **Foodie Media Bhd** | **Ace** | **Aug** | **0.30** | **266.4** | **35.7** | **17.9** | **31.1** |
| Catcha Digital Bhd | ACE | Dec | 0.31 | 121.2 | 15.1 | NM | 13.5 |
| Oasis Home Holding Bhd | ACE | Dec | 0.32 | 157.5 | 20.2 | NM | 10.8 |
| **Avg ex-Inta Bina Group Bhd** | | | | **139.4** | **17.7** | NM | **12.2** |

*Source: M+ Research (*FY25, **FY26f)*

## Risk Factors

**Dependence on Third-Party Social Media Platforms.** FOODIE's business operations and financial performance are highly reliant on third-party social media platforms. Any disruptions to these platforms arising from factors beyond its control such as technical failures, cyberattacks, account suspension or termination, or nationwide bans could interrupt its ability to publish digital content and engage with audiences.

**Reputation Risk from Negative Publicity.** FOODIE's business performance is also sensitive to public perception of its Brands. Negative publicity, online criticism, or viral content, whether accurate or not, leading to lower audience engagement, reduced follower growth, and diminished confidence in its content. Such events could adversely impact the Group's business operations, financial performance, and future prospects.

## Environmental, Social & Governance (ESG) Practices

**Environmental (E)**

- Primarily provides digital media publishing services, reducing reliance on printed materials and minimizing waste.
- Implements a mandatory one-day Work-From-Home policy on Fridays to reduce office electricity use and commuting emissions.
- Transitioning company vehicles to electric alternatives, including the Proton e.Mas 7, promoting greener mobility.
- Reuses working smartphones for digital content production to reduce electronic waste.

**Social (S)**

- Supports local SMEs and hawkers by producing and publishing organic content free of charge, increasing their visibility; 68.4%–81.3% of customers are SMEs.
- Encourages participation in the creator economy, supporting over 440 KOLs and inspiring new KOLs through university talks.
- Collaborates with NGOs and agencies to host events promoting sustainability, eco-friendly living, and social awareness.
- Provides monetary donations to non-profits aiding children and teenagers in need, e.g., Yayasan Chow Kit and Pertubuhan Generasi Santun Insan.

**Governance (G)**

- Embeds ESG principles across business functions, fostering a culture of integrity, accountability, and stakeholder trust.
- Ensures ethical digital content and responsible journalism through content review mechanisms, randomized checks, internal memos, and Anti-Bribery and Corruption Declarations.
- Implements good business governance practices including anti-corruption policies, ethical decision-making, and regulatory compliance.
- Ensures data privacy and security under the Personal Data Protection Act, with contingency protocols for third-party platform risks, regular internal reviews, and employee awareness programs.

## Financial Forecast

*All items in (RM m) unless otherwise stated*

**Balance Sheet**

| FYE Aug (RM m) | FY23 | FY24 | FY25f | FY26f | FY27f |
|---|---|---|---|---|---|
| Cash | 4 | 7 | 54 | 58 | 67 |
| Receivables | 4 | 5 | 6 | 9 | 13 |
| Inventories | - | - | - | - | - |
| PPE | 1 | 1 | 1 | 3 | 3 |
| Others | 1 | 1 | 1 | 1 | 1 |
| **Assets** | **9** | **14** | **62** | **71** | **84** |
| | | | | | |
| Debts | 0 | 1 | 1 | 1 | 2 |
| Payables | 0 | 0 | 0 | 0 | 0 |
| Others | 2 | 5 | 5 | 5 | 5 |
| **Liabilities** | **2** | **5** | **6** | **6** | **7** |
| | | | | | |
| Shareholder's equity | 7 | 9 | 56 | 65 | 77 |
| Minority interest | - | 0 | 0 | 0 | 0 |
| **Equity** | **7** | **9** | **56** | **65** | **77** |

**Cash Flow Statement**

| FYE Aug (RM m) | FY23 | FY24 | FY25f | FY26f | FY27f |
|---|---|---|---|---|---|
| Profit before taxation | 8 | 11 | 15 | 20 | 27 |
| Depreciation & amortisation | 0 | 0 | 1 | 2 | 4 |
| Changes in working capital | (1) | (1) | (1) | (3) | (4) |
| Share of JV profits | - | - | - | - | - |
| Taxation | (2) | (3) | (4) | (5) | (6) |
| Others | (0) | 3 | (0) | (0) | (0) |
| **Operating cash flow** | **5** | **10** | **11** | **14** | **20** |
| | | | | | |
| Net capex | (0) | (0) | (1) | (4) | (4) |
| Others | (0) | 0 | - | - | - |
| **Investing cash flow** | **(0)** | **(0)** | **(1)** | **(4)** | **(4)** |
| | | | | | |
| Changes in borrowings | (0) | 0 | 0 | 0 | 1 |
| Issuance of shares | - | 0 | 40 | - | - |
| Dividends paid | (4) | (6) | (5) | (6) | (8) |
| Others | (0) | (0) | - | - | - |
| **Financing cash flow** | **(4)** | **(6)** | **36** | **(6)** | **(7)** |
| | | | | | |
| **Net cash flow** | **0** | **3** | **46** | **4** | **9** |
| Forex | 0 | (0) | - | - | - |
| Others | - | - | - | - | - |
| Beginning cash | 4 | 4 | 7 | 54 | 58 |
| Ending cash | 4 | 7 | 54 | 58 | 67 |

**Income Statement**

| FYE Aug (RM m) | FY23 | FY24 | FY25f | FY26f | FY27f |
|---|---|---|---|---|---|
| **Revenue** | **17** | **24** | **38** | **55** | **77** |
| EBITDA | 8 | 11 | 16 | 22 | 30 |
| EBIT | 8 | 11 | 15 | 20 | 27 |
| Net finance income/ (cost) | (0) | 0 | (0) | (0) | (0) |
| Associates & JV | - | - | - | - | - |
| **Profit before tax** | **8** | **11** | **15** | **20** | **27** |
| Tax | (2) | (3) | (4) | (5) | (6) |
| **Net profit** | **6** | **8** | **11** | **15** | **20** |
| Minority interest | - | (0) | (0) | (0) | (0) |
| **Core earnings** | **6** | **7** | **11** | **15** | **20** |
| Exceptional items | - | - | - | - | - |
| Reported earnings | 6 | 7 | 11 | 15 | 20 |

**Valuation & Ratios**

| FYE Aug (RM m) | FY23 | FY24 | FY25f | FY26f | FY27f |
|---|---|---|---|---|---|
| Core EPS (sen) | 0.7 | 0.8 | 1.3 | 1.7 | 2.3 |
| P/E (x) | 43.8 | 35.7 | 23.7 | 17.9 | 13.3 |
| EV/EBITDA (x) | 31.3 | 23.9 | 16.5 | 12.0 | 8.5 |
| DPS (sen) | 0.5 | 0.7 | 0.5 | 0.7 | 0.9 |
| Dividend yield | 1.5% | 2.3% | 1.7% | 2.2% | 3.0% |
| BVPS (RM) | 0.01 | 0.01 | 0.06 | 0.07 | 0.09 |
| P/B (x) | 37.3 | 30.9 | 4.8 | 4.1 | 3.5 |
| | | | | | |
| EBITDA margin | 49.3% | 45.1% | 41.8% | 39.5% | 39.4% |
| EBIT margin | 48.1% | 44.0% | 39.9% | 36.3% | 34.7% |
| PBT margin | 48.0% | 44.1% | 39.9% | 36.2% | 34.6% |
| Net margin | 36.3% | 31.1% | 30.0% | 27.2% | 26.1% |
| | | | | | |
| ROE | 100.0% | 94.5% | 35.0% | 24.7% | 28.4% |
| ROA | 74.6% | 63.5% | 29.8% | 22.4% | 25.9% |
| Net gearing | CASH | CASH | CASH | CASH | CASH |

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## Stock recommendation guide

| | |
|---|---|
| **BUY** | The share price is expected to appreciate more than 10% over the next 12 months |
| **HOLD** | The stock price is expected to range between -10% and +10% over the next 12 months |
| **SELL** | The share price is expected to fall more than 10% over the next 12 months |
| **TRADING BUY** | The share price is projected to rise more than 10% over the next three (3) months due to an ongoing or impending corporate development. The stock price is also expected to be volatile over the next three months |
| **TRADING SELL** | The stock price is expected to fall more than 10% over the next three months due to an ongoing or impending corporate developments. The stock price is also expected to be volatile over the next three months |
| **NOT RATED** | No recommendation is assigned |

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