

Research Team

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<b>Recommendation:</b>	<b>BUY</b>
Current Price:	RM2.20
Previous Target Price:	RM2.73
Target Price:	RM2.62
Capital Upside/Downside:	19.1%
Dividend Yield (%):	0.5%
<b>Total Upside/Downside:</b>	<b>19.5%</b>

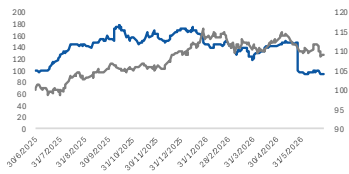
Stock information

Board	MAIN
Sector	Consumer products & services
Bursa / Bloomberg Code	5335 / HIMK
Syariah Compliant	Yes
ESGRating	***
Shares issued (m)	534.4
Market Cap (RM' m)	1,175.6
52-Week Price Range (RM)	2.88-1.51
Beta (x)	N/A
Free float (%)	37.7
3M Average Volume (m)	0.5
3M Average Value (RM' m)	1.2

Top 3 Shareholders (%)

Yinson Legacy Sdn Bhd	59.3
Bumi Mampan Sdn Bhd	6.3
Lim Han Weng	3.0

Share Price Performance



	1M	3M	12M
Absolute (%)	-2.2	17.6	37.5
Relative (%)	-1.2	19.4	26.5

Earnings Summary

FYE JAN (RM m)	FY 26	FY 27F	FY 28F
Revenue	317.7	452.4	579.5
PATAMI	53.4	72.5	95.8
CNP	53.4	72.5	95.8
Core EPS (sen)	10.4	14.2	18.7
PE (x)	21.1	15.5	11.7

Source: Company, Apex Securities

# Hi Mobility Berhad

## Structural Growth Story Remains Intact

- **HI Mobility's 1QFY27 core PAT came in at RM15.7m (+25.8% YoY, +3.8% QoQ). After adjusting for forex loss and gain on disposal of investment properties, the results came in within both our and consensus expectations.**
- **The Group declared a first interim single-tier dividend of 1.0 sen/share (1QFY26: 2.22 sen/share), payable on 3 Aug 2026 with an ex-date of 14 Jul 2026.**
- **Earnings growth was supported by continued strength in the scheduled bus segment, resilient cross-border ridership and the maiden contribution from the vehicle assembly and distribution business following the completion of the Acacia and HBCM acquisitions.**
- **We remain positive on the Group's medium-term outlook, underpinned by its RM255.0m unbilled orderbook, resilient cross-border demand, structural catalysts from the JS-SEZ and RTS Link.**
- **Maintain BUY with a lower TP of RM2.62 (previous: RM2.73), based on a 14.0x FY28F P/E applied to our revised FY28F core EPS of 18.7sen. The lower TP reflects the enlarged share base following the completion of the Acacia and HBCM acquisitions.**

**Within our expectations.** After adjusting for forex loss (+RM0.645m) and gain on disposal of investment properties (-RM0.02m), HI Mobility posted 1QFY27 core PAT of RM15.7m (+25.08% YoY, +3.8% QoQ) came within ours and consensus expectations, accounting for 22% of full-year.

**Dividend.** HI Mobility declared a first interim single-tier dividend of 1.0sen/share for FY27 (1QFY26: 2.22sen/share), payable on 3 Aug 2026, with an ex-date of 14 Jul 2026.

**QoQ.** Revenue grew 35.3% QoQ to RM111.5m (4QFY26: RM82.4m), mainly driven by the consolidation of the newly acquired vehicle assembly and distribution business following the completion of the Acacia and HBCM acquisitions in April 2026. This more than offset the seasonally stronger demand typically seen in 4QFY26. Core PAT increased 3.8% QoQ to RM15.7m (4QFY26: RM15.1m), primarily due to the absence of mobilisation costs incurred in the preceding quarter for the Stage Bus Service Transformation (SBST) Johor Bahru contract.

**YoY.** Revenue surged 51.2% YoY to RM111.5m (3MFY26: RM73.8m), driven by continued demand for the Group's scheduled bus services, higher cross-border ridership and the maiden contribution from the vehicle assembly and distribution segment following the Acacia and HBCM acquisitions. Core PAT rose 25.8% YoY to RM15.7m (3MFY26: RM12.5m), supported by stronger operating performance and higher interest income from short-term fund placements, partially offset by higher direct operating costs, administrative expenses and finance costs associated with the enlarged group.

**Outlook.** We remain positive on HI Mobility's outlook, underpinned by resilient demand for its scheduled bus operations and sustained cross-border commuter traffic between Johor and Singapore. We continue to view the Johor-Singapore Special Economic Zone (JS-SEZ) and the upcoming RTS Link as structural growth catalysts, which are expected to drive higher cross-border commuter volumes and first- and last-mile ridership over the medium term. In addition, the Group's RM255.0m unbilled orderbook provides healthy earnings visibility, supported by recurring government-linked contracts, while the full-year contribution from the recently acquired Acacia and HBCM businesses should further diversify its earnings base. Together with the ongoing fleet expansion and Sabah rollout, we believe the Group remains well-positioned to deliver sustainable earnings growth over the medium term.

**Earnings revision.** No changes to our earnings forecasts at this juncture. We maintain our FY27F and FY28F net profit projections as results are tracking within our estimates.

**Valuation.** We maintain our **BUY** recommendation but **lower our target price to RM2.62 (previous: RM2.73)**, based on an unchanged 14.0x FY28F P/E applied to our **revised FY28F core EPS of 18.7 sen (previous: 19.5 sen)**. The lower target price is solely attributable to EPS dilution following the enlarged share base after the Acacia and HBCM acquisitions, rather than any deterioration in the Group's fundamentals. We believe a 14.0x P/E remains justified, representing a premium to domestic transport peers given HI Mobility's stronger medium-term earnings growth, improving earnings diversification following the acquisitions, recurring cash flows from regulated bus operations and long-term structural growth catalysts from the JS-SEZ and RTS Link. Nevertheless, we maintain a discount to the Bursa Malaysia Transportation Index's three-year average of 16.6x to reflect the ongoing integration risks associated with the newly acquired businesses.

**Risks.** Key risks include weaker cross-border commuter demand, delays in government contract awards, and higher-than-expected operating costs.

## Results Comparison

FYE Dec (RM m)	1QFY27	1QFY26	yoy (%)	4QFY26	qoq (%)	3MFY27	3MFY26	yoy (%)
Revenue	111.5	73.8	51.2	82.4	35.3	111.5	73.8	51.2
EBITDA	31.3	24.2	29.6	25.1	24.7	31.3	24.2	29.6
Pre-tax profit	18.9	15.1	24.7	15.2	24.6	18.9	15.1	24.7
PATMI	16.3	12.6	29.5	15.1	8.1	16.3	12.6	29.5
Core net profit	15.7	12.5	25.8	15.1	3.8	15.7	12.5	25.8
Core EPS (sen)	3.1	2.4	25.8	3.0	3.8	3.1	2.4	25.8
EBITDA margin (%)	28.1	32.7		30.4		28.1	32.7	
PBT margin (%)	16.9	20.5		18.4		16.9	20.5	
Core PATMI margin (%)	14.1	16.9		18.3		14.1	16.9	

Source: Company, Apex Securities

## Segmental Breakdown

FYE Dec (RM m)	1QFY27	1QFY26	yoy (%)	4QFY26	qoq (%)	3MFY27	3MFY26	yoy (%)
<b>Segment revenue</b>								
Scheduled bus services	75.6	69.7	8.4	79.6	(5.1)	75.6	69.7	8.4
Chartered bus services	1.7	3.0	(44.7)	1.9	(14.9)	1.7	3.0	(44.7)
Vehicle assembly and distribution services	32.7	-	<i>nm</i>	-	<i>nm</i>	32.7	-	<i>nm</i>
Others	1.6	1.0	57.9	0.9	88.6	1.6	1.0	57.9
<b>Total</b>	<b>111.5</b>	<b>73.8</b>	<b>51.2</b>	<b>82.4</b>	<b>35.3</b>	<b>111.5</b>	<b>73.8</b>	<b>51.2</b>
<b>Revenue by geographical market</b>								
Malaysia	71.0	39.2	81.0	44.9	58.2	71.0	39.2	81.0
Singapore	40.5	34.5	17.3	37.5	8.0	40.5	34.5	17.3
<b>Total</b>	<b>111.5</b>	<b>73.8</b>	<b>51.2</b>	<b>82.4</b>	<b>35.3</b>	<b>111.5</b>	<b>73.8</b>	<b>51.2</b>

Source: Company, Apex Securities

# Result Note

Tuesday, 30 Jun, 2026

**BURSA RISE+**

Brought to you by Bursa Malaysia  
Supported by Capital Market Development Fund



## Financial Highlights

### Income Statement

FYE Jan (RM m)	FY25	FY26	FY27F	FY28F	FY29F
<b>Revenue</b>	<b>279.8</b>	<b>317.7</b>	<b>452.4</b>	<b>579.5</b>	<b>714.6</b>
<b>Gross Profit</b>	<b>77.9</b>	<b>82.3</b>	<b>117.6</b>	<b>150.7</b>	<b>185.8</b>
<b>EBITDA</b>	<b>80.1</b>	<b>101.4</b>	<b>123.5</b>	<b>148.9</b>	<b>174.3</b>
Depreciation & Amortisation	-22.2	-30.9	-38.1	-39.5	-39.4
<b>EBIT</b>	<b>57.9</b>	<b>70.5</b>	<b>85.4</b>	<b>109.4</b>	<b>134.9</b>
Net Finance Income/ (Cost)	-7.5	-5.9	-0.6	2.6	4.3
Associates & JV	0.0	0.0	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>50.5</b>	<b>64.6</b>	<b>84.8</b>	<b>112.0</b>	<b>139.2</b>
Tax	-6.7	-8.2	-12.2	-16.2	-20.1
<b>Profit After Tax</b>	<b>43.8</b>	<b>56.5</b>	<b>72.5</b>	<b>95.8</b>	<b>119.1</b>
Minority Interest	2.9	3.0	0.0	0.0	0.0
<b>Net Profit</b>	<b>40.9</b>	<b>53.4</b>	<b>72.5</b>	<b>95.8</b>	<b>119.1</b>
Exceptionals	0.0	0.0	0.0	0.0	0.0
<b>Core Net Profit</b>	<b>40.9</b>	<b>53.4</b>	<b>72.5</b>	<b>95.8</b>	<b>119.1</b>

### Key Ratios

FYE Jan (RM m)	FY25	FY26	FY27F	FY28F	FY29F
EPS (sen)	8.0	10.4	14.2	18.7	23.3
P/E (x)	27.5	21.1	15.5	11.7	9.4
P/B (x)	18.8	9.0	7.9	6.7	5.7
EV/EBITDA (x)	12.5	10.6	8.7	7.5	6.7
DPS (sen)	0.0	4.9	6.6	8.7	10.9
Dividend Yield (%)	0.0%	2.2%	3.0%	4.0%	4.9%
EBITDA margin (%)	28.6%	31.9%	27.3%	25.7%	24.4%
EBIT margin (%)	20.7%	22.2%	18.9%	18.9%	18.9%
PBT margin (%)	18.0%	20.3%	18.7%	19.3%	19.5%
PAT margin (%)	15.6%	17.8%	16.0%	16.5%	16.7%
NP margin (%)	14.6%	16.8%	16.0%	16.5%	16.7%
CNP margin (%)	14.6%	16.8%	16.0%	16.5%	16.7%
ROE (%)	31.1%	19.4%	23.0%	26.1%	27.5%
ROA (%)	11.5%	10.2%	13.0%	15.4%	17.1%
Gearing (%)	128.9%	64.2%	56.1%	48.0%	40.7%
Net gearing (%)	93.1%	18.6%	17.5%	3.8%	Net Cash

### Valuations

	FY28F
Core EPS (RM)	0.187
P/E multiple (x)	14.0
<b>Fair value (RM)</b>	<b>2.62</b>
ESG premium/discount	0.0%
<b>Implied Fair Value (RM)</b>	<b>2.62</b>

Source: Company, Apex Securities

### Balance Sheet

FYE Jan (RM m)	FY25	FY26	FY27F	FY28F	FY29F
<b>FYE Jan (RM m)</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27F</b>	<b>FY28F</b>	<b>FY29F</b>
Cash	47.1	125.5	121.3	162.7	219.2
Receivables	39.3	85.7	115.8	141.0	159.8
Inventories	1.3	3.6	3.2	2.8	2.3
Other current assets	0.0	0.0	0.0	0.0	0.0
<b>Total Current Assets</b>	<b>87.7</b>	<b>214.8</b>	<b>240.4</b>	<b>306.5</b>	<b>381.3</b>
Fixed Assets	254.0	293.2	303.7	303.0	300.0
Intangibles	6.7	5.6	5.6	5.6	5.6
Other non-current assets	7.2	8.0	8.0	8.0	8.0
<b>Total Non-Current Assets</b>	<b>267.9</b>	<b>306.7</b>	<b>317.3</b>	<b>316.6</b>	<b>313.6</b>
Short-term debt	22.6	42.7	42.7	42.7	42.7
Payables	32.1	55.5	51.7	64.3	70.6
Other current liabilities	17.9	10.4	10.4	10.4	10.4
<b>Total Current Liabilities</b>	<b>72.6</b>	<b>108.5</b>	<b>104.7</b>	<b>117.3</b>	<b>123.6</b>
Long-term debt	146.9	133.8	133.8	133.8	133.8
Other non-current liabilities	4.6	4.2	4.2	4.2	4.2
<b>Total Non-Current Liabilities</b>	<b>151.5</b>	<b>138.1</b>	<b>138.1</b>	<b>138.1</b>	<b>138.1</b>
Shareholder's equity	131.5	274.9	314.9	367.7	433.3
Minority interest	0.0	0.0	0.0	0.0	0.0
<b>Total Equity</b>	<b>131.5</b>	<b>274.9</b>	<b>314.9</b>	<b>367.7</b>	<b>433.3</b>

### Cash Flow

FYE Jan (RM m)	FY25	FY26	FY27F	FY28F	FY29F
<b>FYE Jan (RM m)</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27F</b>	<b>FY28F</b>	<b>FY29F</b>
<b>Pre-tax profit</b>	<b>50.5</b>	<b>64.6</b>	<b>84.8</b>	<b>112.0</b>	<b>139.2</b>
Depreciation & amortisation	-22.2	-30.9	38.1	39.5	39.4
Changes in working capital	34.2	13.7	-33.6	-12.1	-12.1
Others	4.8	11.9	-12.9	-13.6	-15.8
<b>Operating cash flow</b>	<b>67.3</b>	<b>59.4</b>	<b>76.5</b>	<b>125.8</b>	<b>150.8</b>
Capex	-70.5	-63.8	-48.6	-38.8	-36.4
Others	0.9	4.0	8.8	9.2	9.2
<b>Investing cash flow</b>	<b>-69.6</b>	<b>-59.8</b>	<b>-39.8</b>	<b>-29.6</b>	<b>-27.2</b>
Dividends paid	0.0	-24.0	-32.6	-43.0	-53.5
Others	24.7	103.8	-8.2	-11.7	-13.5
<b>Financing cash flow</b>	<b>24.7</b>	<b>79.8</b>	<b>-40.8</b>	<b>-54.8</b>	<b>-67.0</b>
<b>Net cash flow</b>	<b>22.4</b>	<b>79.4</b>	<b>-4.2</b>	<b>41.4</b>	<b>56.5</b>
Forex	-1.6	-0.5	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash	25.8	46.6	125.5	121.3	162.7
<b>Ending cash</b>	<b>46.6</b>	<b>125.5</b>	<b>121.3</b>	<b>162.7</b>	<b>219.2</b>

**ESG Matrix Framework:**

**Environment**

Parameters	Rating	Comments
Climate	★★★	Expanding its electric bus fleet and targets a 20% reduction in carbon emissions per passenger-kilometre by 2026.
Waste & Effluent	★★★	Complies with scheduled waste regulations and repurposes used EV batteries for Battery Energy Storage Systems (BESS).
Energy	★★★	Solarises its headquarters and is investing in EV charging infrastructure.
Water	★★	No specific water management initiatives or disclosure provided.
Compliance	★★★	Certified under ISO 14001:2015 for environmental management.

**Social**

Diversity	★★★	Targets greater female and underrepresented management representation, with 50% female Board members.
Human Rights	★★★	Merit-based hiring with equal opportunities and compliant foreign worker practices.
Occupational Safety and Health	★★★	ISO 45001:2018 certified, supported by battery safety training and AI-powered driver monitoring.
Labour Practices	★★★	Provides employee benefits, training, and maintains a high local employment rate with no major labour disputes.

**Governance**

CSR Strategy	★★★	Supports community programmes and targets higher annual community investment.
Management	★★★	ESG overseen by the Board with independent directors and comprehensive governance policies.
Stakeholders	★★★	Maintains stakeholder engagement through transparent communication and regular feedback.

**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

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(a) nil.