

Wong Kai Heng

(603) 7890 8899 (ext 2141)

[kaiheng.wong@apexsecurities.com.my](mailto:kaiheng.wong@apexsecurities.com.my)

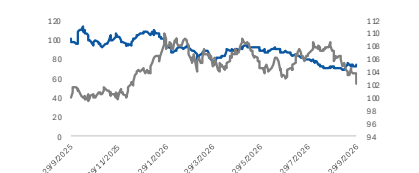
|                               |              |
|-------------------------------|--------------|
| <b>Recommendation:</b>        | <b>BUY</b>   |
| Current Price:                | RM 1.86      |
| Previous Target Price:        | RM 2.62      |
| Target Price:                 | RM 2.38      |
| Capital Upside/Downside:      | 28.0%        |
| Dividend Yield (%):           | 3.9%         |
| <b>Total Upside/Downside:</b> | <b>31.8%</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)       | 994.0                        |
| 52-Week Price Range (RM) | 2.88-1.72                    |
| Beta (x)                 | N/A                          |
| Free float (%)           | 37.7                         |
| 3M Average Volume (m)    | 0.5                          |
| 3M Average Value (RM' m) | 1.0                          |

**Top 3 Shareholders**

|                       | (%)  |
|-----------------------|------|
| Yinson Legacy Sdn Bhd | 59.3 |
| Bumi Mampar Sdn Bhd   | 6.3  |
| Lim Han Weng          | 3.0  |

**Share Price Performance**

|              | 1M  | 3M    | 12M   |
|--------------|-----|-------|-------|
| Absolute (%) | 3.3 | -17.0 | -24.1 |
| Relative (%) | 8.5 | -15.9 | -25.6 |

**Earnings Summary**

| FYE JAN (RM m) | FY26  | FY27F | FY28F |
|----------------|-------|-------|-------|
| Revenue        | 317.7 | 452.4 | 579.5 |
| PATAM I        | 56.5  | 71.2  | 90.9  |
| CNP            | 56.5  | 71.2  | 90.9  |
| Core EPS (sen) | 10.6  | 13.3  | 17.0  |
| PE (x)         | 17.6  | 14.0  | 10.9  |

Source: Company, Apex Securities

# Hi Mobility Berhad

## Resilient Operations Support Earnings Growth

- HI Mobility's 2QFY27 CNP came in at RM16.6m (-1.6% YoY, +5.6% QoQ), while 6MFY27 CNP accounted for 44% of our FY27F estimate and 43% of market consensus. We deem the results to be in line with our expectations, as we expect stronger 2HFY27 earnings on seasonally higher travel demand and the ramp-up of domestic bus capacity.
- The Group declared a second interim single-tier dividend of 1.0sen/share for FY27 (2QFY26: 1.0sen/share), payable on 3 Nov 2026 with an ex-date of 14 Oct 2026.
- Earnings growth was supported by resilient domestic and cross-border ridership, SBST contributions and stronger vehicle assembly and distribution, partly offset by higher inter-segment eliminations.
- We remain positive on the Group's medium-term outlook, supported by the RM211m unbilled orderbook, fleet expansion, subsidised diesel and potential RTS first- and last-mile opportunities, although peak-hour bus ridership could face some diversion.
- Maintain BUY with a revised TP of RM2.38 (previously: RM2.62), based on an unchanged 14x FY28F P/E applied to our revised FY28F core EPS of 17.0sen. The revised TP reflects our housekeeping exercise following the enlarged share base and the transition to a new analyst, together with our revised earnings estimates.

**Deem It In Line.** After adjusting for unrealised forex gain (-RM0.535m), HI Mobility posted 2QFY27 CNP of RM16.6m (-1.6% YoY, +5.6% QoQ). 6MFY27 CNP accounted for 44% of our FY27F estimate and 43% of market consensus. We deem the results to be in line with our expectations, as we anticipate a stronger 2HFY27, supported by seasonally higher travel demand and the ramp-up of domestic bus capacity. YoY comparisons are based on restated 2QFY26 figures.

**Dividend.** HI Mobility declared a second interim single-tier dividend of 1.0sen/share for FY27 (2QFY26: 1.0sen/share), payable on 3 Nov 2026, with an ex-date of 14 Oct 2026.

**QoQ.** Revenue grew 7.0% QoQ to RM119.3m (1QFY27: RM111.5m), mainly driven by higher overall ridership across the Group's domestic and cross-border scheduled bus services, while vehicle assembly and distribution revenue also rose 89.6% QoQ to RM61.9m. CNP increased 5.6% QoQ to RM16.6m (1QFY27: RM15.7m), outpacing revenue growth on stronger operating performance.

**YoY.** Revenue declined 4.2% YoY to RM119.3m (2QFY26: RM124.5m, restated), mainly due to higher inter-segment eliminations of RM29.3m (2QFY26: RM2.2m) following increased internal bus supply. Scheduled bus revenue grew 4.6% YoY, driven by SBST contributions and resilient domestic and cross-border ridership, while higher advertising and maintenance income supported the other services segment. Vehicle assembly and distribution revenue also increased 30.5% YoY to RM61.9m. CNP declined 1.6% YoY to RM16.6m, as stronger operating performance and a lower effective tax rate were more than offset by higher finance costs.

**Outlook.** We maintain a positive outlook on HI Mobility, supported by sustained domestic and cross-border ridership, seasonally stronger 2HFY27 travel demand and continued fleet expansion. The Group's bus operations remain relatively insulated from diesel price volatility, as its public bus fleet continues to enjoy subsidised diesel at RM1.88/litre. The RM211m unbilled orderbook also provides earnings visibility, while the upcoming RTS Link presents additional first- and last-mile opportunities. While the RTS Link offers a faster alternative for cross-border commuters, Causeway Link retains advantages in terms of lower travel cost, 24-hour operations and broader route coverage. The RTS Link could nevertheless divert some peak-hour ridership from buses, particularly among time-sensitive commuters, although its higher cost and more limited operating hours could support continued demand for bus services during off-peak periods.

**Earnings revision.** We revised our FY27F/FY28F/FY29F CNP estimates downwards by 1.8%/5.1%/3.6% to RM71.2m/RM90.9m/RM114.9m, respectively, following the 2QFY27 results.

**Valuation.** We maintain our **BUY** recommendation but **revised our TP to RM2.38 (previously RM2.62)**, based on an unchanged 14x FY28F P/E multiple applied to our **revised FY28F core EPS of 17.0sen (previously: 18.7sen)**. The revised TP mainly reflects our housekeeping exercise following the enlarged share base and the transition to a new analyst, together with our revised FY28F earnings estimates. We believe the unchanged valuation multiple remains appropriate, supported by HI Mobility's structural growth prospects across scheduled bus services, vehicle assembly and distribution, as well as potential first- and last-mile opportunities from the RTS Link.

**Risks.** Key risks include weaker domestic and cross-border ridership, potential RTS-related ridership diversion, delays in government contract awards and higher-than-expected operating costs.

## Results Comparison

| FYE Jan (RM m)        | 2QFY27 | 2QFY26 | yoy (%) | 1QFY27 | qoq (%) | 6MFY27 | 6MFY26 | yoy (%) |
|-----------------------|--------|--------|---------|--------|---------|--------|--------|---------|
| Revenue               | 119.3  | 124.5  | (4.2)   | 111.5  | 7.0     | 230.9  | 227.4  | 1.5     |
| EBITDA                | 34.9   | 33.0   | 5.7     | 31.3   | 11.4    | 66.2   | 61.4   | 7.7     |
| Pre-tax profit        | 21.1   | 22.1   | (4.6)   | 18.9   | 11.6    | 39.9   | 39.7   | 0.6     |
| PATMI                 | 17.1   | 16.9   | 0.9     | 16.3   | 4.9     | 33.4   | 31.3   | 6.7     |
| Core net profit       | 16.6   | 16.8   | (1.6)   | 15.7   | 5.6     | 32.2   | 31.1   | 3.8     |
| Core EPS (sen)        | 3.1    | 3.2    | (1.6)   | 2.9    | 5.6     | 6.0    | 5.8    | 3.8     |
| EBITDA margin (%)     | 29.2   | 26.5   |         | 28.1   |         | 28.7   | 27.0   |         |
| PBT margin (%)        | 17.6   | 17.7   |         | 16.9   |         | 17.3   | 17.5   |         |
| Core PATMI margin (%) | 13.9   | 13.5   |         | 14.1   |         | 14.0   | 13.7   |         |

Source: Company, Apex Securities

## Segmental Breakdown

| FYE Jan (RM m)                             | 2QFY27       | 2QFY26       | yoy (%)      | 1QFY27       | qoq (%)    | 6MFY27       | 6MFY26       | yoy (%)    |
|--------------------------------------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|
| <b>Segment revenue</b>                     |              |              |              |              |            |              |              |            |
| Scheduled bus services                     | 81.8         | 78.3         | 4.6          | 75.6         | 8.3        | 157.4        | 148.0        | 6.4        |
| Chartered bus services                     | 2.2          | 0.1          | 1,492.9      | 1.7          | 34.9       | 3.9          | 3.1          | 24.1       |
| Vehicle assembly and distribution services | 61.9         | 47.5         | 30.5         | 32.7         | 89.6       | 94.6         | 76.6         | 23.5       |
| Others                                     | 2.7          | 0.8          | 222.5        | 1.6          | 64.0       | 4.3          | 1.9          | 131.2      |
| Inter-segment elimination                  | (29.3)       | (2.2)        | 1,232.1      | -            | nm         | (29.3)       | (2.2)        | 1,232.1    |
| <b>Total</b>                               | <b>119.3</b> | <b>124.5</b> | <b>(4.2)</b> | <b>111.5</b> | <b>7.0</b> | <b>230.9</b> | <b>227.4</b> | <b>1.5</b> |
| <b>Revenue by geographical market</b>      |              |              |              |              |            |              |              |            |
| Malaysia                                   | 82.5         | 87.1         | (5.2)        | 71.0         | 16.2       | 153.6        | 155.5        | (1.2)      |
| Singapore                                  | 36.8         | 37.4         | (1.7)        | 40.5         | (9.2)      | 77.3         | 71.9         | 7.5        |
| <b>Total</b>                               | <b>119.3</b> | <b>124.5</b> | <b>(4.2)</b> | <b>111.5</b> | <b>7.0</b> | <b>230.9</b> | <b>227.4</b> | <b>1.5</b> |

Source: Company, Apex Securities

# Result Note

Wednesday, 30 Sep, 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>84.2</b>  | <b>117.6</b> | <b>150.7</b> | <b>185.8</b> |
| <b>EBITDA</b>               | <b>80.1</b>  | <b>97.1</b>  | <b>124.0</b> | <b>149.2</b> | <b>174.7</b> |
| Depreciation & Amortisation | -22.2        | -28.2        | -38.3        | -39.3        | -39.3        |
| <b>EBIT</b>                 | <b>57.9</b>  | <b>68.8</b>  | <b>85.7</b>  | <b>109.9</b> | <b>135.4</b> |
| Net Finance Income/ (Cost)  | -7.5         | -5.9         | -3.0         | -4.1         | -1.9         |
| Associates & JV             | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Pre-tax Profit</b>       | <b>50.5</b>  | <b>62.9</b>  | <b>82.8</b>  | <b>105.7</b> | <b>133.5</b> |
| Tax                         | -6.7         | -6.4         | -11.6        | -14.8        | -18.7        |
| <b>Profit After Tax</b>     | <b>43.8</b>  | <b>56.5</b>  | <b>71.2</b>  | <b>90.9</b>  | <b>114.8</b> |
| Minority Interest           | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Net Profit</b>           | <b>43.8</b>  | <b>56.5</b>  | <b>71.2</b>  | <b>90.9</b>  | <b>114.8</b> |
| Exceptionals                | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Core Net Profit</b>      | <b>43.8</b>  | <b>56.5</b>  | <b>71.2</b>  | <b>90.9</b>  | <b>114.8</b> |

### Key Ratios

| FYE Jan (RM m)     | FY25   | FY26  | FY27F | FY28F | FY29F    |
|--------------------|--------|-------|-------|-------|----------|
| EPS (sen)          | 8.2    | 10.6  | 13.3  | 17.0  | 21.5     |
| P/E (x)            | 22.7   | 17.6  | 14.0  | 10.9  | 8.7      |
| P/B (x)            | 14.1   | 6.7   | 5.8   | 5.0   | 4.2      |
| EV/EBITDA (x)      | 10.9   | 10.2  | 7.2   | 6.3   | 5.7      |
| DPS (sen)          | 0.0    | 4.8   | 5.7   | 7.2   | 9.1      |
| Dividend Yield (%) | 0.0%   | 2.6%  | 3.0%  | 3.9%  | 4.9%     |
| EBITDA margin (%)  | 28.6%  | 30.6% | 27.4% | 25.7% | 24.4%    |
| EBIT margin (%)    | 20.7%  | 21.7% | 19.0% | 19.0% | 19.0%    |
| PBT margin (%)     | 18.0%  | 19.8% | 18.3% | 18.2% | 18.7%    |
| PAT margin (%)     | 15.6%  | 17.8% | 15.7% | 15.7% | 16.1%    |
| NP margin (%)      | 15.6%  | 17.8% | 15.7% | 15.7% | 16.1%    |
| CNP margin (%)     | 15.6%  | 17.8% | 15.7% | 15.7% | 16.1%    |
| ROE (%)            | 33.3%  | 20.4% | 22.4% | 24.6% | 26.4%    |
| ROA (%)            | 12.3%  | 11.1% | 12.7% | 14.6% | 16.5%    |
| Gearing (%)        | 128.9% | 47.1% | 41.0% | 35.2% | 29.9%    |
| Net gearing (%)    | 93.1%  | 1.1%  | 32.0% | 15.3% | Net Cash |

| Valuations                     | FY28F       |
|--------------------------------|-------------|
| Core EPS (sen)                 | 17.0        |
| P/E multiple (x)               | 14.0        |
| <b>Fair value (RM)</b>         | <b>2.38</b> |
| ESG premium/discount           | 0.0%        |
| <b>Implied Fair Value (RM)</b> | <b>2.38</b> |

Source: Company, Apex Securities

### Balance Sheet

| FYE Jan (RM m)                       | FY25         | FY26         | FY27F        | FY28F        | FY29F        |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Cash                                 | 47.1         | 127.0        | 28.4         | 73.4         | 135.4        |
| Receivables                          | 39.3         | 70.0         | 110.4        | 131.7        | 145.4        |
| Inventories                          | 1.3          | 3.6          | 3.2          | 2.8          | 2.3          |
| Other current assets                 | 0.0          | 0.0          | 99.7         | 99.7         | 99.7         |
| <b>Total Current Assets</b>          | <b>87.7</b>  | <b>200.6</b> | <b>241.7</b> | <b>307.6</b> | <b>382.9</b> |
| Fixed Assets                         | 254.0        | 294.4        | 302.5        | 302.0        | 299.0        |
| Intangibles                          | 6.7          | 6.0          | 6.0          | 6.0          | 6.0          |
| Other non-current assets             | 7.2          | 8.4          | 8.4          | 8.4          | 8.4          |
| <b>Total Non-Current Assets</b>      | <b>267.9</b> | <b>308.8</b> | <b>316.9</b> | <b>316.3</b> | <b>313.4</b> |
| Short-term debt                      | 22.6         | 34.5         | 34.5         | 34.5         | 34.5         |
| Payables                             | 32.1         | 43.0         | 51.3         | 64.3         | 70.6         |
| Other current liabilities            | 17.9         | 18.4         | 18.4         | 18.4         | 18.4         |
| <b>Total Current Liabilities</b>     | <b>72.6</b>  | <b>95.9</b>  | <b>104.2</b> | <b>117.2</b> | <b>123.5</b> |
| Long-term debt                       | 146.9        | 95.6         | 95.6         | 95.6         | 95.6         |
| Other non-current liabilities        | 4.6          | 41.6         | 41.6         | 41.6         | 41.6         |
| <b>Total Non-Current Liabilities</b> | <b>151.5</b> | <b>137.1</b> | <b>137.1</b> | <b>137.1</b> | <b>137.1</b> |
| Shareholder's equity                 | 131.5        | 276.3        | 317.3        | 369.6        | 435.6        |
| Minority interest                    | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Total Equity</b>                  | <b>131.5</b> | <b>276.3</b> | <b>317.3</b> | <b>369.6</b> | <b>435.6</b> |

### Cash Flow

| FYE Jan (RM m)              | FY25         | FY26         | FY27F        | FY28F        | FY29F        |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Pre-tax profit</b>       | <b>50.5</b>  | <b>62.9</b>  | <b>82.8</b>  | <b>105.7</b> | <b>133.5</b> |
| Depreciation & amortisation | -22.2        | 28.2         | 38.3         | 39.3         | 39.3         |
| Changes in working capital  | 34.2         | -28.4        | -31.7        | -7.8         | -7.1         |
| Others                      | 4.8          | -5.0         | -14.6        | -18.9        | -20.6        |
| <b>Operating cash flow</b>  | <b>67.3</b>  | <b>57.7</b>  | <b>74.8</b>  | <b>118.3</b> | <b>145.1</b> |
| Capex                       | -70.5        | -35.4        | -46.4        | -38.8        | -36.3        |
| Others                      | 0.9          | 4.3          | 6.5          | 6.8          | 6.8          |
| <b>Investing cash flow</b>  | <b>-69.6</b> | <b>-31.1</b> | <b>-39.9</b> | <b>-32.0</b> | <b>-29.5</b> |
| Dividends paid              | 0.0          | -24.0        | -30.3        | -38.6        | -48.8        |
| Others                      | 24.7         | 78.5         | -3.5         | -2.6         | -4.8         |
| <b>Financing cash flow</b>  | <b>24.7</b>  | <b>54.5</b>  | <b>-33.8</b> | <b>-41.3</b> | <b>-53.6</b> |
| <b>Net cash flow</b>        | <b>22.4</b>  | <b>81.1</b>  | <b>1.1</b>   | <b>45.0</b>  | <b>61.9</b>  |
| Forex                       | -1.6         | -1.2         | 0.0          | 0.0          | 0.0          |
| Others                      | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Beginning cash              | 25.8         | 46.6         | 27.3         | 28.4         | 73.4         |
| <b>Ending cash</b>          | <b>46.6</b>  | <b>126.5</b> | <b>28.4</b>  | <b>73.4</b>  | <b>135.4</b> |

## Result Note

Wednesday, 30 Sep, 2026

**BURSA RISE+**  
Brought to you by Bursa Malaysia  
Supported by Capital Market Development Fund

### 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

**Disclaimer:** The report is for internal and private circulation only and shall not be reproduced either in part or otherwise without the prior written consent of Apex Securities Berhad. The opinions and information contained herein are based on available data believed to be reliable. It is not to be construed as an offer, invitation or solicitation to buy or sell the securities covered by this report. Opinions, estimates and projections in this report constitute the current judgment of the author. They do not necessarily reflect the opinion of Apex Securities Berhad and are subject to change without notice. Apex Securities Berhad has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

Apex Securities Berhad does not warrant the accuracy of anything stated herein in any manner whatsoever and no reliance upon such statement by anyone shall give rise to any claim whatsoever against Apex Securities Berhad. Apex Securities Berhad may from time to time have an interest in the company mentioned by this report. This report may not be reproduced, copied or circulated without the prior written approval of Apex Securities Berhad.

This report has been prepared by Apex Securities Berhad pursuant to the Research Incentive Program under Bursa Research Incentive Scheme Plus ("Bursa RISE+") administered by Bursa Malaysia Berhad. This report has been produced independent of any influence from Bursa Malaysia Berhad or the subject company. Bursa Malaysia Berhad and its group of companies disclaims any and all liability, howsoever arising, out of or in relation to the administration of Bursa Research Incentive Program and/or this report. This research report can also be found in MyBursa platform or via the link: [Market Research and Analysis - MyBURSA](#)

As of **Wednesday, 30 Sep, 2026**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:

(a) nil.