Swift Haulage Berhad

(5303 | SWIFT MK) Main | Transportation & Logistics

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Corporate Update

3QFY25 Results Review
Another Weak Quarter

Maintain NEUTRAL. Swift Haulage Berhad (Swift) reported disappointing earnings in 3QFY25, and its outlook remains mixed. While the container haulage segment is seeing some relief from recent rate revisions, the land transport segment continues to face pressure from a higher proportion of lower-yielding short-haul trips. Warehousing margins were softer, as a larger share of operations now involves more labour-intensive handling activities. Meanwhile, the freight forwarding segment is expected to be supported by steady flows of project cargo. Following the earnings revision, our target price is reduced to **RM0.35** (from RM0.42) based on 11x FY26F EPS.

Below expectations. Swift's core PATAMI came in at RM5.1m for 3QFY25, bringing 9MFY25 earnings to RM17.9m, below expectations at just 58% both our and consensus full-year projections. While revenue was in line, margins were softer than anticipated.

All-round revenue growth amid margin pressure. Revenue rose across all segments in 3QFY25, resulting in a +9.8%yoy overall increase. Container haulage EBIT rose +5.6%yoy on higher rates from tighter overload checks (which created capacity constraints), helping counter lower volumes caused partly by a major customer's planned production line shutdown for the next 9-12 months. Land transportation EBIT (-41.0%yoy) declined sharply despite higher trip volumes, as more came from lower-yielding smaller trucks. Warehousing & container depot EBIT fell -29.4%yoy despite higher capacity and utilisation, due to a greater mix of customers requiring handling activities. Freight forwarding EBIT was up +39.2%yoy, boosted by project cargoes and the acquisition of Aman Logistiks since Aug-24. Core PATAMI fell -12.5%yoy against 3QFY24, mainly due to higher tax expenses.

Sequential boost from higher haulage rates. Compared to 2QFY25, revenue rose +6.5%qoq, driven by growth across all segments except land transportation (-3.6%qoq). Container haulage EBIT surged +48.2%qoq following rate hikes implemented since Jul-25, with volumes only slightly lower. Freight forwarding EBIT rose +3.0%qoq on higher-margin project cargo jobs, despite flat volumes. Meanwhile, land transportation and warehousing & container depot EBIT fell -32.5%qoq and -10.2%qoq, respectively, for similar reasons as mentioned earlier. Altogether, core PATAMI fell -7.3%qoq on weaker margins.

Earnings estimates. Factoring in higher operating expenses and a higher tax rate, we cut our FY25E/FY26F/FY27F earnings by -19%/-17%/-17%.

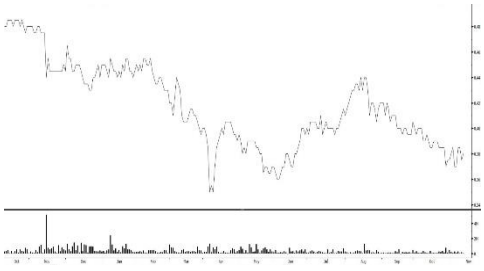
Maintain NEUTRAL

Revised Target Price **RM0.35**
(from RM0.42)

RETURN STATISTICS

Price @ 12th November 2025 (RM)	0.37
Expected share price return (%)	-4.6
Expected dividend yield (%)	+2.7
Expected total return (%)	-1.9

SHARE PRICE CHART



Price performance (%)	Absolute	Relative
1 month	-3.8	-4.7
3 months	-6.2	-15.4
12 months	-20.0	-21.4

INVESTMENT STATISTICS

FYE Dec	2025E	2026F	2027F
Revenue	749.6	779.3	803.4
Operating profit	75.2	78.6	80.7
PBT	38.0	41.3	43.4
Core PATAMI	25.7	28.2	29.7
Core EPS (sen)	2.9	3.2	3.4
DPS (sen)	1.0	1.1	1.2
Dividend yield	2.7%	3.0%	3.2%

KEY STATISTICS

FBM KLCI	1,631.61
Issued shares (m)	893.33
Estimated free float (%)	37.63
Market Capitalisation (RM'm)	330.11
52-wk price range	RM0.34 - RM0.48
3-mth average daily volume (m)	0.22
3-mth average daily value (RM'm)	0.09
Top Shareholders (%)	
Persada Bina Sdn Bhd	24.33
JWD Asia Holding Pte Ltd	20.72
Loo Hooi Keat	5.15

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SWIFT HAULAGE: 3QFY25 RESULTS SUMMARY

FYE Dec (RM'm)	Quarterly					Cumulatively		
Income Statement	**3QFY25**	**2QFY25**	**3QFY24**	**QoQ**	**YoY**	**9MFY25**	**9MFY24**	**YoY**
Revenue	201.0	188.7	183.1	6.5%	9.8%	578.9	535.3	8.1%
Operating profit	19.6	19.8	17.7	-0.9%	10.7%	59.1	70.7	-16.4%
Finance costs	-9.1	-9.4	-9.7	3.5%	6.0%	-27.8	-27.2	-2.3%
Associates and JV	-0.1	0.0	0.0	-1385.7%	-415.2%	-0.02	-0.1	68.4%
PBT	10.4	10.4	8.1	0.4%	28.9%	31.2	43.4	-28.0%
Tax expense	-2.8	-2.7	-2.0	-5.0%	-41.3%	-8.2	-7.0	-18.0%
PAT	7.6	7.7	6.1	-1.2%	24.8%	23.0	36.4	-36.8%
PATAMI	7.1	6.7	5.8	5.8%	23.7%	21.1	35.2	-40.1%
Core PATAMI	5.1	5.5	5.8	-7.3%	-12.5%	17.9	21.2	-15.7%
				ppts	**ppts**			**ppts**
OP margin (%)	9.8%	10.5%	9.7%	-0.7	0.1	10.2%	13.2%	-3.0
PBT margin (%)	5.2%	5.5%	4.4%	-0.3	0.8	5.4%	8.1%	-2.7
Core PATAMI margin (%)	2.5%	2.9%	3.2%	-0.4	-0.6	3.1%	4.0%	-0.9
Effective tax rate (%)	-27.2%	-26.0%	-24.8%	-1.2	-2.4	-26.3%	-16.1%	-10.3

SEGMENTAL BREAKDOWN

	Quarterly					Cumulatively		
Revenue	**3QFY25**	**2QFY25**	**3QFY24**	**QoQ**	**YoY**	**9MFY25**	**9MFY24**	**YoY**
Container haulage	74.0	66.5	72.4	11.4%	2.3%	209.6	209.6	0.0%
Land transportation	69.0	71.6	63.1	-3.6%	9.5%	204.3	192.8	6.0%
Warehousing & depot	34.6	31.8	30.3	8.6%	14.0%	97.7	85.6	14.2%
Freight forwarding	23.2	22.1	17.2	4.9%	35.4%	67.0	47.1	42.1%
EBIT	**3QFY25**	**2QFY25**	**3QFY24**	**QoQ**	**YoY**	**9MFY25**	**9MFY24**	**YoY**
Container haulage	6.7	4.5	6.4	48.2%	5.6%	16.0	18.3	-12.4%
Land transportation	1.6	2.3	2.7	-32.5%	-41.0%	7.6	11.7	-34.6%
Warehousing & depot	4.7	5.2	6.7	-10.2%	-29.4%	15.3	16.8	-9.3%
Freight forwarding	10.4	10.1	7.5	3.0%	39.2%	30.3	20.0	51.8%
EBIT Margin	**3QFY25**	**2QFY25**	**3QFY24**	**QoQ**	**YoY**	**9MFY25**	**9MFY24**	**YoY**
Container haulage	9.1%	6.8%	8.8%	2.3	0.3	7.7%	8.7%	-1.1 ppts
Land transportation	2.3%	3.3%	4.3%	-1.0	-2.0	3.7%	6.1%	-2.3 ppts
Warehousing & depot	13.6%	16.4%	21.9%	-2.9	-8.3	15.6%	19.7%	-4.0 ppts
Freight forwarding	44.7%	45.5%	43.4%	-0.8	1.2	45.2%	42.3%	2.9 ppts

OPERATIONAL STATISTICS

Segment	Quarterly					Cumulatively		
Container haulage	**3QFY25**	**2QFY25**	**3QFY24**	**QoQ**	**YoY**	**9MFY25**	**9MFY24**	**YoY**
Volume (TEU)	128,303	129,987	142,795	-1.3%	-10.1%	393,293	416,817	-5.6%
Avg. revenue/TEU	RM575	RM512	RM507	12.3%	13.4%	RM533	RM503	6.0%
Land transportation								
Number of trips	82,436	54,763	62,046	50.5%	32.9%	207,297	181,819	14.0%
Avg. revenue/trip	RM792	RM1,258	RM1,014	-37.0%	-21.9%	RM986	RM1,060	-7.0%
Freight forwarding								
Number of jobs	29,386	29,340	25,560	0.2%	15.0%	86,751	73,891	17.4%
Avg. revenue/job	RM782	RM755	RM689	3.6%	13.5%	RM772	RM638	21.0%
Warehousing								
Capacity (sq ft)	1,667,859	1,667,859	1,467,344	0.0%	13.7%	1,667,859	1,467,344	13.7%
Utilisation rate	94%	91%	84%	3.0 ppts	10.0 ppts	92%	80%	12.0 ppts
Container depot								
Capacity (TEU)	31,500	31,500	31,500	0.0%	0.0%	31,500	31,500	0.0%
Utilisation rate	86%	76%	76%	10.0 ppts	10.0 ppts	78%	78%	0.0 ppts

Source: Swift Haulage, MBSBR

FINANCIAL SUMMARY

Profit or Loss (RM'm)	2023A	2024A	2025E	2026F	2027F
Revenue	671.5	720.5	749.6	779.3	803.4
Operating profit	100.0	88.2	75.2	78.6	80.7
PBT	65.9	51.6	38.0	41.3	43.4
Taxation	-2.8	-9.3	-10.2	-11.2	-11.7
PATAMI	61.7	40.3	25.7	28.2	29.7
Core PATAMI	33.3	26.6	25.7	28.2	29.7
Core EPS (sen)	3.8	3.0	2.9	3.2	3.4
PER	9.8x	12.2x	12.6x	11.5x	10.9x
DPS (sen)	1.6	1.6	1.0	1.1	1.2
Dividend yield	4.3%	4.3%	2.7%	3.0%	3.2%

Cash Flow (RM'm)	2023A	2024A	2025E	2026F	2027F
PBT	65.9	51.6	38.0	41.3	43.4
D&A	69.4	71.3	73.1	73.0	72.9
Changes in WC	5.7	-27.5	6.3	7.1	5.6
Operating cash flow	**130.7**	**111.1**	**107.1**	**110.2**	**110.2**
Capital expenditure	-88.0	-169.3	-70.0	-70.0	-70.0
Investing cash flow	**-57.9**	**-168.2**	**-70.0**	**-70.0**	**-70.0**
Debt raised/(repaid)	94.0	15.6	0.0	0.0	0.0
Dividends paid	**-15.9**	**-14.1**	**-9.0**	**-9.9**	**-10.4**
Financing cash flow	**13.5**	**-47.8**	**-9.0**	**-9.9**	**-10.4**
Net cash flow	**86.4**	**-104.9**	**28.1**	**30.4**	**29.8**
Beginning cash flow	**34.6**	**149.3**	**44.0**	**72.1**	**102.5**
Ending cash flow	**121.2**	**44.0**	**72.1**	**102.5**	**132.4**

Balance Sheet (RM'm)	2023A	2024A	2025E	2026F	2027F
PPE	658.5	752.1	757.7	762.9	767.8
ROU assets	356.0	336.3	327.6	319.4	311.6
Non-current assets	**1,312.7**	**1,386.4**	**1,372.1**	**1,353.0**	**1,336.9**
Trade debtors	220.1	260.0	270.6	281.3	290.0
Cash	159.2	47.5	72.1	102.5	132.4
Current assets	**407.7**	**328.7**	**364.3**	**405.7**	**444.5**
Long-term debt	503.8	563.2	563.2	563.2	563.2
Non-current liabilities	**594.4**	**653.1**	**653.1**	**653.1**	**653.1**
Short-term debt	263.0	213.1	213.1	213.1	213.1
Trade creditors	138.5	99.7	104.4	108.4	111.7
Current liabilities	**419.5**	**327.0**	**331.6**	**335.6**	**338.9**
Share capital	384.9	386.6	386.6	386.6	386.6
Retained earnings	322.0	345.8	362.5	380.8	400.1
Equity	**706.5**	**735.0**	**751.7**	**770.0**	**789.4**

Profitability Ratios	2023A	2024A	2025E	2026F	2027F
EBIT margin	14.9%	12.2%	10.0%	10.1%	10.0%
PBT margin	9.8%	7.2%	5.1%	5.3%	5.4%
PATAMI margin	9.2%	5.6%	3.4%	3.6%	3.7%
Core PATAMI margin	5.0%	3.7%	3.4%	3.6%	3.7%
ROA	1.9%	1.6%	1.5%	1.6%	1.7%
ROE	4.7%	3.6%	3.4%	3.7%	3.8%

Growth	2023A	2024A	2025E	2026F	2027F
Revenue growth	4.3%	7.3%	4.0%	4.0%	3.1%
PBT growth	5.8%	-21.7%	-26.4%	8.9%	5.1%
PATAMI growth	27.3%	-34.8%	-36.2%	9.6%	5.5%
Core PATAMI growth	-32.1%	-20.1%	-3.3%	9.6%	5.5%

Key Metrics	2023A	2024A	2025E	2026F	2027F
Containers (TEUs)	588.7k	554.7k	571.3k	588.4k	606.1k
Transportation trips	216.7k	243.9k	253.7k	263.8k	274.4k
Freight forwarding jobs	87.4k	100.8k	103.8k	106.9k	110.1k
Warehousing (sq ft)	1.31m	1.54m	1.86m	1.86m	1.86m

Source: Swift Haulage, MBSBR

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MBSB INVESTMENT BANK (formerly known as MIDF INVESTMENT BANK): GUIDE TO RECOMMENDATIONS

STOCK RECOMMENDATIONS

BUY	Total return is expected to be >10% over the next 12 months.
TRADING BUY	The stock price is expected to rise by >10% within 3 months after a Trading Buy rating has been assigned due to positive news flow.
NEUTRAL	Total return is expected to be between -10% and +10% over the next 12 months.
SELL	Total return is expected to be <-10% over the next 12 months.
TRADING SELL	The stock price is expected to fall by >10% within 3 months after a Trading Sell rating has been assigned due to negative news flow.

SECTOR RECOMMENDATIONS

POSITIVE	The sector is expected to outperform the overall market over the next 12 months.
NEUTRAL	The sector is to perform in line with the overall market over the next 12 months.
NEGATIVE	The sector is expected to underperform the overall market over the next 12 months.

ESG RECOMMENDATIONS* - source Bursa Malaysia and FTSE Russell

☆☆☆☆	Top 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆☆	Top 26-50% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆	Top 51%- 75% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆	Bottom 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell

* ESG Ratings of PLCs in FBM EMAS that have been assessed by FTSE Russell in accordance with FTSE Russell ESG Ratings Methodology