Swift Haulage Berhad

(5303 | SWIFT MK) Main | Transportation & Logistics

SHARIAH Compliant | ESG 3 Stars | FTSE4Good

Corporate Update

Maintain NEUTRAL

Revised Target Price **RM0.37**
(from RM0.35)

Briefing Note
Mixed Segmental Prospects

Maintain NEUTRAL. Outlook remains mixed across segments, with container haulage expected to benefit from rate revisions, while land transport volumes may remain subdued. Meanwhile, warehouse utilisation is poised to improve, with freight forwarding supported by a healthy job pipeline and better rates. We raised our target price slightly to **RM0.37** (from RM0.35) following our upward earnings revisions, based on 10x FY27F EPS.

Transport volumes were dragged by a major petrochemical customer. Container haulage was among the better-performing segments, with EBIT increasing +65.1%yoy, underpinned by a second round of upward rate adjustments in Jul-26, despite relatively flat handling volume growth of +0.9%yoy. This was partly weighed down by a prolonged maintenance shutdown at a major petrochemical customer's East Coast plant, which also affected land transport volumes. The East Coast contributes c.15% of the Group's container haulage and c.20% of its land transport business, with the customer accounting for c.60% of the region's volumes.

Weaker petroleum haulage demand in Singapore. Land transportation was among the underperforming segments, with EBIT declining by -41.4%yoy. The number of trips fell -22.8%yoy. This was mainly dragged down by weaker petroleum haulage demand in Singapore amid elevated oil prices and the country's gradual shift towards EVs and public transport. Margins were also compressed, particularly in Thailand and Singapore, where fuel is unsubsidised, due to a lag in passing higher fuel costs on to customers.

80%-90% warehouse utilisation target in FY27. The warehousing & depot segment was the biggest underperformer, with EBIT declining by -52.4%yoy. While warehouse utilisation improved sequentially to 69% from 64%, it remained among the lowest levels in recent years. Utilisation is expected to improve further as new customers move in, with PKFZ remaining the main laggard at 50%. Upcoming expansions include +100k sq ft of ambient warehousing in Gebeng, Pahang (40% taken up and commencing this month) and +12k pallets of cold chain capacity in Tebrau, Johor (commencing 2QFY27). Management targets overall warehouse utilisation of 80%-90% in FY27.

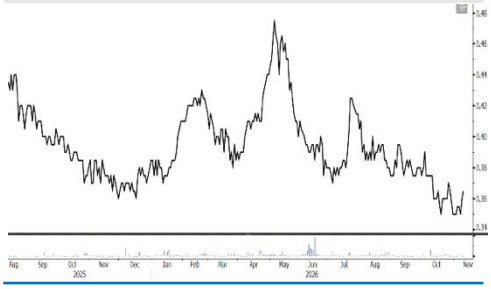
SAILH is targeted to break even in 2HFY27. At the 2.8m sq ft Shah Alam International Logistics Hub (via its 30%-owned associate, Global Vision Logistics), Swift has been allocated 300k sq ft, comprising 190k sq ft of ambient space (70% occupied) and the remainder for cold chain (30% occupied), with prospective cold chain tenants awaiting halal certification expected by Jan-27. 80% of the hub has been taken up, although actual occupancy remains at 40-50%, with more tenants expected to move in during 1HFY27. Management targets 90-95% take-up by year-end and breakeven in 2HFY27.

Earnings estimates. We raised our FY26/FY27/FY28 earnings forecasts by +7.6%/+8.4%/+1.7% respectively to reflect higher container haulage and freight forwarding rates, partially offset by lower warehouse utilisation assumptions.

RETURN STATISTICS

Price @ 12th November 2026 (RM)	0.35
Expected share price return (%)	+4.6
Expected dividend yield (%)	+4.0
Expected total return (%)	+8.6

SHARE PRICE CHART



Price performance (%)	Absolute	Relative
1 month	-2.7	-1.3
3 months	-3.9	-0.4
12 months	-1.4	0.9

INVESTMENT STATISTICS

FYE Dec	2026E	2027F	2028F
Revenue	811.0	838.2	868.0
Operating profit	82.2	84.6	87.3
PBT	45.5	47.9	50.5
Core PATAMI	31.2	33.0	34.9
Core EPS (sen)	3.6	3.8	4.0
DPS (sen)	1.4	1.5	1.6
Dividend yield	4.0%	4.2%	4.5%

KEY STATISTICS

FBM KLCI	1,585.96
Issued shares (m)	893.33
Estimated free float (%)	35.20
Market Capitalisation (RM'm)	306.21
52-wk price range	RM0.32 - RM0.47
3-mth average daily volume (m)	0.11
3-mth average daily value (RM'm)	0.04
Top Shareholders (%)	
Persada Bina Sdn Bhd	25.19
JWD Asia Holding Pte Ltd	22.17
Loo Hooi Keat	5.22

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OPERATIONAL STATISTICS

Segment	Quarterly					Cumulatively		
Container haulage	**3QFY26**	**2QFY26**	**3QFY25**	**QoQ**	**YoY**	**9MFY26**	**9MFY25**	**YoY**
Volume (TEU)	129,423	133,008	128,303	-2.7%	0.9%	389,459	393,293	-1.0%
Avg. revenue/TEU	RM610	RM579	RM575	5.4%	6.1%	RM586	RM533	9.9%
Land transportation								
Number of trips	63,613	63,227	82,436	0.6%	-22.8%	191,769	207,297	-7.5%
Avg. revenue/trip	RM1,019	RM1,075	RM792	-5.2%	28.7%	RM1,045	RM986	6.0%
Freight forwarding								
Number of jobs	30,363	30,571	29,386	-0.7%	3.3%	88,170	86,751	1.6%
Avg. revenue/job	RM830	RM806	RM782	3.0%	6.1%	RM833	RM772	7.9%
Warehousing								
Capacity (sq ft)	1,780,000	1,550,000	1,667,859	14.8%	6.7%	1,780,000	1,667,859	6.7%
Utilisation rate	69%	64%	94%	5.0 ppts	-25.0 ppts	71%	92%	-22.8%
Container depot								
Capacity (TEU)	23,000	23,000	31,500	0.0%	-27.0%	23,000	31,500	-27.0%
Utilisation rate	84%	94%	86%	-10.0 ppts	-2.0 ppts	90%	78%	15.4%

SEGMENTAL REVENUE BREAKDOWN

	Quarterly					Cumulatively		
Revenue	**3QFY26**	**2QFY26**	**3QFY25**	**QoQ**	**YoY**	**9MFY26**	**9MFY25**	**YoY**
Container haulage	79.0	76.9	74.0	2.8%	6.8%	228.2	209.6	8.9%
Land transportation	63.8	69.1	69.0	-7.6%	-7.6%	200.4	204.3	-1.9%
Warehousing & depot	26.5	25.0	34.6	5.7%	-23.5%	78.1	97.7	-20.1%
Freight forwarding	25.7	24.7	23.2	4.1%	10.8%	73.4	67.0	9.6%
EBIT	**3QFY26**	**2QFY26**	**3QFY25**	**QoQ**	**YoY**	**9MFY26**	**9MFY25**	**YoY**
Container haulage	11.1	7.1	6.8	56.2%	65.1%	24.4	16.0	52.0%
Land transportation	0.9	3.5	1.6	-72.9%	-41.4%	7.3	7.6	-4.1%
Warehousing & depot	2.3	2.2	4.7	1.5%	-52.4%	9.2	15.3	-39.8%
Freight forwarding	13.3	12.3	10.4	8.1%	27.2%	36.3	30.3	19.7%
EBIT Margin	**3QFY26**	**2QFY26**	**3QFY25**	**QoQ**	**YoY**	**9MFY26**	**9MFY25**	**YoY**
Container haulage	14.1%	9.3%	9.1%	4.8	5.0	10.7%	7.7%	3.0 ppts
Land transportation	1.5%	5.1%	2.3%	-3.6	-0.9	3.7%	3.7%	-0.1 ppts
Warehousing & depot	8.5%	8.9%	13.7%	-0.3	-5.2	11.8%	15.6%	-3.9 ppts
Freight forwarding	51.6%	49.7%	44.9%	1.9	6.7	49.4%	45.2%	4.2 ppts

Source: Swift Haulage, MBSBR

FINANCIAL SUMMARY

Profit or Loss (RM'm)	2024A	2025A	2026E	2027F	2028F
Revenue	716.8	776.1	811.0	838.2	868.0
Operating profit	85.5	76.0	82.2	84.6	87.3
PBT	48.8	39.0	45.5	47.9	50.5
Taxation	-7.6	-10.3	-12.3	-12.9	-13.6
PATAMI	39.8	26.4	31.2	33.0	34.9
Core PATAMI	26.1	28.0	31.2	33.0	34.9
Core EPS (sen)	3.0	3.2	3.6	3.8	4.0
PER (x)	11.7	10.9	9.8	9.3	8.8
DPS (sen)	1.6	1.6	1.4	1.5	1.6
Dividend yield (%)	4.6	4.6	4.0	4.2	4.5

Cash Flow (RM'm)	2024A	2025A	2026E	2027F	2028F
PBT	48.8	39.0	45.5	47.9	50.5
D&A	71.8	76.2	76.5	76.2	75.9
Changes in WC	-74.2	10.8	6.1	4.7	5.2
Operating cash flow	**63.8**	**153.6**	**115.8**	**115.9**	**117.9**
Capital expenditure	-30.3	-20.4	-70.0	-70.0	-70.0
Investing cash flow	**-16.1**	**-18.0**	**-70.0**	**-70.0**	**-70.0**
Debt raised/(repaid)	-78.6	-66.2	0.0	0.0	0.0
Dividends paid	-14.1	-14.0	12.5	13.2	14.0
Financing cash flow	**-151.7**	**-134.7**	**12.5**	**13.2**	**15.0**
Net cash flow	**-104.0**	**0.9**	**58.3**	**59.0**	**62.9**
Beginning cash flow	**149.6**	**45.6**	**46.5**	**104.7**	**163.8**
Ending cash flow	**45.6**	**46.5**	**104.7**	**163.8**	**226.7**

Balance Sheet (RM'm)	2024A	2025A	2026E	2027F	2028F
PPE	745.6	803.8	805.0	806.2	807.3
ROU assets	338.7	319.4	311.6	304.2	297.3
Non-current assets	**1,385.2**	**1,428.0**	**1,410.6**	**1,393.0**	**1,373.8**
Trade debtors	246.2	248.7	259.9	268.6	278.2
Cash	49.0	49.7	104.7	163.8	226.7
Current assets	**341.6**	**341.6**	**408.1**	**476.2**	**548.9**
Long-term debt	563.2	598.9	598.9	598.9	598.9
Non-current liabilities	**651.8**	**685.8**	**685.8**	**685.8**	**685.8**
Short-term debt	213.0	199.1	199.1	199.1	199.1
Trade creditors	112.4	121.7	127.1	131.4	136.1
Current liabilities	**340.0**	**330.9**	**336.4**	**340.6**	**345.3**
Share capital	386.6	386.6	386.6	386.6	386.6
Retained earnings	345.3	357.7	401.4	447.6	496.4
Equity	**735.0**	**752.9**	**796.6**	**842.7**	**891.6**

Profitability Ratios	2024A	2025A	2026E	2027F	2028F
EBIT margin	11.9%	9.8%	10.1%	10.1%	10.1%
PBT margin	6.8%	5.0%	5.6%	5.7%	5.8%
PATAMI margin	5.6%	3.4%	3.8%	3.9%	4.0%
Core PATAMI margin	3.6%	3.6%	3.8%	3.9%	4.0%
ROA	1.5%	1.6%	1.7%	1.8%	1.8%
ROE	3.6%	3.7%	3.9%	3.9%	3.9%

Growth	2024A	2025A	2026E	2027F	2028F
Revenue growth	6.7%	8.3%	4.5%	3.3%	3.6%
PBT growth	-25.9%	-20.0%	16.5%	5.3%	5.5%
PATAMI growth	-35.5%	-33.8%	18.4%	5.7%	5.9%
Core PATAMI growth	-21.5%	7.2%	11.4%	5.7%	5.9%

Source: Swift Haulage, MBSBR

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MBSB 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