TECHNOLOGY

AmInvestment Bank

Company Report

INFOMINA

(INFOM MK EQUITY, INFOM.KL)

16 Oct 2025

On the cusp

BUY

(Maintained)

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Rationale for report: Company Result

Price	**RM1.49**
Fair Value	**RM1.70**
52-week High/Low	RM1.50/RM0.69

Key Changes

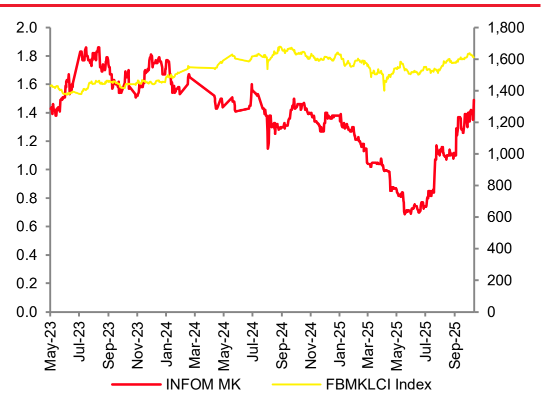
Fair value	⇔
EPS	⇔

YE to May	**FY25**	**FY26F**	**FY27F**	**FY28F**
Revenue (RM mil)	196.7	208.7	265.8	292.9
Core net profit (RM mil)	32.8	32.5	42.9	47.4
FD Core EPS (sen)	5.5	5.4	7.1	7.9
FD Core EPS growth (%)	(0.8)	(0.8)	32.0	10.5
Consensus Net Profit (RM mil)	-	-	-	-
DPS (sen)	1.2	1.4	1.8	2.0
PE (x)	27.3	27.5	20.9	18.9
EV/EBITDA (x)	19.6	19.0	14.5	12.9
Div yield (%)	1.1	1.2	1.6	1.8
ROE (%)	14.3	19.8	22.2	20.8
Net Gearing (%)	nm	nm	nm	nm

Stock and Financial Data

Shares Outstanding (million)	601.3
Market Cap (RMmil)	895.9
Book Value (RM/Share)	0.25
P/BV (x)	5.9
ROE (%)	14.3
Net Gearing (%)	-
Major Shareholders	INFOMINA HOLDINGS (0.0%) Chee Meng Yee (0.0%) Leong Ping Lim (0.0%)
Free Float	20.4
Avg Daily Value (RMmil)	1.8

Price performance	**3mth**	**6mth**	**12mth**
Absolute (%)	75.3	50.5	4.9
Relative (%)	65.9	38.8	6.9



Investment Highlights

Infomina's steady 1QFY26 earnings reaffirm the resilience and continued relevance of its core mainframe business. The real story starts from 3QFY26, when major contract renewals are set to be awarded, potentially doubling its order book to RM600mil by end-FY26. This expansion supports our projection for record FY27F earnings growth of +32% YoY. Meanwhile, its AI venture serves as an incubator for emerging startups, offering longer-term optionality that remains outside our forecasts. We maintain a BUY call with an unchanged TP of RM1.70/per share.

- **BUY at TP of RM1.70/share.** Our valuation is pegged to a target PE of 24x and FY27F EPS. We expect the stock to rerate back to its historical average, due to expectations of record earnings, fueled by major contract renewals and its expansion into Japan. Our estimates have not accounted for potential contributions from its AI venture.

- **Stable earnings in line with Japan expansion.** Core earnings fell 5% YoY to RM8mil. This is in line with expectations, forming 23% of ours and 22% of consensus estimates. Despite higher revenues (+18% YoY), margins came down due to higher staff costs tied to its Japan expansion. In 1QFY26, Japan contributed to 3% of revenues. As new customer wins scale up, we estimate this to rise to 8% in FY26F and 14% in FY27F.

- **Major contracts up for renewal from 3QFY26 onwards.** A few hundred million worth of projects are due to be awarded in the next few quarters. As a big portion of this are renewals, this will lift order book to RM500-600mil by end-FY26. Tender book rose +11% QoQ to RM927mil, while order book remained steady at RM291mil. Supported by renewals and overseas expansion, we project record FY27F earnings growth of +32% YoY.

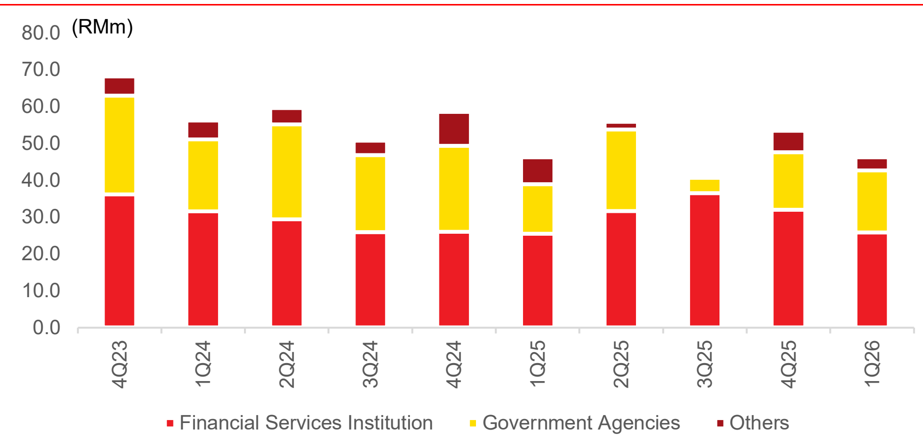
- **Recent meeting with ValuationXchange.** We estimate its 51% stake in Infomina-Geolytik could lift out TP by 4% over 3-5 years, expanding to 29% if it fully penetrates a RM166mil SAM (serviceable addressable market). The JV aims to be the digital infrastructure that streamlines the buying, selling and renting processes in the real estate market. This has not been factored into our forecasts.

EXHIBIT 1: 1Q26 RESULTS SUMMARY

FYE July (RMmil)	1Q26	1Q25	YoY (%)	4Q25	QoQ (%)
Revenue	54.6	46.2	18.3	53.4	2.2
Ebitda	**8.8**	**9.4**	**-6.2**	**9.9**	**-11.3**
Depreciation & amortisation	0.5	0.5	-5.5	0.5	-1.2
Ebit	**9.3**	**9.9**	**-6.2**	**10.5**	**-10.8**
Finance income	0.4	0.1	>100	0.5	-21.6
Finance cost	-0.1	-0.3	63.9	-0.1	-56.9
JV/Associates	0.0	0.0	nm	0.0	nm
EI	0.3	0.0	nm	-11.9	nm
Pbt	**9.9**	**9.8**	**1.5**	**-1.0**	**nm**
Taxation	-1.8	-1.6	-9.5	-1.7	-6.3
MI	0.0	0.0	nm	0.0	nm
Patami	**8.1**	**8.1**	**-0.6**	**-2.7**	**nm**
Core Patami	**7.8**	**8.2**	**-5.0**	**9.2**	**-15.6**
EPS (sen)	1.3	1.3	0.8	0.0	nm
DPS (sen)	0.0	0.0	nm	0.0	nm
Proftability ratio (%)					
Ebitda margin	16.1	20.3	-4.2	18.6	-13.2
Ebit margin	17.1	21.5	-4.4	19.6	-12.7
Pbt margin	18.1	21.1	-3.0	-1.9	nm
Tax rate	18.0	16.7	1.3	-163.0	nm
Patami margin	14.2	17.7	-3.5	17.2	-17.4
Revenue breakdown ('mil)					
Renewal	44	40	9.8	46	-4.1
Turnkey	11	6	72.6	8	40.8
Orderbook ('mil)	**291**	**393**	**-26.0**	**289**	**0.7**
Renewal	224	351	-36.1	236	-4.8
Turnkey	67	42	58.4	53	25.1
Tenderbook ('mil)	972	860	13.0	872	11.5

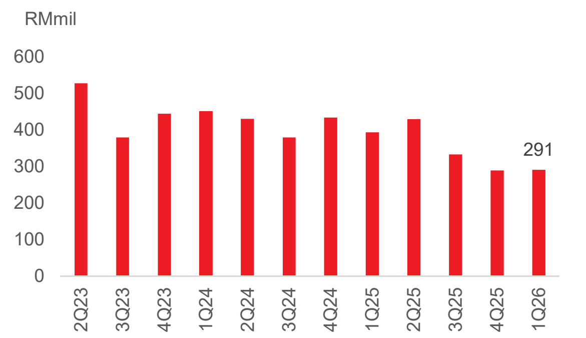
Source: Infomina, AmInvestment Bank

EXHIBIT 2: REVENUE BREAKDOWN BY CLIENTS



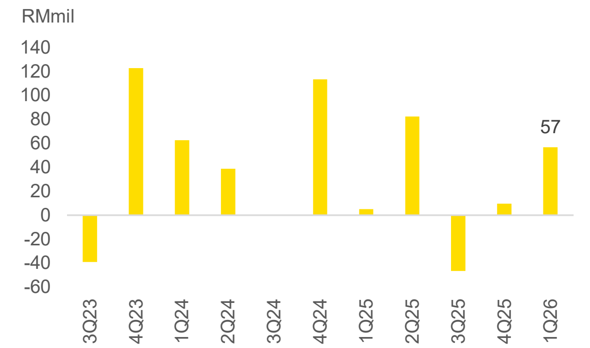
Source: Infomina, AmInvestment Bank

EXHIBIT 3: ORDER BOOK



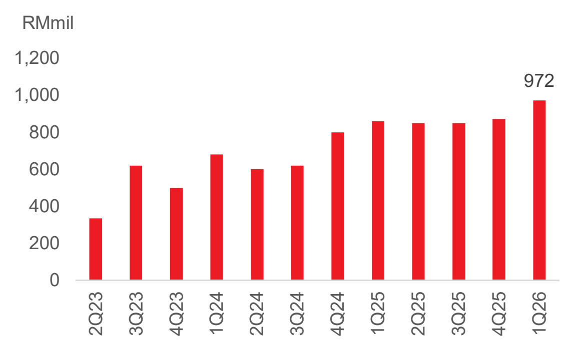
Source: Infomina, AmInvestment Bank

EXHIBIT 4: NEW ORDERS SECURED



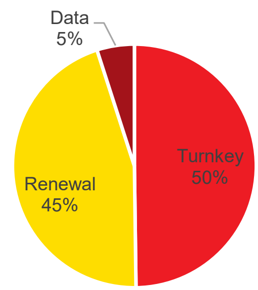
Source: Infomina, AmInvestment Bank

EXHIBIT 5: TENDERBOOK



Source: Infomina, AmInvestment Bank

EXHIBIT 6: TENDER BOOK BREAKDOWN



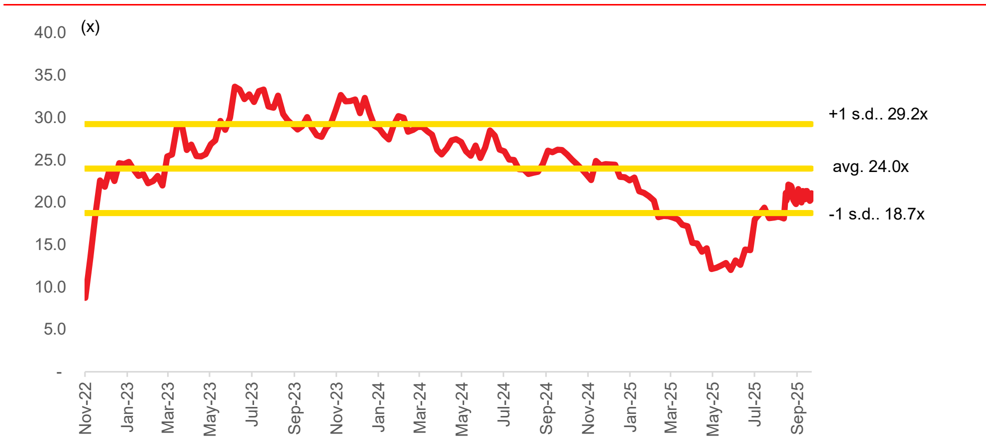
Source: Infomina, AmInvestment Bank

EXHIBIT 7: VALUATIONS

Target PE (x)	24.0x
FY27 EPS	7.1sen
ESG premium	-
12-month target price	RM1.70/share

Source: AmInvestment Bank

EXHIBIT 8: 5-YEAR FORWARD PE



Source: Infomina, AmInvestment Bank

Company profile

Infomina is a tech company that specialises in mainframe systems, which are powerful and reliable computers that handle huge volumes of transactions and data in real time. The group excels in the full lifecycle of mainframe solutions, from design and implementation (turnkey projects) to ongoing operations, maintenance, support and consulting services (renewal contracts). Its expertise span across multiple countries in Asia, which includes Malaysia, Thailand, HK, Philippines and Japan.

Investment thesis and catalysts

Sticky revenues. Renewal income has grown at a 36% YoY CAGR since FY20. Mainframes may sound dated but they power critical functions like payments and ID databases. Once embedded, they are expensive and risky to replace, ensuring long term contracts and steady renewals.

Breakout year in FY27. Earnings are forecast to surge 32% YoY to RM43mil, supported by two major contract renewals and strong traction in Japan. Already 10 clients have come onboard from a pool of 40+, and Japan could contribute 14% of FY27F revenues.

AI growth option. The group is extending into artificial intelligence and data analytics, targeting recurring income from credit risk, fraud and cybersecurity solutions. Its partnership with Geolytik adds geospatial capabilities, helping enterprises optimise site selection and customer targeting.

Valuation methodology

We value Infomina based on a target PE of 24.0x and FY27F EPS, to capture a 12 month view. Our target PE is in line with the group's 5-year average. Although PE has derated in recent times, we believe expectations of record FY27F earnings and upside optionalities from its new AI venture, will help rerate valuations back to its mean.

EXHIBIT 9: FINANCIAL DATA

Income Statement (RMmil, YE 31 May)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	225.2	196.7	208.7	265.8	292.9
EBITDA	43.5	41.0	41.4	54.6	60.5
Depreciation/Amortisation	(1.9)	(2.1)	(1.7)	(1.9)	(2.2)
Operating income (EBIT)	41.6	38.9	39.8	52.7	58.3
Other income & associates	-	-	-	-	-
Net interest	0.4	0.3	0.9	1.0	1.0
Exceptional items	-	(11.7)	-	-	-
Pretax profit	**42.0**	**27.4**	**40.7**	**53.7**	**59.3**
Taxation	(8.9)	(6.3)	(8.1)	(10.7)	(11.9)
Minorities/pref dividends	-	-	-	-	-
Net profit	**33.1**	**21.1**	**32.5**	**42.9**	**47.4**
Core net profit	33.1	32.8	32.5	42.9	47.4

Balance Sheet (RMmil, YE 31 May)	FY24	FY25	FY26F	FY27F	FY28F
Fixed assets	5.9	4.0	4.4	5.2	5.9
Intangible assets	1.4	1.3	1.3	1.3	1.3
Other long-term assets	5.0	5.8	5.8	5.8	5.8
Total non-current assets	**12.2**	**11.0**	**11.5**	**12.2**	**13.0**
Cash & equivalent	70.0	94.7	110.7	103.8	120.3
Stock	-	-	-	-	-
Trade debtors	172.0	171.0	181.4	231.0	254.6
Other current assets	8.4	4.4	4.4	4.4	4.4
Total current assets	**250.4**	**270.1**	**296.6**	**339.3**	**379.4**
Trade creditors	38.5	37.3	40.0	50.5	55.6
Short-term borrowings	3.3	1.0	0.8	0.6	0.5
Other current liabilities	70.8	85.5	85.5	85.5	85.5
Total current liabilities	**112.7**	**123.7**	**126.3**	**136.6**	**141.5**
Long-term borrowings	2.8	2.1	1.6	1.2	0.9
Other long-term liabilities	4.2	3.9	3.9	3.9	3.9
Total long-term liabilities	**7.0**	**6.0**	**5.5**	**5.2**	**4.9**
Shareholders' funds	**142.9**	**151.5**	**176.3**	**209.8**	**246.0**
Minority interests	-	-	-	-	-
BV/share (RM)	0.24	0.25	0.29	0.35	0.41

Cash Flow (RMmil, YE 31 May)	FY24	FY25	FY26F	FY27F	FY28F
Pretax profit	42.0	27.4	40.7	53.7	59.3
Depreciation/Amortisation	1.9	2.1	1.7	1.9	2.2
Net change in working capital	(43.7)	(1.1)	(7.7)	(39.1)	(18.5)
Others	(8.6)	8.0	(9.3)	(11.9)	(13.1)
Cash flow from operations	**(8.5)**	**36.4**	**25.3**	**4.6**	**29.9**
Capital expenditure	(2.0)	-	(2.1)	(2.7)	(2.9)
Net investments & sale of fixed assets	0.1	-	-	-	-
Others	(2.1)	2.7	-	-	-
Cash flow from investing	**(4.0)**	**2.7**	**(2.1)**	**(2.7)**	**(2.9)**
Debt raised/(repaid)	(0.7)	(0.7)	(0.7)	(0.5)	(0.4)
Equity raised/(repaid)	-	-	-	-	-
Dividends paid	-	(7.2)	(7.7)	(9.4)	(11.3)
Others	3.2	(2.0)	1.2	1.2	1.2
Cash flow from financing	**2.5**	**(9.9)**	**(7.2)**	**(8.8)**	**(10.5)**
Net cash flow	**(9.9)**	**29.2**	**16.0**	**(6.9)**	**16.5**
Net cash/(debt) b/f	**73.4**	**63.0**	**90.5**	**106.5**	**99.6**
Net cash/(debt) c/f	**63.0**	**90.5**	**106.5**	**99.6**	**116.1**

Key Ratios (YE 31 May)	FY24	FY25	FY26F	FY27F	FY28F
Revenue growth (%)	(10.4)	(12.6)	6.1	27.3	10.2
EBITDA growth (%)	(13.7)	(5.8)	1.1	31.8	10.7
Pretax margin (%)	18.6	13.9	19.5	20.2	20.2
Net profit margin (%)	14.7	10.7	15.6	16.2	16.2
Interest cover (x)	nm	nm	nm	nm	nm
Effective tax rate (%)	21.3	23.1	20.0	20.0	20.0
Dividend payout (%)	-	-	-	-	-
Debtors turnover (days)	275	318	308	283	303
Stock turnover (days)	-	-	-	-	-
Creditors turnover (days)	95	70	68	62	66

Source: Company, AmInvestment Bank Bhd estimates

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