

Inta Bina Group Berhad

FY25 Outlook Remains Solid

TP: RM0.87 (+102.3%)

Last Traded: RM0.43

BUY (ESG: ★★★)

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Result Preview

INTA is slated to release its IQFY25 results by the end of May 2025. Based on our full-year earnings forecast, we anticipate quarterly net profit to range between RM9.1mn and RM11.5mn, representing approximately 20% to 25% of our FY25 projection. This also implies a healthy YoY growth of approximately 29% to 62%, supported by robust progress billings, largely driven by INTA's record-high new job wins of RM1.2bn in FY24 and an unbilled order book currently standing at around RM1.7bn.

Resilient Pipeline Supports Job Replenishment Targets

Looking ahead, we believe INTA is well on track to meet our new job replenishment assumption of RM1bn for the remainder of FY25. Our channel checks indicate that the group's tender book currently stands at approximately RM3bn. Assuming a success rate of c.25%, this could translate into contract wins of around RM750mn. Coupled with YTD secured jobs totalling RM181mn, this supports our full-year replenishment forecast. Concurrently, INTA is actively exploring strategic expansion into the southern region, with a particular focus on Johor Bahru. We view this as a well-timed and deliberate move to capitalise on the thriving Johor property market, fuelled by rising private investment flows and renewed investor interest following the establishment of the Johor-Singapore Special Economic Zone (JS-SEZ).

Focusing on Affordable Housing Solution

To recap, the group acquired a 2.7-acre parcel in Bukit Jelutong in Dec-24 and, more recently, entered into a Sale and Purchase Agreement with Zikay Properties Sdn Bhd to acquire 100% equity interest in Aliran Restu Sdn Bhd (ARSB) for RM5mn. These acquisitions are part of INTA's broader strategy to expand into property development. We understand that the management will focus on affordable housing offerings while leveraging internal construction capabilities to strengthen its profitability margins. Notably, the development plan for the Bukit Jelutong project has been submitted to the relevant authorities, with approvals expected by end-CY25. Meanwhile, the ARSB acquisition remains in progress, pending the finalisation of transaction details.

Attractive Dividend Yield

At the current share price, INTA offers a compelling dividend yield of 5.8%, based on our projected FY25 dividend payout of 2.5sen/share. While the group does not have a formal dividend policy, it has maintained a consistent payout track record, averaging 37% over the past three financial years. The anticipated 2.5sen/share payout represents just 31% of our FY25 EPS forecast of 7.9sen/share, suggesting headroom for sustainable distributions.

Forecast

We reiterate our earnings estimates for FY25-27F.

Share Information

Bloomberg Code	INTA MK
Bursa	INTA
Stock Code	0192
Listing	Main Market
Share Cap (mn)	553.3
Market Cap (RMmn)	237.9
52-wk Hi/Lo (RM)	0.545/0.345
12-mth Avg Daily Vol ('000 shrs)	2937.8
Estimated Free Float (%)	28.0
Beta	1.5

Major Shareholders (%)

Apexjaya Industries Sdn Bhd	- 30.8
Ahmad bin Awi	- 9.7
Lim Ooi Joo	- 8.9
Teo Hock Choon	- 8.6

Forecast Revision

	FY25	FY26
Forecast Revision (%)	0.0	0.0
Net profit (RMmn)	45.6	55.4
Consensus	-	-
TA's / Consensus (%)	-	-
Previous Rating	Buy (Maintained)	
Consensus Target Price	-	

Financial Indicators

	FY25	FY26
Net Debt / Equity (%)	Net Cash	Net Cash
CFPS (sen)	1.6	8.0
Price / CFPS (x)	26.9	5.4
ROA (%)	6.6	6.8
NTA/Share (sen)	38.9	45.5
Price/NTA (x)	1.1	0.9

Share Performance (%)

Price Change	INTA	FBM KLCI
1 mth	1.2	(1.3)
3 mth	(17.3)	(6.4)
6 mth	(3.4)	(9.5)
12 mth	14.7	(4.7)

(12-Mth) Share Price relative to the FBMKLCI



Source: Bloomberg

Valuation

We maintain our target price at **RM0.87**, premised on unchanged 11x CY25 earnings. We continue to like INTA for the following reasons: (i) it is a direct beneficiary of the resilient domestic property market, (ii) strong earnings visibility supported by a solid orderbook, and (iii) improving profitability trajectory. Maintain Buy.

Table 1: YTD FY25 New Job Wins

Project Name	Clients	Job Award Date	Start Date	Expected End Date	Contract Value (RM mn)
Seruma Integrated Development - Design and build	Eco World Development Group Bhd	Feb-25	Mar-25	Dec-27	181.0
Total					181.0

Table 2: Earnings Summary

Profit & Loss (RMmn)

YE Dec 31	2023	2024	2025F	2026F	2027F
Revenue	650.1	690.8	940.5	1,073.2	1,144.2
EBITDA	47.0	61.7	83.4	99.4	106.0
Dep. & amortisation	(10.9)	(13.2)	(15.8)	(18.9)	(21.9)
Net finance cost	(5.6)	(6.0)	(7.6)	(7.6)	(7.6)
PBT	31.8	43.4	60.0	72.9	76.5
Taxation	(8.9)	(10.4)	(14.3)	(17.4)	(18.3)
MI	(0.0)	0.1	(0.0)	(0.1)	(0.1)
Net profit	22.9	33.2	45.6	55.4	58.1
Core net profit	23.3	32.4	45.6	55.4	58.1
GDPS (sen)	1.5	2.0	2.5	3.0	3.5
Div Yield (%)	3.5	4.7	5.8	7.0	8.1

Cash Flow (RMmn)

YE Dec 31	2023	2024	2025F	2026F	2027F
PBT	31.8	43.4	60.0	72.9	76.5
Changes in WVC	32.9	(46.6)	(7.8)	19.1	7.9
Others	(6.7)	(4.7)	(0.0)	(0.1)	(0.1)
Operational cash flow	65.6	1.0	61.2	101.0	95.5
Capex	(9.9)	(23.6)	(30.0)	(30.0)	(30.0)
Others	(4.2)	9.9	(2.2)	0.0	0.0
Investment cash flow	(14.0)	(13.7)	(32.2)	(30.0)	(30.0)
Debt raised/(repaid)	(22.5)	46.9	0.0	0.0	0.0
Dividend	(6.7)	(13.7)	(14.4)	(17.3)	(20.2)
Others	0.5	(1.8)	(7.6)	(7.6)	(7.6)
Financial cash flow	(28.7)	31.3	(22.0)	(24.9)	(27.8)
Forex effect	0.0	0.0	0.0	0.0	0.0
Deposit	(47.6)	(61.1)	(61.1)	(61.1)	(61.1)
Net cash flow	23.1	0.1	9.2	46.1	37.8
Beginning cash	30.7	53.9	53.9	63.2	109.3
Ending cash	53.9	53.9	63.2	109.3	147.0
Deposit pledged	47.6	61.1	61.1	61.1	61.1
Cash	101.5	115.0	124.2	170.3	208.1

Assumptions (RMmn)

YE Dec 31	2023	2024	2025F	2026F	2027F
New job wins	453	1,158.6	1,000.0	1,000.0	1,000.0

Balance Sheet (RMmn)

YE Dec 31	2023	2024	2025F	2026F	2027F
Fixed assets	32.9	41.5	55.6	66.8	74.8
Others	32.0	32.1	32.1	32.1	32.1
NCA	64.8	73.6	87.8	98.9	107.0
Cash and cash equivalent	101.5	115.0	124.2	170.3	208.1
Others	342.9	434.6	547.4	596.0	634.5
CA	444.4	549.6	671.7	766.3	842.6
Total assets	509.3	623.2	759.4	865.2	949.5
ST borrowings	51.9	92.3	92.3	92.3	92.3
Other liabilities	272.8	316.8	421.8	489.5	535.9
CL	324.7	409.1	514.2	581.8	628.2
Shareholders' funds	169.2	193.2	224.4	262.5	300.4
MI	0.4	0.3	0.3	0.3	0.3
LT borrowings	14.6	20.3	20.3	20.3	20.3
Other LT liabilities	0.4	0.3	0.3	0.3	0.3
Total capital	509.3	623.2	759.4	865.2	949.5

Ratio

YE Dec 31	2023	2024	2025F	2026F	2027F
EBITDA Margins (%)	7.2	8.9	8.9	9.3	9.3
Core EPS (sen)	4.0	5.6	7.9	9.6	10.1
EPS Growth (%)	108.5	38.9	40.7	21.6	4.9
PER (x)	10.6	7.7	5.4	4.5	4.3
GDPS (sen)	1.5	2.0	2.5	3.0	3.5
Div Yield (%)	3.5	4.7	5.8	7.0	8.1
Net cash (RMmn)	35.0	2.3	11.6	57.7	95.4
Net gearing (%)	(20.7)	(1.2)	(5.2)	(22.0)	(31.8)
ROE (%)	14.2	18.3	21.8	22.8	20.7
ROA (%)	4.9	5.9	6.6	6.8	6.4
NTA/share (sen)	29.3	33.5	38.9	45.5	52.1
P/INTA(x)	1.5	1.3	1.1	0.9	0.8

Sector Recommendation Guideline

OVERWEIGHT: The total return of the sector, as per our coverage universe, exceeds 12%.

NEUTRAL: The total return of the sector, as per our coverage universe, is within the range of 7% to 12%.

UNDERWEIGHT: The total return of the sector, as per our coverage universe, is lower than 7%.

Stock Recommendation Guideline

BUY : Total return of the stock exceeds 12%.

HOLD : Total return of the stock is within the range of 7% to 12%.

SELL : Total return of the stock is lower than 7%.

Not Rated: The company is not under coverage. The report is for information only.

Total Return of the stock includes expected share price appreciation, adjustment for ESG rating and gross dividend. Gross dividend is excluded from total return if dividend discount model valuation is used to avoid double counting.

Total Return of the sector is market capitalisation weighted average of total return of the stocks in the sector.

ESG Scoring & Guideline

	Environmental	Social	Governance	Average
Scoring	★★★	★★★	★★★	★★★
Remark	Have yet to set up comprehensive environmental policy but generally in compliance with project environmental requirements.	Gave back to society through scholarship, donation and biweekly gotong-royong campaign.	The board is presented by 55.6% independent directors with 22.0% women directors.	

- ★★★★★ (≥80%) : Displayed market leading capabilities in integrating ESG factors in all aspects of operations, management and future directions. +5% premium to target price
- ★★★★ (60-79%) : Above adequate integration of ESG factors into most aspects of operations, management and future directions. +3% premium to target price
- ★★★ (40-59%) : Adequate integration of ESG factors into operations, management and future directions. No changes to target price
- ★★ (20-39%) : Have some integration of ESG factors in operations and management but are insufficient. -3% discount to target price
- ★ (<20%) : Minimal or no integration of ESG factors in operations and management. -5% discount to target price

Disclaimer

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As of Wednesday, April 23, 2025, the analyst, Raymond Ng Ing Yeow, who prepared this report, has interest in the following securities covered in this report:
(a) nil

Kaladher Govindan – Head of Research

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