

# Inta Bina Group Berhad

*Strong Fundamentals, Underappreciated Valuation*

**TP: RM1.06** (+111.4%)

Last Traded: RM0.50

**BUY (ESG: ★★★)**

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## Results Review

- After stripping out a one-off disposal gain of RM0.3mn, INTA's 1QFY25 core net profit of RM9.7mn was in line with our expectations, accounting for 21.4% of our full-year projection.
- YoY, 1QFY25 revenue jumped 22.4%, driven by material improvements across both key segments: (i) Construction (+11.6%), and (ii) Property (+318%). The stellar top-line performance was primarily supported by accelerated revenue recognition, attributable to the record high new construction job wins of RM1.2bn in FY24. In tandem with revenue growth, core earnings surged 38.0%, driven by margin improvement on the back of easing input cost pressures.
- QoQ, revenue dipped slightly by 1.0%, primarily due to slower construction progress affected by the Chinese New Year holidays and Ramadan. Despite the minor revenue pullback, core earnings jumped 17.8%, buoyed by stronger contribution from the property segment. The growth in the property segment was largely supported by stronger unit sales and timely construction progress stemming from internalising resources to offset the festivities' impact.
- No dividend was declared in the quarter under review.

## Impact

- No change to our earnings forecasts.

## Outlook

- As at end-Mar 2025, INTA's outstanding construction order book stood at RM1.5bn, translating to 2.3x of FY24 construction revenue—providing strong earnings visibility. Meanwhile, its unbilled property sales amounted to RM90mn, extending revenue certainty over the next two years.
- We remain positive on the group's job replenishment prospects and maintain our full-year assumption of RM1bn in new wins. As of YTD, the group has secured RM181mn worth of new jobs, accounting for 18.1% of our target. That said, we anticipate a pick-up in replenishment momentum from 3QCY25 onwards, in line with the seasonal trend of residential project launches typically skewed towards the second half of the year.
- Regarding the group's recent land acquisition in Bukit Jelutong, INTA has submitted its mixed-use development masterplan—with an estimated GDV of RM220mn—for regulatory approval. The proposed development comprises commercial shop lots and serviced residences, marking its second foray into property development following the successful launch of "Senuri Residences" in 2023. Approval is expected to be obtained

## Share Information

Bloomberg Code	INTA MK
Bursa	INTA
Stock Code	0192
Listing	Main Market
Share Cap (mn)	553.2
Market Cap (RMmn)	276.7
52-wk Hi/Lo (RM)	0.545/0.345
12-mth Avg Daily Vol ('000 shrs)	2623.8
Estimated Free Float (%)	27.9
Beta	1.3

## Major Shareholders (%)

Apexjaya Industries Sdn Bhd	- 30.9
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)	31.2	6.3
ROA (%)	6.6	6.8
NTA/Share (Sen)	38.9	45.5
Price/NTA (x)	1.3	1.1

## Scorecard

	% of FY	
vs. TA	21.4	Within
vs. Consensus	-	-

## Share Performance (%)

Price Change	INTA	FBM KLCI
1 mth	8.7	2.3
3 mth	4.2	(3.5)
6 mth	7.5	(3.4)
12 mth	17.6	(5.8)

(12-Mth) Share Price relative to the FBMKLCI



Source: Bloomberg

latest by IQCY26.

### Valuation

- At its last closing price of RM0.50, INTA is trading at PER 8.9x FY24 EPS — marginally above its 5-year historical mean of 8.8x. That said, we believe the current valuation does not fully reflect its robust YoY earnings growth trajectory of 40.7%/21.6% for FY25F/FY26F, nor its attractive prospective dividend yield of 5.0% based on our forecasted FY25 dividend payout of 2.5sen/share.
- By taking this opportunity to roll forward our valuation base year to CY26, we ascribe a target PER of 11x — 10% lower than +1SD of its 5-year mean PER of 12.2x — arriving at a higher TP of **RM1.06**, implying a potential upside of 111.4%. We deem this valuation fair, supported by a commendable 2-year forward core earnings CAGR of 30.8% and a solid ROE of 18.3% in FY24.
- We continue to like INTA for the following factors: (i) a direct beneficiary of the robust domestic property sector, (ii) strong earnings visibility backed by a resilient orderbook, and (iii) improving profitability. Maintain **Buy** call on the stock.

**Table 1: Earnings Summary (RMmn)**

FYE Dec (RMmn)	2023	2024	2025F	2026F	2027F
Revenue	650.1	690.8	940.5	1,073.2	1,144.2
Gross profit	52.7	68.6	93.5	106.6	113.7
EBITDA	47.0	61.7	83.4	99.4	106.0
EBITDA margin (%)	7.2	8.9	8.9	9.3	9.3
EBIT	36.1	48.5	67.6	80.5	84.1
PBT	31.8	43.4	60.0	72.9	76.5
PAT	22.9	33.2	45.6	55.4	58.1
Core net profit	23.3	32.4	45.6	55.4	58.1
Core EPS (sen)	4.0	5.6	7.9	9.6	10.1
PER (x)	12.4	8.9	6.3	5.2	5.0
Gross dividend (sen)	1.5	2.0	2.5	3.0	3.5
Dividend yield (%)	3.0	4.0	5.0	6.0	7.0
ROE (%)	14.2	18.3	21.8	22.8	20.7

Source: TA Research

## Appendix I: INTA's 5-Year PER Band



Source: Bloomberg

### Table 2: IQFY25 Results Analysis (RM mn)

FYE Dec	1Q24	4Q24	1Q25	QoQ (%)	YoY (%)
Revenue	159.0	196.6	194.6	(1.0)	22.4
- Construction	153.0	178.6	170.7	(4.4)	11.6
- Property	5.6	14.8	23.3	57.7	318.0
Operating profit	9.9	13.7	15.3	11.1	54.9
Finance cost	(1.1)	(2.7)	(1.7)	35.4	(61.9)
Profit before taxation	9.3	11.2	13.5	20.5	44.4
Core PBT	9.3	10.4	13.2	26.5	41.4
Income tax expense	(2.4)	(2.3)	(3.4)	(46.3)	(41.1)
MI	(0.2)	(0.2)	0.0	121.8	124.5
Net profit	7.1	9.0	10.0	11.1	41.9
- Construction	6.7	8.9	7.6	(14.6)	13.5
- Property	0.5	0.7	3.1	350.6	559.1
<b>Core net profit</b>	<b>7.1</b>	<b>8.3</b>	<b>9.7</b>	<b>17.8</b>	<b>38.0</b>
Reported EPS (sen)*	1.3	1.6	1.8	11.0	38.2
Core EPS (sen)*	1.3	1.5	1.8	17.7	34.4
Dividend (sen)	0.0	0.0	0.0	N.M.	N.M.
Margin (%):					
- Operating	6.2	7.0	7.8	0.9	1.6
- Core PBT	5.9	5.3	6.8	1.5	0.9
- Core PAT	4.4	4.2	5.0	0.8	0.6
- Effective tax rate	26.0	20.9	25.4	4.5	(0.6)

### 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
<b>Scoring</b>	★★★	★★★	★★★	★★★
<b>Remark</b>	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

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As of Monday, May 26, 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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