

Inta Bina Group Berhad

Earnings Within Expectations

Summary

- Earnings were in line with our expectations.** INTA registered a 2Q25 core PAT of RM9.7m (-3.6% QoQ, +15.4% YoY), bringing its 1H25 core PAT to RM19.7m (+29.0% YoY). The results were within expectations, accounting for 49.4% and 47.6% of our and consensus full-year estimates, respectively. We believe the key driver of growth in the first half of 2025 was steady revenue recognition from its ongoing orderbook, which stood at RM1.7bn, providing strong earnings visibility with a 2-3x cover ratio over FY24's revenue.
- YoY.** On a YoY basis, INTA's revenue increased by 15.4%, supported by higher revenue recognition from the construction segment (+19.2%) and the property development segment, which reported quarterly revenue of RM25.7m with commendable margins of ~14%, notably higher than the RM11.0m revenue and 11% net margins achieved in the corresponding period.
- QoQ.** While INTA registered double-digit YoY revenue growth, on a QoQ basis its revenue, EBIT, and PAT declined by -4.4%, 9.4%, and -3.6%, respectively. We believe this was driven by slower revenue contributions from its construction segment. However, based on our assumptions, we expect revenue recognition in the upcoming two quarters to be approximately RM350.7m.
- YTD.** For 1HFY25, INTA recorded revenue of RM380.7m, an increase of 21.6% YoY against RM313.5m in 1HFY24. We believe the key drivers were INTA's ability to replenish its orderbook to RM1.5bn in FY24, representing a 50% increase from the replenishment rate in FY23, as well as the robust performance of its property development segment.
- Outlook.** We believe the overall outlook is positive for INTA after it secured a RM264.5m contract from 368 Segambut Sdn Bhd (IJM Land-FCW JV) for main building works in Segambut, Kuala Lumpur. The project covers a multi-level car park podium and a hawker centre, commencing August 18, 2025, and targeted for completion by October 17, 2028. Assuming a 4% net margin, earnings contribution is estimated at ~RM18.7m over the period. Meanwhile, the affordable housing segment remains a key policy focus, with the government targeting 500,000 units by 2025, supported by financing schemes, stamp duty waivers, and housing tax relief.

Quarterly performance 2Q25

Quarterly performance								
FYE Dec (RM m)	2QFY24	1QFY25	2QFY25	QoQ (%)	YoY (%)	1HFY24	1HFY25	YoY (%)
Revenue	154.1	194.6	186.1	(4.4)	20.8	313.1	380.7	21.6
EBIT	11.7	15.3	13.8	(9.4)	18.6	21.5	29.1	35.2
PBT	10.9	13.5	12.6	(6.3)	15.4	20.3	26.1	28.7
Core PAT	8.4	10.0	9.7	(3.6)	15.4	15.3	19.7	29.0
Reported PAT	8.4	10.0	9.7	(3.6)	15.4	15.3	19.7	29.0
Core EPS (sen)	1.4	1.6	1.6	(3.6)	15.4	2.5	3.2	29.0
EBIT margin (%)	7.6	7.8	7.4			6.9	7.6	
PBT margin (%)	7.1	6.9	6.8			6.5	6.8	
Core PATMI margin (%)	5.4	5.2	5.2			4.9	5.2	

Source: Inta Bina Group Berhad, M+ Research

Results Note – 2QFY25

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BUY

Share price	RM0.45
Target price	RM0.76
Previous TP	RM0.76
Capital upside	69.0%
Dividend return	3.9%
Total return	72.9%

Company profile

A mid-sized CIDB Grade 7-certified building contractor that specializes in high-rise residential, commercial, and institutional construction projects.

Stock information

Bursa Code	0192
Bloomberg ticker	INTA MK
Listing market	MAIN
Share issued (m)	610.1
Market Cap (m)	274.6
52W High/Low	0.545 / 0.345
Est. Free float (%)	37.4
Beta (x)	1.3
3-mth avg vol ('000)	1255.1
Shariah compliant	Yes

Major shareholders

	%
Wong Kim Fatt & Loo Sok	37.7
Ching	
Wencor (M) Sdn Bhd	16.6

Share price vs. KLCI (%)

	1M	3M	12M
Hist. return	2.3	-10.0	2.3
Absolute	-2.2	-13.8	4.3
Relative			

Earnings snapshot

FYE (Dec)	FY24	FY25f	FY26f
PAT (m)	33.3	39.9	41.9
EPS (sen)	5.30	6.56	6.89
P/E (x)	9.4	7.6	7.3

Relative performance chart



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Valuation & Recommendation

- **Forecast. Maintained.**
- **Maintained BUY recommendation with an unchanged target price of RM0.76.** We maintain BUY recommendation on INTA with an unchanged target price of RM0.76, derived on P/E multiples of 11x to FY26f eps of 6.89 sen.
- **Downside risks.** Risks to our recommendation include: (i) fluctuations in raw material prices; (ii) INTA's ability to continually replenish its orderbook; and (iii) regulatory compliance risk.

Financial Highlights

Financial Forecast

All items in (RM m) unless otherwise stated

Balance Sheet

FYE Dec (RM m)	FY23	FY24	FY25f	FY26f	FY27f
Cash	102	115	138	180	228
Receivables	232	261	276	290	308
Inventories	17	16	20	21	22
PPE	33	41	65	58	50
Others	126	189	189	189	189
Assets	509	622	687	738	797
Debts	66	113	109	114	121
Payables	244	304	318	334	355
Others	30	11	11	11	11
Liabilities	340	428	438	459	487
Shareholder's equity	169	193	249	278	309
Minority interest	0	0	-	-	-
Equity	170	194	249	278	309

Cash Flow Statement

FYE Dec (RM m)	FY23	FY24	FY25f	FY26f	FY27f
Profit before taxation	32	43	53	55	59
Depreciation & amort	11	14	16	17	18
Changes in working cap	8	32	(5)	1	1
Share of JV profits	-	-	-	-	-
Taxation	(9)	(10)	(13)	(13)	(14)
Others	25	(81)	(15)	-	-
Operating cash flow	67	(2)	35	60	64
Net capex	(11)	(21)	(10)	(10)	(10)
Others	(4)	(6)	-	-	-
Investing cash flow	(15)	(26)	(10)	(10)	(10)
Changes in borrowings	(20)	46	(4)	5	7
Issuance of shares	0	-	-	-	-
Dividends paid	(3)	-	(12)	(13)	(13)
Others	(6)	(20)	-	-	-
Financing cash flow	(29)	27	(2)	(7)	(6)
Net cash flow	23	(2)	23	43	48
Forex	(0)	0	-	-	-
Others	-	-	-	-	-
Beginning cash	74	102	115	138	180
Ending cash	102	115	138	180	228

Income Statement

FYE Dec (RM m)	FY23	FY24	FY25f	FY26f	FY27f
Revenue	650	691	805	846	899
EBITDA	46	61	72	76	81
EBIT	34	47	57	59	63
Net finance income/ (co)	(4)	(3)	(4)	(4)	(4)
Associates & JV	-	-	-	-	-
Profit before tax	32	43	53	55	59
Tax	(9)	(10)	(13)	(13)	(14)
Net profit	23	33	40	42	45
Minority interest	(0)	0	-	-	-
Core earnings	23	33	40	42	45
Exceptional items	-	-	-	-	-
Reported earnings	23	33	40	42	45

Valuation & Ratios

FYE Dec (RM m)	FY23	FY24	FY25f	FY26f	FY27f
Core EPS (sen)	3.8	5.5	6.6	6.9	7.3
FD Core EPS (sen)	3.8	5.5	6.6	6.9	7.3
P/E (x)	13.3	9.2	7.6	7.3	6.8
EV/EBITDA (x)	0.9	0.7	0.6	0.5	0.5
DPS (sen)	1.1	2.3	2.0	2.1	2.2
Dividend yield	2.2%	4.5%	3.9%	4.1%	4.4%
BVPS (RM)	0.28	0.32	0.41	0.46	0.51
P/B (x)	1.6	1.4	1.1	1.0	0.9
EBITDA margin	7.0%	8.8%	9.0%	9.0%	9.0%
EBIT margin	5.3%	6.8%	7.0%	7.0%	7.0%
PBT margin	4.9%	6.3%	6.5%	6.5%	6.5%
Net margin	3.5%	4.8%	5.0%	5.0%	5.0%
ROE	14.2%	18.4%	18.1%	15.9%	15.2%
ROA	4.9%	5.9%	6.1%	5.9%	5.8%
Net gearing	CASH	CASH	CASH	CASH	CASH

M+ Research

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Stock recommendation guide

BUY	The share price is expected to appreciate more than 10% over the next 12 months
HOLD	The stock price is expected to range between -10% and +10% over the next 12 months
SELL	The share price is expected to fall more than 10% over the next 12 months
TRADING BUY	The share price is projected to rise more than 10% over the next three (3) months due to an ongoing or impending corporate development. The stock price is also expected to be volatile over the next three months
TRADING SELL	The stock price is expected to fall more than 10% over the next three months due to an ongoing or impending corporate developments. The stock price is also expected to be volatile over the next three months
NOT RATED	No recommendation is assigned

