Investment Idea

Inta Bina Group Bhd

Strong Growth Visibility

By Thong Pak Leng, Vice President of Research

BUY

Price: RM0.40

Target price: RM0.99

Inta Bina Group Berhad (INTA: 0192), a major player in construction works, primarily on high-rise and landed residential projects. To maintain growth, the company is expanding into upstream property development and downstream specialist services. We expect INTA to register earnings of RM41.1m and RM46.4m for FY25 and FY26. BUY with target price of RM0.99 based on 13x PER (sector average with similar scale) over FY26 EPS. Our BUY recommendation is premised on the company's ability to secure new jobs, attractive dividend yield and strong outstanding orderbook providing good earnings visibility going forward.

2025 has been a remarkable year for INTA as it secured RM866m in job wins and has an unbilled construction order book of RM1.5bn as at 9MFY25, providing clear earnings visibility for the next 2-3 years. For 2026, the company is targeting approximately RM860m in new construction job wins.

Beyond construction, INTA has expanded into upstream property development to enhance margin resilience and earnings diversification. The company has a visible development pipeline, comprising of Seiring Setia, a serviced apartment project with an estimated GDV of more than RM200m targeted to launch in 1Q2026, and Aliran Restu, an apartment development with an estimated GDV exceeding RM300m targeted for launching in 1Q2027. Both projects are expected to contribute progressively to revenue and earnings going forward.

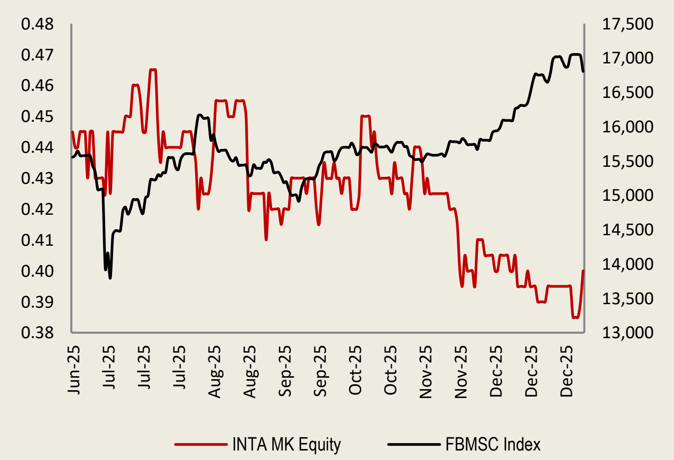
In addition to its upstream initiatives, INTA has ventured downstream through IBEE SB, a 55%-owned subsidiary providing lift and escalator solutions under the internationally recognised Canny Lift brand. This integration enhances project coordination and quality control while creating recurring post-completion maintenance income, with IBEE recording an unbilled orderbook of RM23m as at 3Q2025.

The company has a strong balance sheet with net gearing of 0.06x as of 9MFY25. With the stronger earnings expected going ahead, we expect INTA will return to net cash position by FY25.

INTA does not have a formal dividend policy; however, it has been paying between 33% and 56% from its net profit over the past 5 years. As such, we are projecting INTA to pay dividend of 2.4sen and 2.7sen for FY25 and FY26 based on a payout ratio of 35%, translating into yield of 5.9% and 6.7% respectively.

Technically Speaking

Resistance level	RM0.415
Support level	RM0.355



KLCI	1,676.83
YTD FBM KLCI change	-0.2%
YTD FBM SC Index change	1.7%
YTD stock price change	1.3%

Stock Information

Market Cap (RM'm)	245.9
Issued Shares (m)	614.6
52-week range (H)	0.55
52-week range (L)	0.35
Shariah Compiant	Yes

Major Shareholders

Apexjaya Industries	27.8%
Lim Ooi Joo	8.3%
Teo Hock Choon	8.2%

Summary Earnings Table

FY Dec (RM'm)	2023	2024	2025E	2026F
Revenue	650.1	690.8	801.3	929.5
EBITDA	46.3	59.7	76.4	87.7
Pretax profit	31.8	43.5	54.7	62.3
PATMI	22.9	33.3	41.1	46.4
Core PATMI	**22.9**	**33.3**	**41.1**	**46.4**
Consensus	-	-	41.4	47.9
Core EPS (sen)	3.8	5.5	6.7	7.6
EPS growth (%)	139.5%	45.5%	23.4%	13.1%
DPS (sen)	1.3	1.8	2.4	2.7
PER (x)	10.7	7.3	5.9	5.2
BV/Share (RM)	0.28	0.32	0.36	0.41
ROE (%)	14.2%	18.4%	22.3%	19.6%
Div. Yield (%)	3.3%	4.5%	5.9%	6.7%

Sources: Company, Rakuten Trade Research

COMPANY	Definition
Buy	The stock return is expected to exceed the KLCI benchmark by more than 10% over the next 6-12 months.
Trading Buy	Short-term positive development on the stock that could lead to a re-rating in the share price and translate into an absolute return of 10% over the next 3-6 months. Trading Buy is generally for investors who are willing to take on higher risks.
Take profit	The stock return previously recommended has gained by >10%
Hold	The stock return is expected to be in line with the KLCI benchmark (+/- 5%) over the next 6-12 months.
Sell	The stock return is expected to underperform the KLCI benchmark by more than 10% over the next 6-12 months.
SECTOR	
Overweight	Industry expected to outperform the KLCI benchmark, weighted by market capitalization, over the next 6-12 months.
Neutral	Industry expected to perform in-line with the KLCI benchmark, weighted by market capitalization, over the next 6-12 months.
Underweight	Industry expected to underperform the KLCI benchmark, weighted by market capitalization, over the next 6-12 months.

Scoring model:

The in-house scoring model is derived from Rakuten Trade Research valuation matrix based on earnings growth, earnings visibility, business model, valuation, balance sheet, technical analysis, and shareholder value creation. Each parameter is given a specific weighting.

Published:

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