

# Inta Bina Group



## Building up momentum

We initiate coverage on Inta with a BUY call and TP of RM0.76, based on 10x FY27 EPS. We like Inta due to its strong earnings growth trajectory (i) backed by its RM1.6bn construction orderbook (2.5x FY25 construction revenue) entering the steeper phase of the S-curve recognition and (ii) growing contribution from its higher-margin property segment, which should diversify its earnings mix and drive margin expansion as new projects ramp up in FY27-28. Lastly, the stock trades at an undemanding valuation complemented by an attractive dividend yield of 6–8%.

**Profile.** Listed on the Main Market, Inta has amassed over three decades of experience as a contractor, focusing on residential and commercial buildings, factories and warehouses. The group has completed over 150 projects with a cumulative contract value of more than RM5bn. Inta ventured into property development in 2023 with its maiden project, Angkasa Senuri and subsequently, into the lift and escalator business via its 55%-owned subsidiary IBEE Sdn Bhd, which operates under the “Canny Lift” brand.

**Digestion of elevated orderbook to support earnings.** After securing RM424m worth of new contracts YTD, Inta’s construction orderbook has grown to RM1.6bn (2.5x cover on FY25 construction revenue), nearly tripling since FY19. The group also sits on a sizeable RM3.6bn tenderbook, which should fuel further wins with another c.RM400m expected over the remaining months to bring full-year wins to its RM800-900m target. Despite the strong orderbook build-up, construction revenue growth remained muted in FY24-FY25 as the bulk of newly secured jobs remained at the early stages of the construction. We expect billings to accelerate over FY27-FY28 as more projects progress along the S-curve, with majority of ongoing projects still at ≤50% completion.

**The property angle.** Following the success of its maiden project, Senuri Residence, the group is replenishing its development pipeline with the impending launch of two projects in 4Q26/1Q27, namely Seiring Setia (GDV: RM200m) and Aliran Restu (GDV: RM300m). The launches should lift property billings from 2H27 and scale up further in FY28 as both projects move up the S-curve. Property development is margin accretive to the group, generating double-digit net margins vs the mid-single-digit margins of its core construction business. Beyond landbanking, Inta is also exploring opportunities with major developers in the form of development rights and potential JV.

**Strong balance sheet and handsome divvy.** Inta commands a healthy balance sheet with net gearing of merely 0.09x and net debt of RM24m as at end-Jun 2026. Not only does it provide ample headroom to grow its property ventures, it also reinforces Inta’s ability to consistently dish out dividends, with the group paying out c.30–40% of net profit over the past few years. We forecast DPS of 2.5/3.0/3.5 sen for FY26/27/28, implying payout ratios of 40%/39%/36% and attractive dividend yields of 6.6%/8.0%/9.3%.

**Forecast.** We forecast FY26/27/28 earnings to grow by 4%/21%/29% (3-year CAGR of 17%), propelled by (i) stronger construction billings, with more projects advancing into the steeper phase of their S-curves and (ii) a step-up in property earnings following the launch of two new developments, namely Seiring Setia and Aliran Restu in 4Q26/1Q27.

**Initiate BUY with a TP of RM0.76.** We initiate coverage on Inta with a BUY rating and TP of RM0.76, based on 10x P/E on FY27 earnings. The ascribed P/E represents a discount to the KLCON index’s but broadly in line with the average of small-mid cap building contractors. We see room for rerating due to its steady earnings growth trajectory and growing contribution from higher-margin property segment. Upside risks: potential penetration into the data centre space and M&A activities. Downside risks: prolonged Middle East conflict and delays in planned property launches.

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**Initiating Coverage**

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**BUY** (Initiate)  
**Target price (TP):** RM0.76  
**Previous TP:** N.A.  
**Current price:** RM0.375

|                       |        |
|-----------------------|--------|
| Capital upside        | 102.7% |
| Dividend yield        | 6.7%   |
| Total expected return | 109.4% |

### Sector classification

Construction

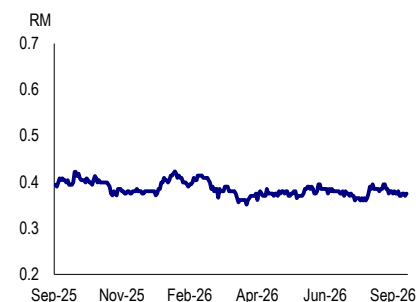
### Company description

Inta Bina Group (Inta) is an established Malaysia-based contractor specialising in building construction and high-rise residential developments.

### Major shareholders

|                     |       |
|---------------------|-------|
| Apexjaya Industries | 28.4% |
| Lim Ooi Joo         | 8.7%  |
| Teo Hock Choon      | 8.2%  |

### Share price chart



### Stock information

|                              |         |
|------------------------------|---------|
| Bloomberg ticker             | INTA MK |
| Bursa stock code             | 0192    |
| Issued shares (m)            | 642     |
| Market capitalisation (RM m) | 241     |
| 3M average volume ('000)     | 893     |
| Shariah compliant            | Yes     |
| FTSE Russell ESG rating      | ★★      |

### Core earnings summary

| FYE Dec      | FY25 | FY26f | FY27f |
|--------------|------|-------|-------|
| PATMI (RM m) | 38.6 | 40.0  | 48.6  |
| EPS (sen)    | 6.1  | 6.3   | 7.6   |
| P/E (x)      | 6.2  | 6.0   | 4.9   |

## Financial forecast table

| Balance Sheet          |               |               |               |               |               | Income Statement         |             |             |             |             |             |
|------------------------|---------------|---------------|---------------|---------------|---------------|--------------------------|-------------|-------------|-------------|-------------|-------------|
| FYE Dec                | FY24          | FY25          | FY26F         | FY27F         | FY28F         | FYE Dec                  | FY24        | FY25        | FY26F       | FY27F       | FY28F       |
| Cash                   | 115.0         | 108.8         | 124.6         | 111.3         | 124.6         | Revenue                  | 690.8       | 750.6       | 790.0       | 955.6       | 1,046.8     |
| Receivables            | 413.6         | 459.3         | 459.4         | 555.7         | 608.7         | EBITDA                   | 61.0        | 82.2        | 80.0        | 94.2        | 113.3       |
| Inventories            | 15.9          | 53.4          | 53.9          | 57.5          | 59.5          | EBIT                     | 47.2        | 62.4        | 61.2        | 73.5        | 91.3        |
| PPE                    | 41.5          | 62.8          | 69.0          | 73.3          | 71.3          | Finance cost             | (4.7)       | (7.7)       | (8.7)       | (8.4)       | (7.7)       |
| Others                 | 35.6          | 31.4          | 31.9          | 31.9          | 31.9          | Associates & JV          | 1.0         | 0.8         | 0.5         | -           | -           |
| <b>Assets</b>          | <b>621.6</b>  | <b>715.8</b>  | <b>738.8</b>  | <b>829.7</b>  | <b>896.0</b>  | <b>Profit before tax</b> | <b>43.5</b> | <b>55.6</b> | <b>53.0</b> | <b>65.1</b> | <b>83.6</b> |
| Payables               | 312.7         | 331.2         | 339.8         | 411.0         | 446.8         | Tax                      | (10.3)      | (15.1)      | (12.7)      | (16.3)      | (20.9)      |
| Debt                   | 112.6         | 129.9         | 119.9         | 109.9         | 99.9          | <b>Profit after tax</b>  | <b>33.1</b> | <b>40.5</b> | <b>40.3</b> | <b>48.8</b> | <b>62.7</b> |
| Others                 | 2.6           | 3.5           | 3.5           | 3.5           | 3.5           | Minority interest        | (0.1)       | 0.2         | 0.2         | 0.2         | 0.2         |
| <b>Liabilities</b>     | <b>428.0</b>  | <b>464.6</b>  | <b>463.2</b>  | <b>524.4</b>  | <b>550.3</b>  | <b>PATMI (reported)</b>  | <b>33.3</b> | <b>40.3</b> | <b>40.0</b> | <b>48.6</b> | <b>62.5</b> |
| Shareholder's equity   | 193.3         | 250.7         | 274.9         | 304.4         | 344.6         | Exceptionals             | (0.7)       | (1.7)       | -           | -           | -           |
| Minority interest      | 0.3           | 0.5           | 0.7           | 0.9           | 1.1           | <b>Core PATMI</b>        | <b>32.5</b> | <b>38.6</b> | <b>40.0</b> | <b>48.6</b> | <b>62.5</b> |
| <b>Equity</b>          | <b>193.6</b>  | <b>251.2</b>  | <b>275.6</b>  | <b>305.3</b>  | <b>345.8</b>  | Valuation & Ratios       |             |             |             |             |             |
| Cash Flow Statement    |               |               |               |               |               | FYE Dec                  | FY24        | FY25        | FY26F       | FY27F       | FY28F       |
| FYE Dec                | FY24          | FY25          | FY26F         | FY27F         | FY28F         | Core EPS (sen)           | 5.1         | 6.1         | 6.3         | 7.6         | 9.8         |
| Profit before taxation | 43.5          | 55.6          | 53.0          | 65.1          | 83.6          | P/E (x)                  | 7.3         | 6.2         | 6.0         | 4.9         | 3.8         |
| D&A                    | 13.8          | 19.7          | 18.9          | 20.7          | 22.0          | EV/EBITDA (x)            | 3.9         | 3.2         | 2.9         | 2.5         | 1.9         |
| Working capital        | (46.9)        | (34.4)        | 8.1           | (28.7)        | (19.1)        | DPS (sen)                | 2.0         | 2.5         | 2.5         | 3.0         | 3.5         |
| Taxation               | (15.7)        | (21.7)        | (12.7)        | (16.3)        | (20.9)        | Dividend yield (%)       | 5.3         | 6.7         | 6.7         | 8.0         | 9.3         |
| Others                 | 2.6           | 4.6           | (0.5)         | -             | -             | BVPS (RM)                | 0.30        | 0.40        | 0.43        | 0.48        | 0.54        |
| <b>CFO</b>             | <b>(2.8)</b>  | <b>23.9</b>   | <b>66.7</b>   | <b>40.8</b>   | <b>65.5</b>   | P/B (x)                  | 1.2         | 0.9         | 0.9         | 0.8         | 0.7         |
| Capex                  | (12.4)        | (30.9)        | (25.0)        | (25.0)        | (20.0)        | EBITDA margin (%)        | 8.8         | 10.9        | 10.1        | 9.9         | 10.8        |
| Others                 | (12.8)        | (16.9)        | -             | -             | -             | EBIT margin (%)          | 6.8         | 8.3         | 7.7         | 7.7         | 8.7         |
| <b>CFI</b>             | <b>(25.2)</b> | <b>(47.8)</b> | <b>(25.0)</b> | <b>(25.0)</b> | <b>(20.0)</b> | PBT margin (%)           | 6.3         | 7.4         | 6.7         | 6.8         | 8.0         |
| Changes in debt        | 42.9          | 13.7          | (10.0)        | (10.0)        | (10.0)        | Net margin (%)           | 4.7         | 5.1         | 5.1         | 5.1         | 6.0         |
| Shares issued          | -             | -             | -             | -             | -             | ROE (%)                  | 16.8        | 15.4        | 14.5        | 15.9        | 18.1        |
| Dividends              | (13.7)        | (12.3)        | (15.9)        | (19.1)        | (22.2)        | ROA (%)                  | 5.2         | 5.4         | 5.4         | 5.9         | 7.0         |
| Others                 | (2.6)         | 22.5          | -             | -             | -             | Net gearing (%)          | CASH        | 8.4         | CASH        | CASH        | CASH        |
| <b>CFF</b>             | <b>26.5</b>   | <b>23.9</b>   | <b>(25.9)</b> | <b>(29.1)</b> | <b>(32.2)</b> |                          |             |             |             |             |             |
| <b>Net cash flow</b>   | <b>(1.5)</b>  | <b>(0.1)</b>  | <b>15.8</b>   | <b>(13.3)</b> | <b>13.3</b>   |                          |             |             |             |             |             |
| Short term deposits    | 62.6          | 56.5          | 56.5          | 56.5          | 56.5          |                          |             |             |             |             |             |
| Beginning cash         | 53.9          | 52.4          | 52.3          | 68.0          | 54.8          |                          |             |             |             |             |             |
| <b>Ending cash</b>     | <b>115.0</b>  | <b>108.8</b>  | <b>124.6</b>  | <b>111.3</b>  | <b>124.6</b>  |                          |             |             |             |             |             |

## Company background

**Three decades and still building.** Listed on the ACE Market of Bursa Malaysia in 2017, and subsequently migrating to the Main Market in 2018, Inta Bina Group (Inta) has amassed over three decades of experience as a main contractor, focusing primarily on residential and commercial buildings. As a G7 contractor, the group has completed over 155 projects with a cumulative contract value of about RM5bn. In addition to construction business as its bread-and-butter, the group forayed into property development in 2023 via the launch of its maiden project, Angkasa Senuri (fully sold and slated for handover in 2026). Lastly, the group has also ventured into the lift and escalator business through its 55%-owned subsidiary, IBEE Sdn Bhd (IBEE), which operates under the “Canny Lift” brand.

**Construction (86% of FY25 revenue).** The group’s construction business is helmed under its wholly-owned subsidiary Inta Bina Sdn Bhd (IBSB), which typically acts as the main contractor for various types of buildings including high-rise residential and commercial properties (mixed developments, factories, hotels, etc.). Residential and commercial building projects contributed 49% and 37%, respectively, to the group's FY25 revenue, with the majority of its projects concentrated in the Klang Valley.

**Property development (12% of FY25 revenue).** As mentioned above, Inta ventured into property development with its first project, Angkasa Senuri in Shah Alam, which is slated for handover in 2H26. Upcoming launches such as Seiring Setia and Aliran Restu, which are targeted for 4Q26 will be the main revenue driver of the division from FY27 onwards.

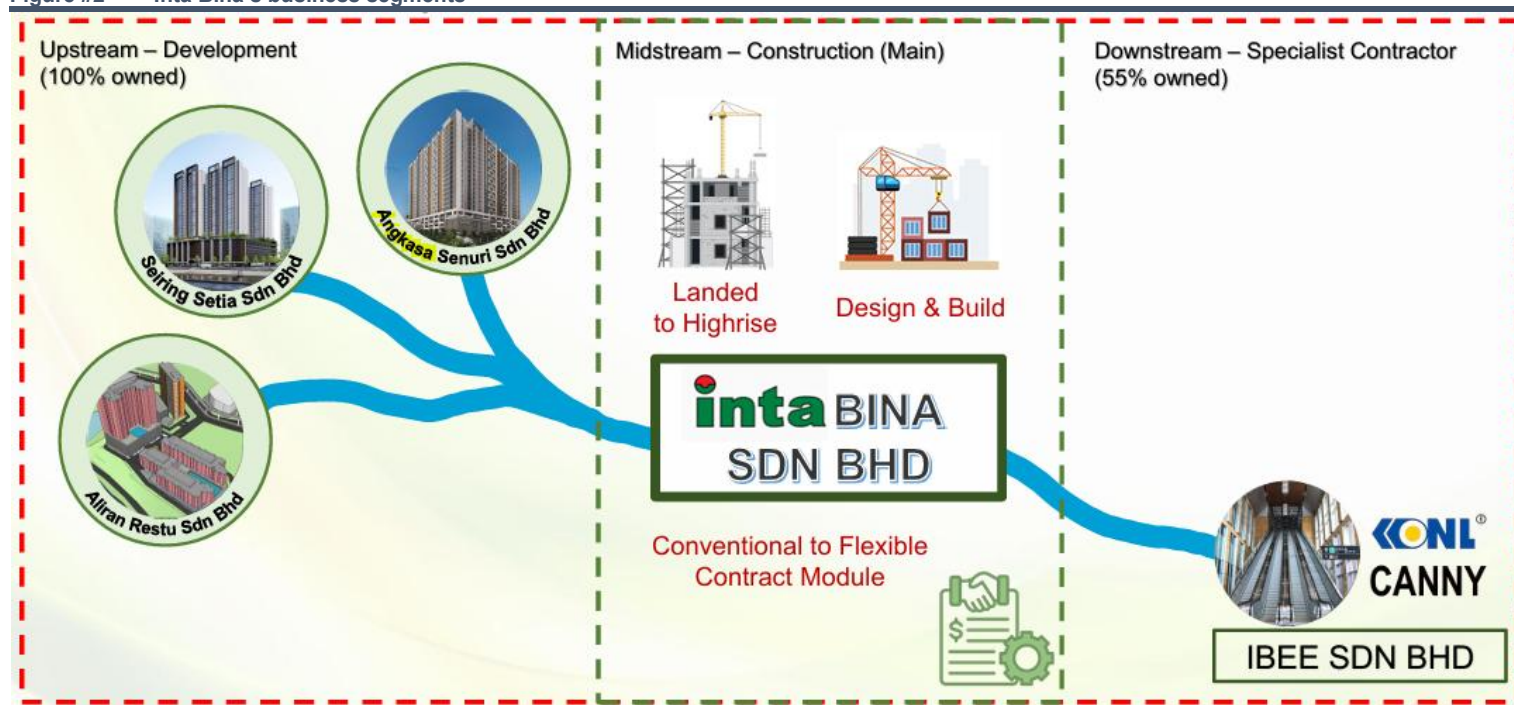
**Lift installation and maintenance (2% of FY25 revenue).** Inta entered the lift and escalator installation market thru of its 55%-owned subsidiary, IBEE. Operating under the brand Canny Lift, IBEE manages the supply, installation, and post-completion maintenance of lifts.

Figure #1 Corporate structure of Inta



Company

Figure #2 Inta Bina's business segments



Company

## Investment merits

### Digestion of elevated orderbook to fuel growth

**Strong execution record for quality and safety...** Inta is well regarded within the building construction industry for its quality workmanship, earning a strong reputation among leading property developers. This is evidenced by the group's achievement of a 90% QLASSIC score for the Sunway Lenang Heights project, the highest score ever recorded by CIDB in Malaysia, underscoring its superior construction quality. On the safety front, Inta has also demonstrated an exemplary track record, achieving the highest SHASSIC score of 99.51% for the Southville City – M Sinar project in 2025, surpassing its own previous record of 99.17% achieved for the Sunway Artessa project in 2024.

**...builds repeat orders from high-quality clientele.** This has enabled the group to build a high-quality customer base and foster long-standing relationships with many of its clients, resulting in a healthy stream of repeat jobs from public listed property developers that account for the bulk of its customer base, such as EcoWorld, Sime Darby Property, Sunway, and Gamuda Land, amongst others (see Figure #3). Moreover, being one of the favourite contractors among high-quality developers enhances its orderbook quality and allows Inta to be selective in the projects and clients it undertakes to minimise counterparty risk. We understand from management that it has a preference to bid for jobs from public-listed developers given their proven credibility and timely payment schedules. Its strong clientele of established township developers provides a sustainable pipeline of project opportunities as these developers continue to roll out new phases within their master-planned townships.

Another key strength is its robust balance sheet, which provides greater financial flexibility to offer more accommodating payment terms to developers. This enhances its competitiveness when tendering for new jobs and reinforces its standing as a preferred contractor.

Figure #3 Inta's customer base



Company

Figure #4 Ongoing project split by customers

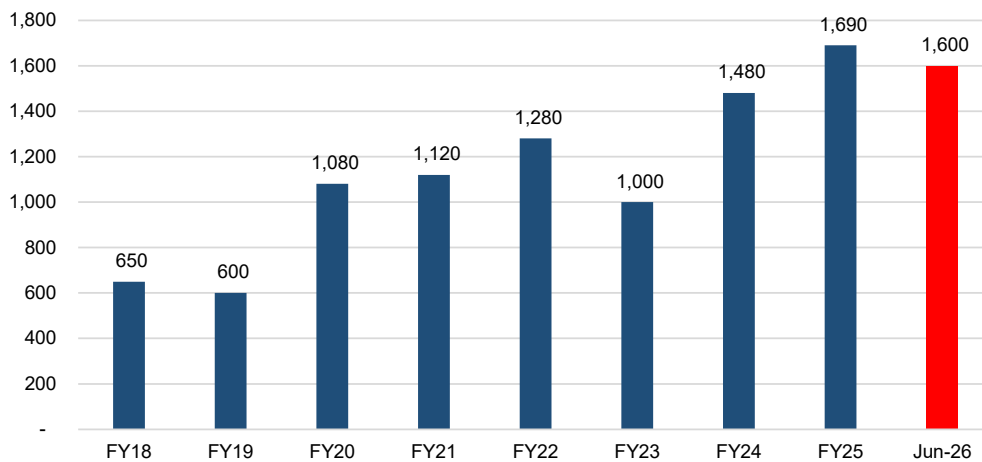
| Customers           | Project                                          | Contract value (RM' m) |
|---------------------|--------------------------------------------------|------------------------|
| EcoWorld            | Eco Business Park 7                              | 49                     |
|                     | LPHS Office at Eco Ardence                       | 32                     |
|                     | Show Units at Eco Radiance                       | 11                     |
|                     | Birchpark, Eco Majestic                          | 41                     |
|                     | Noblegate, Eco Majestic                          | 67                     |
|                     | Seruma, Eco Sanctuary                            | 181                    |
|                     | Maya, Eco Ardence                                | 349                    |
|                     | Cherrywood Ph4, Eco Majestic                     | 44                     |
|                     | Wellington, Eco Grandeur                         | 80                     |
|                     | Eden, Econ Sanctuary                             | 88                     |
|                     | Duduk Hana, Eco Ardence                          | 146                    |
| Tropicana           | Tropicana Metropark–Residences & Shoppes PT20A   | 225                    |
| Gamuda Land         | Gamuda Cove –Camellia                            | 112                    |
| Avaland             | Amika Metropark                                  | 170                    |
| Mah Sing            | M Sinar Southville City                          | 206                    |
| IJM Land            | Riana Dutamas Stellaries                         | 265                    |
| UEM Sunrise         | Allegro at Symphony Hills                        | 68                     |
| Sime Darby Property | The Reya Melawati                                | 212                    |
|                     | Damayan Putra Height                             | 97                     |
|                     | TriAra Ara Damansara                             | 199                    |
|                     | East 61                                          | 116                    |
| Ancubic             | Rosedale Ancubic                                 | 227                    |
| Private project     | Bungalow house with facilities                   | 21                     |
|                     | <b>Total contract value for ongoing projects</b> | <b>3,006</b>           |

Company

**Swelling orderbook tally...** After having secured RM424m worth of new contracts YTD, Inta's construction orderbook has risen to RM1.6bn. Its orderbook has grown by leaps and bounds over the past several years, nearly tripling since FY19 (Figure #5) and now represents a solid cover ratio of 2.5x on its FY25 construction revenue. The group sits on a vast tenderbook of RM3.6bn, which is expected to fuel further wins through FY26. We expect Inta to secure another c.RM400m worth of contracts over the remaining months of FY26, bringing its full-year job wins to Inta's target of RM800-900m.

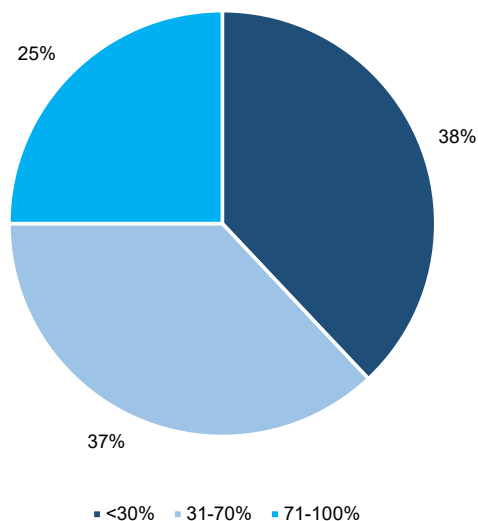
**...to filter through top line contribution.** Despite a noticeable expansion in orderbook over the past two years, construction revenue growth remained muted in FY24–FY25 due to: (i) a transition from older projects to newly secured contracts and (ii) the majority of its orderbook was at the early stages of a multi-year construction S-curve, where initial revenue recognition is typically limited. We expect construction revenue to accelerate over FY27–FY28 as orderbook digestion ramps up along the S-curve. As at Aug-26, a sizable 38% of the group's ongoing projects remain at early stages of execution ( $\leq 30\%$  completion) while a meaningful portion of its orderbook has barely entered the 30-70% completion phase (accounts for 37% of its portfolio), providing ample runway for construction billings to accelerate along their S-curves over FY27-28, in our view.

**Figure #5** Construction orderbook trend at end of respective FY (RM' m)



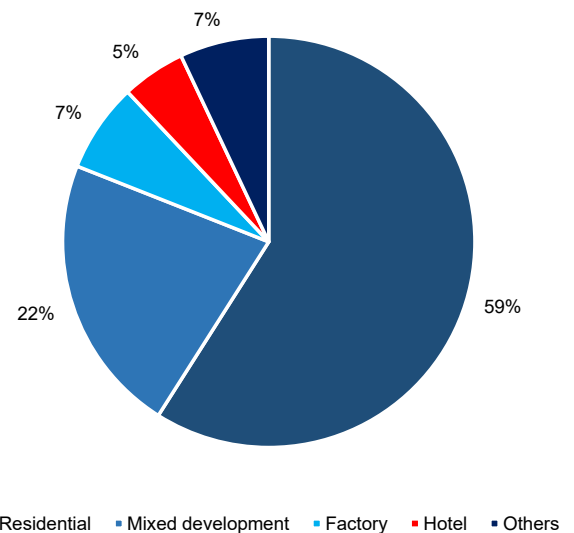
Company

**Figure #6** Orderbook breakdown by job progress (as at Aug-26)



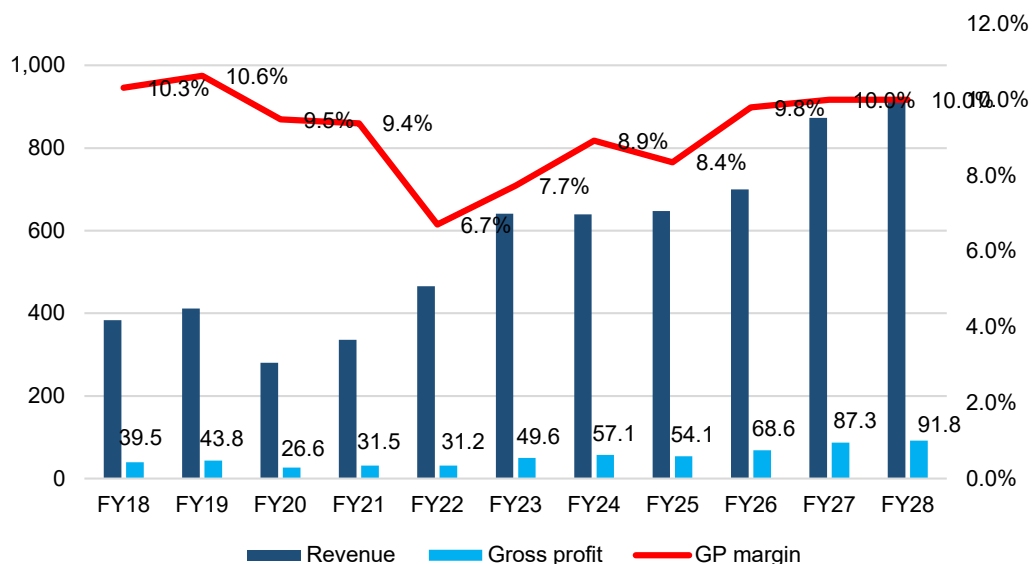
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**Figure #7** RM3.6bn tenderbook breakdown by job category



Company

Figure #8 Construction revenue and GP trend (RM' m)

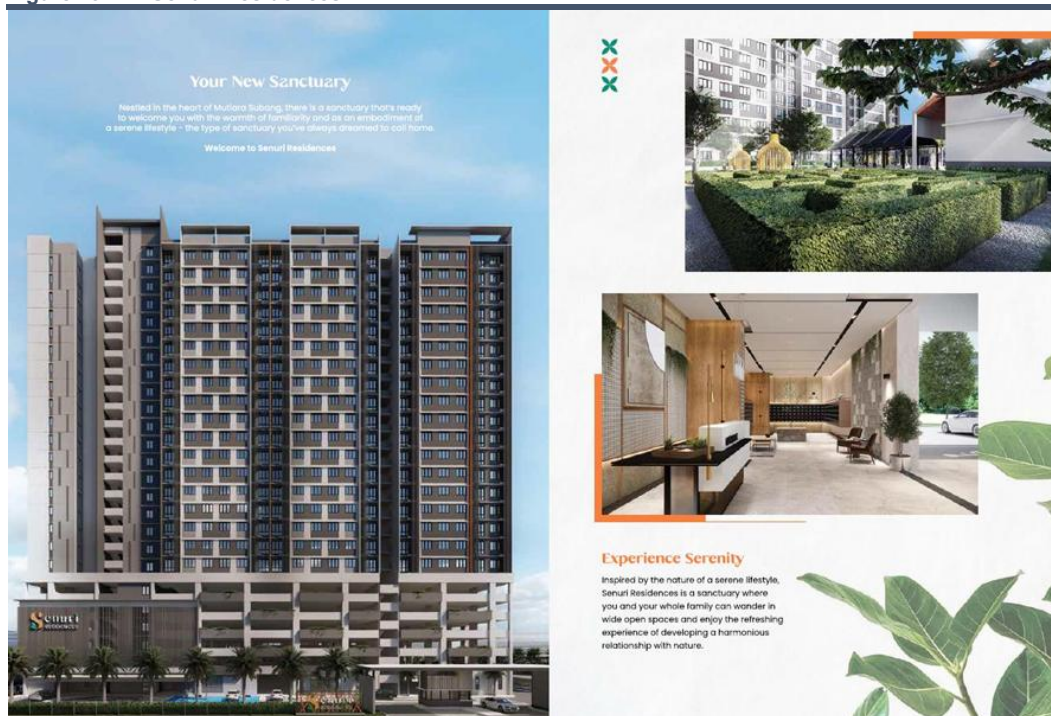


Company

## The underappreciated property angle

**Replenishing project pipeline post-Senuri success.** Inta Bina's foray into property development began with the successful launch of Senuri Residences in Shah Alam (GDV: RM205m; 521 units) in 2023. The project garnered favourable market response and achieved a full take-up rate for open market-units, playing an instrumental role in driving the group's back-to-back record earnings in FY24–25. With Senuri Residences slated for handover in 3Q26, the group is replenishing its project pipeline with the impending launch of two projects namely, Seiring Setia at Bukit Jelutong and Aliran Restu at Glenmarie, both in 4Q26/1Q27.

Figure #9 Senuri Residences

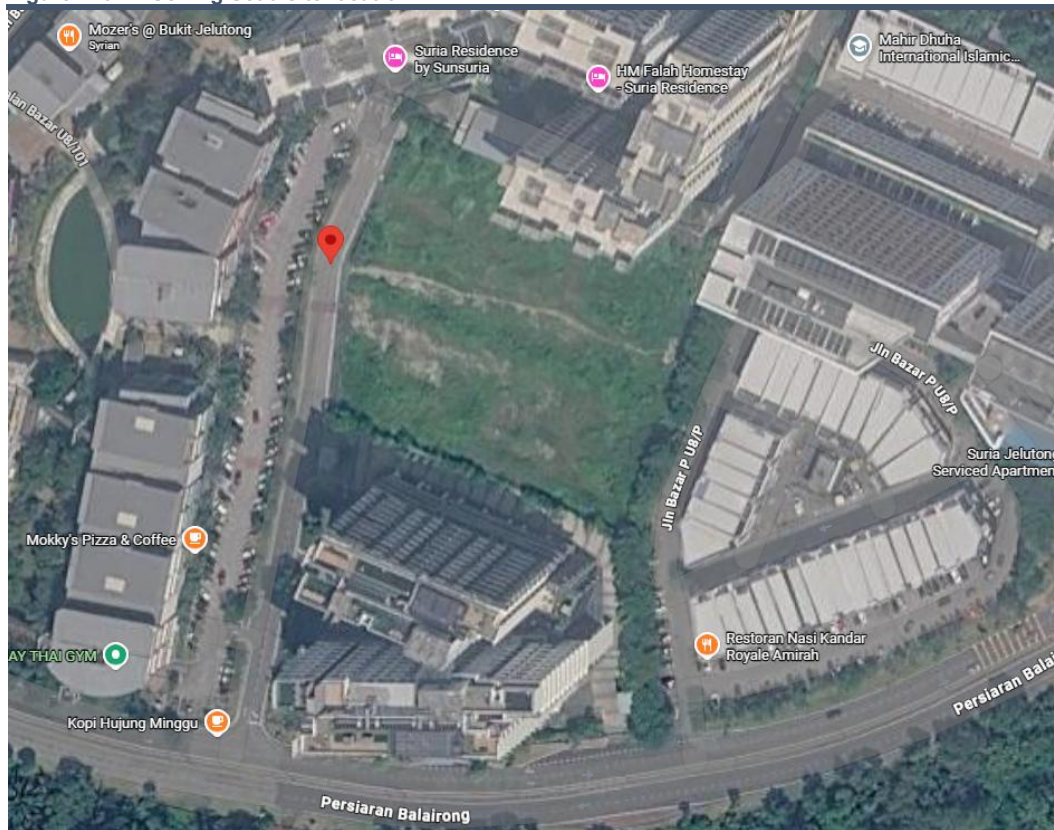


Company

**Seiring Setia (GDV: c.RM200m)** is located at a plot of land where it bought in Dec-24 for RM23m. Based on our checks, the service apartment is estimated to fetch a GDV of over RM200m with an indicative selling price of c.RM500-600 psf. The project has obtained the necessary planning and building approvals from the local authorities and is currently awaiting the issuance of the Advertising Permit and Developer's Licence (APDL), following which, it is expected to be officially launched in 4Q26. We note that Inta has already commenced earthworks for the project, giving a good head start for revenue recognition following the project launch.

In our view, the project is likely to be well-received as it is situated within the affluent and matured township with established amenities, strong connectivity (via the GCE, NKVE, ELITE and Federal Highway) and a sizable owner-occupier catchment. Pricing-wise, Seiring Setia is competitively positioned against existing serviced apartment developments in the vicinity, namely Rimbun Sanctuary, Radia Residences, Suria Jelutong and Renai Jelutong, which command prevailing asking prices of c.RM500–750 psf. Coupled with the lack of meaningful new supply within Bukit Jelutong, a fairly affluent neighbourhood, we believe the project is well-positioned to achieve healthy take-up.

**Figure #10** Seiring Setia site location



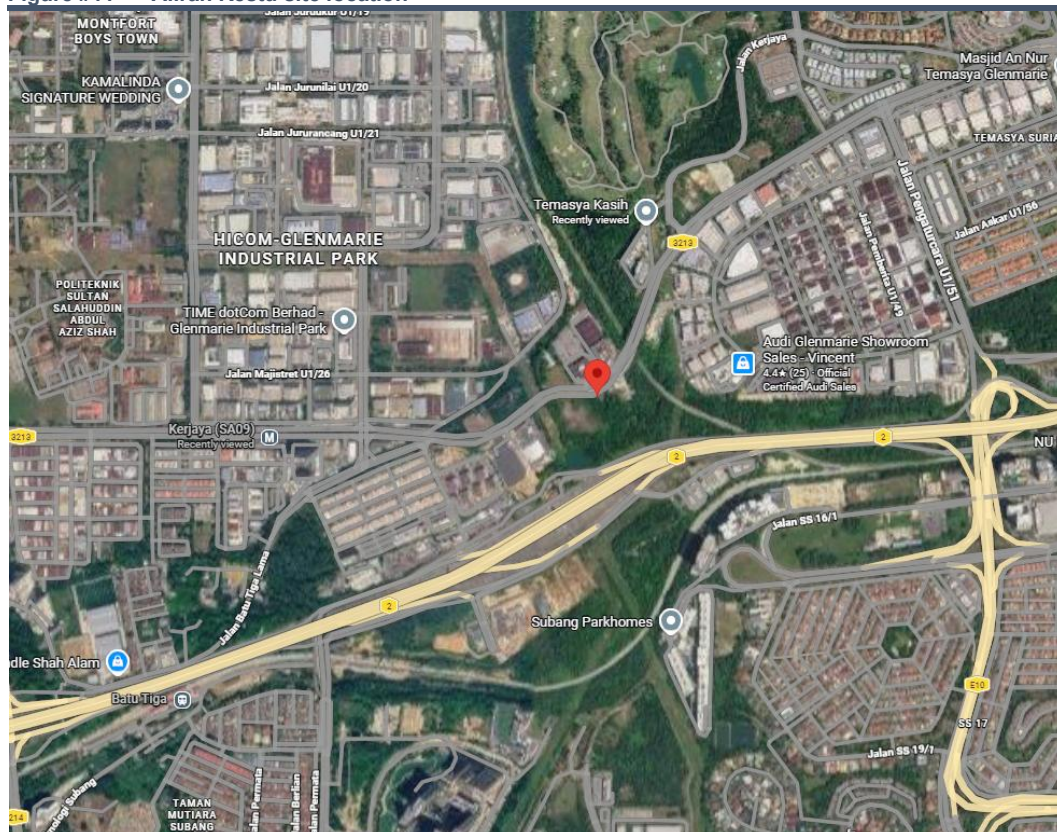
Google Map

**Aliran Restu (GDV: c.RM300m).** In 2025, the group acquired Aliran Restu Sdn Bhd for RM5m, which holds the development rights to three parcels of land in Glenmarie, Selangor. Aliran Restu has been appointed by the Selangor Housing and Property Board (LPSH) to develop affordable housing under the Rumah Selangorku (RSKU) scheme. The development entails c.600 residential units comprising a mix of RSKU and open-market units with an estimated GDV of over RM300m. Aliran Restu is slated for launch in 4Q26/1Q27, pending its building plan to be approved by local authority.

The project is situated within the established Glenmarie township, an industrial and commercial hub with matured amenities and a university campus. It commands excellent connectivity via two LRT stations linking the Kelana Jaya and Shah Alam lines (LRT3), complemented by easy access to major highways such as the Guthrie Corridor Expressway (GCE), Federal Highway, NKVE and ELITE.

Based on our estimates, the blended selling price of c.RM500 psf is also competitively priced against comparable apartment developments in the vicinity, which command asking prices of c.RM500–700 psf. As such, we expect strong uptake for the development upon its impending launch by end-26. We highlight that the successful execution of this maiden project for LPSH could pave the way for Inta to gain access to additional strategic landbanks from LPSH for future affordable housing developments.

Figure #11 Aliran Restu site location

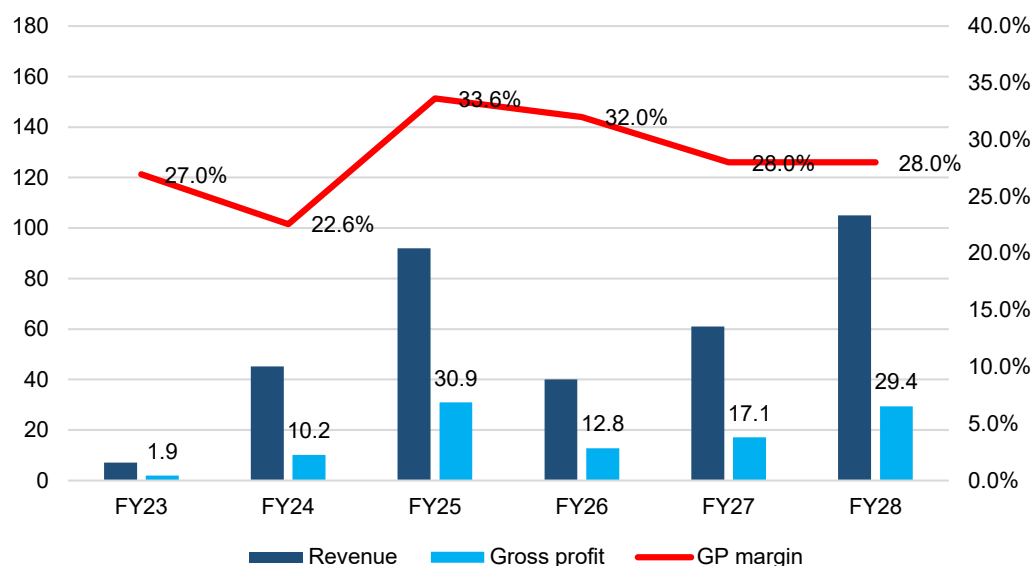


Google Map

**Building a margin-accretive vector.** With the impending launches of its two projects in 4Q26/1Q27, we expect property billings to improve in late-FY27 (vs FY26: tail-end construction and handover of Senuri Residence) before scaling up meaningfully in FY28 as the two projects progress along the S-curve. In our opinion, the deliberate expansion of its property division makes strategic sense, leveraging its in-house design-and-build capabilities. Furthermore, the deployment of its internal construction team should support better execution and margins. The property segment is also margin accretive to Inta as it typically generates double-digit net margin vis-à-vis its bread-and-butter construction business at single-digit net margins. Management targets the property division to contribute 30% of the group's revenue over the longer term as it continues to undertake land banking exercise to replenish its project pipeline.

**Partnerships to form further upside.** Besides land banking, Inta in its latest analyst briefing highlighted that it is in discussion with a major developer to secure development rights, while also exploring potential JV developments. JV projects could give Inta two bites of the cherry, through securing the construction package while also enjoying the project's development profits via a JV stake.

Figure #12 Property revenue and GP trend (RM' m)



Company

## IBEE – a quiet compounder

**A hidden elevator within the group.** Established in 2021 as Inta's lift and escalator arm, IBEE's is a 55%-owned subsidiary involved in the supply, installation and maintenance of lifts and escalators carrying the China-based "Canny Lift" brand under an exclusive agreement in Malaysia. Listed on the Shenzhen Stock Exchange, Canny is an established Chinese elevator OEM and ranks among the world's top 10 elevator OEMs by revenue. Canny has a relatively small installed base in Malaysia versus established brands such as Otis and Schindler, and is leveraging IBEE to expand its local presence.

**A win-win partnership to scale installed base.** Strategically, IBEE allows Inta to extend its presence along the construction value chain. Given Inta Bina's role as a main contractor for residential and commercial developments, IBEE can potentially capture lift and escalator packages via cross selling with projects undertaken by the group. IBEE can also leverage on Inta established relationships with major property developers to secure new jobs.

While IBEE remains relatively small compared with Inta Bina's core construction operations, the longer-term attraction lies in building up its installed base and recurring maintenance income. Each new lift installation potentially creates subsequent maintenance and servicing opportunities after project completion, providing a recurring revenue stream compared with the project-based nature of construction earnings. Notably, IBEE's revenue has scaled rapidly from RM2.1m in FY23 to RM11.3m in FY25. We expect growth to accelerate further, driven by a twin-growth engine of RM26m in new contracts secured as at Jul-26 (see Figure #13) and a growing base of high-margin recurring maintenance income.

Figure #13 IBEE's FY26 contracts secured as at Jul-26

## IBEE's Contracts Secured in FYE 2026 as at July 2026

|       | Project                        | Developer                    | Type of work      | Contract Value (RM' mil) |
|-------|--------------------------------|------------------------------|-------------------|--------------------------|
| 1     | M Aspira, Taman Desa           | Mah Sing Group Berhad        | New installations | 11.40                    |
| 2     | Suria Madani, Taman Desa       | Mah Sing Group Berhad        | New installations | 2.40                     |
| 3     | Masjid Assyakirin, Bintulu     | Masjid Assyakirin            | New installations | 0.35                     |
| 4     | Eco Granduer Utopia South      | Paragon Pinnacle             | New installations | 0.94                     |
| 5     | Food Court, Jalan Imbi         | BP Entertainment Hub Sdn Bhd | New installations | 0.29                     |
| 6     | Showroom, Petaling Jaya        | Stonehedge Surfaces Sdn Bhd  | New installations | 0.13                     |
| 7     | Warehouse, Telok Gong          | Classic (1993) Sdn Bhd       | New installations | 0.16                     |
| 8     | Factory, Kuching Sarawak       | Hock Send Lee Berhad         | New installations | 3.89                     |
| 9     | Regal Court Hotel, Kuching     | Regal Court Hotel            | New installations | 0.17                     |
| 10    | Data Centre, Nusajaya Johor    | DAYONE Data Centre           | New installations | 1.87                     |
| 11    | Sri Manja, Jalan Kelang Lama   | JMB                          | Replacement       | 2.03                     |
| 12    | Prima Saujana Apartment        | JMB                          | Replacement       | 0.83                     |
| 13    | Palm Villa Condominium, Ampang | JMB                          | Replacement       | 0.17                     |
| 14    | BAM Villa, Taman Maluri KL     | JMB                          | Replacement       | 1.77                     |
| Total |                                |                              |                   | 26.40                    |

Company

## Decent yielder with undemanding valuations

**Flexible balance sheet.** Inta's commands a robust balance sheet with a net gearing of merely 0.09x with small net debt of RM24m as at end Jun-26 – a commendable trait among contractors given the sheer demand for strong working capital management. Its robust balance sheet affords the group greater financial flexibility, including the ability to offer more flexible payment terms to developers, which provides an edge when tendering for new jobs and reinforces its position as a preferred contractor. Also, its balance sheet provides ample headroom to support its growing property ventures, including funding for project construction and future landbanking opportunities.

**Dividend optionality.** Its balance sheet also reinforces Inta's ability to consistently dish out dividends, with the group paying out c.30-40% of its net profit over the past few years. We forecast DPS of 2.5/3.0/3.5 sen for FY26/27/28, implying payout ratios of 40%/36%/36% and attractive dividend yields of 6.7%/8.0%/9.3%, respectively. In essence, investors are well paid to wait while enjoying potential capital appreciation as earnings growth gathers pace.

**Undemanding valuation.** Inta is trading at an undemanding 6.0x/4.9x FY26/27 PE, at a steep discount to the KLCON Index's 19.3x/15.4x 2026/27 forward PE. While we acknowledge that the index valuation is skewed by heavyweights such as Gamuda and SunCon, whose strong exposure to the data centre (DC) space warrants a higher valuation premium, we believe Inta's current discount is excessively wide. In our view, the stock is ripe for a rerating, underpinned by (i) steady earnings growth trajectory (4%/21%/29% for FY26/27/28), (ii) an attractive dividend yield and (iii) improving earnings mix and margin profile as the group expands its higher-margin property development business.

## Financials

**Steady earnings growth.** Following a pandemic-induced trough of RM9.5m in FY22 during the pandemic margin pressure, Inta's core earnings have staged a sharp recovery, compounding at an impressive 60% CAGR over FY22-25 to RM38.6m, bolstered by (i) the progressive phase-out of low-margin projects secured pre-pandemic, (ii) growing construction orderbook amid an improving tender pipeline and (iii) the successful launch of its maiden property development in FY23.

**FY26 – a transitory year.** We expect earnings to stay broadly flattish, if not a slight growth, in FY26 as a lion's share of Inta's jobs remains at the early stages of their S-curves, resulting in relatively modest construction billings as aforementioned, while Iran war-induced cost spikes will likely put a lid on margin expansion. Also, its maiden property development, Senuri Residence, was handed over in Jul-26, leaving limited earnings recognition in the tank.

**1HFY26 results in review.** Inta's 2Q26 core earnings of RM10.5m (-2% QoQ, +8% YoY) brought its 1H26's sum to RM21.1 (+14% YoY). Despite flattish FYTD revenue, core earnings rose 14%, driven by accelerated progress recognition from its growing unbilled orderbook and slightly better margin execution. The improvement was partly offset by lower property billings as its sole ongoing development, Senuri Residence, approached completion.

**Real acceleration in FY27-28.** We forecast earnings to grow by 4%/21%/29% in FY26/27/28 (3-year CAGR of 17%), propelled by (i) stronger construction billings as Inta digests its vast RM1.6bn orderbook, with more projects advancing into the steeper phases of their S-curves, and (ii) a step-up in property earnings following the launch of two new developments, namely Seiring Setia and Aliran Restu in 2026. Also, the rising mix of property and IBEE revenue will be margin accretive to the group.

**Figure #14 2Q26 and 1H26 results overview (RM' m)**

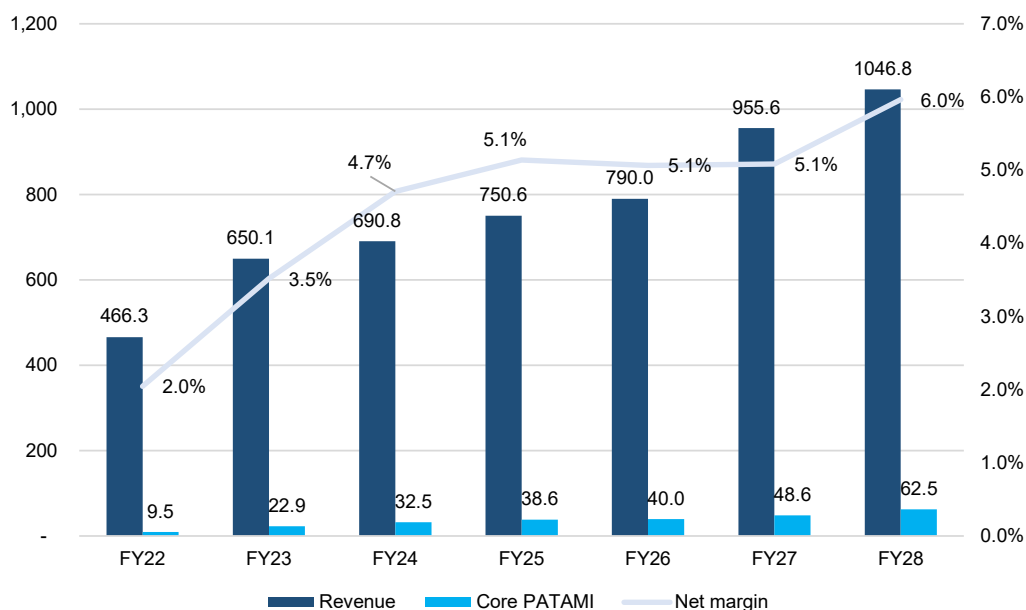
| FYE Dec                     | 2Q25       | 1Q26        | 2Q26        | QoQ (%)      | YoY (%)      | 1H25        | 1H26        | YoY (%)      |
|-----------------------------|------------|-------------|-------------|--------------|--------------|-------------|-------------|--------------|
| Revenue                     | 186.1      | 205.7       | 180.5       | -12.2%       | -3.0%        | 380.7       | 386.2       | 1.4%         |
| EBIT                        | 13.8       | 17.3        | 15.2        | -12.1%       | 10.2%        | 29.1        | 32.6        | 12.0%        |
| Finance cost                | -2.0       | -1.9        | -1.8        | -4.8%        | -7.8%        | -3.7        | -3.7        | 0.8%         |
| Share of JVs and associates | 0.7        | -0.4        | 0.2         | NM           | -77.9%       | 0.6         | -0.2        | NM           |
| PBT                         | 12.6       | 15.1        | 13.6        | -9.9%        | 7.8%         | 26.1        | 28.7        | 10.0%        |
| <b>PAT</b>                  | <b>9.7</b> | <b>11.0</b> | <b>10.5</b> | <b>-4.7%</b> | <b>7.9%</b>  | <b>19.7</b> | <b>21.4</b> | <b>8.6%</b>  |
| <b>Core PATMI</b>           | <b>8.7</b> | <b>10.7</b> | <b>10.5</b> | <b>-2.0%</b> | <b>19.6%</b> | <b>18.5</b> | <b>21.1</b> | <b>14.3%</b> |
| Reported PATMI              | 9.7        | 10.8        | 10.4        | -4.2%        | 7.2%         | 19.7        | 21.2        | 7.6%         |
| Core EPS (sen)              | 1.46       | 1.72        | 1.67        |              |              | 3.17        | 3.40        |              |
| DPS (sen)                   | 0.10       | 0.05        | 0.05        |              |              | 0.10        | 0.10        |              |
| EBIT margin                 | 7.4%       | 8.4%        | 8.4%        |              |              | 7.6%        | 8.4%        |              |
| PBT margin                  | 6.8%       | 7.3%        | 7.5%        |              |              | 6.8%        | 7.4%        |              |
| Core net margin             | 4.7%       | 5.2%        | 5.8%        |              |              | 4.9%        | 5.5%        |              |

### Segmental breakdown

| Construction    | 2Q25    | 1Q26    | 2Q26    | QoQ (%) | YoY (%) | 1H25  | 1H26  | YoY (%) |
|-----------------|---------|---------|---------|---------|---------|-------|-------|---------|
| Revenue         | 158.006 | 187.624 | 171.251 | -8.7%   | 8.4%    | 328.8 | 358.9 | 9.2%    |
| Segment profit  | 6.772   | 7.24    | 9.12    | 26.0%   | 34.7%   | 14.5  | 16.4  | 12.6%   |
| Margin          | 4.3%    | 3.9%    | 5.3%    |         |         | 4.4%  | 4.6%  |         |
| <b>Property</b> |         |         |         |         |         |       |       |         |
| Revenue         | 25.709  | 12.484  | 4.111   | -67.1%  | -84.0%  | 49.0  | 16.6  | -66.2%  |
| Segment profit  | 3.577   | 2.477   | 1.398   | -43.6%  | -60.9%  | 6.7   | 3.9   | -41.9%  |
| Margin          | 13.9%   | 19.8%   | 34.0%   |         |         | 13.6% | 23.4% |         |

HLIB Research

Figure #15 Group revenue and earnings projection (RM' m)



HLIB Research

## Valuation & recommendation

**Initiate with BUY, TP: RM0.76.** We initiate coverage on Inta with a BUY rating and TP of RM0.76, based on 10x P/E on FY27 earnings. We believe P/E is the most appropriate valuation methodology for Inta, given its consistent profitability and ability to capture the group's future earnings growth. Our ascribed P/E multiple translates to a 48%/35% discount to KLCON's index's 19.3x/15.4x 2026/27 forward PE but broadly inline with the average of small-mid cap building contractors (Figure#16).

In our view, the stock warrants a premium over other small-cap contractors, which typically trade at single-digit P/E valuations, given (i) its strong earnings growth trajectory as its RM1.6bn construction orderbook (2.5x FY25 construction revenue) enters the steeper phase of S-curve recognition, (ii) the growing contribution from its higher-margin property segment, which should diversify its earnings mix and drive margin expansion as new projects ramp up in FY27-28, and (iii) its undemanding valuation coupled with an attractive dividend yield of 6-7%.

Upside risks: successful penetration into the fast-track DC space and potential M&A activities. Downside risks: margin compression from elevated building material costs should the Middle East conflict prolong as well as delays in planned property launches.

Figure #16 Peer comparison

| Stock                 | Mkt Cap (RM' m) | Share price (RM) | Rating | Target (RM) | FYE | P/E (x)     |            | P/B (x)    |            | Yield (%)  |            |
|-----------------------|-----------------|------------------|--------|-------------|-----|-------------|------------|------------|------------|------------|------------|
|                       |                 |                  |        |             |     | CY26        | CY27       | CY26       | CY27       | CY26       | CY27       |
| Kerjaya Prospek       | 4,372           | 3.45             | NR     | NR          | DEC | 16.6        | 13.9       | 3.4        | 3.1        | 4.1        | 4.4        |
| Binastra              | 2,736           | 2.50             | NR     | NR          | JAN | 15.2        | 13.0       | 6.3        | 5.1        | 3.1        | 3.5        |
| GDB Holdings          | 438             | 0.43             | NR     | NR          | DEC | 6.2         | 6.7        | 1.4        | 1.2        | 4.9        | 4.5        |
| Nestcon               | 378             | 0.49             | NR     | NR          | DEC | 15.2        | 11.6       | 1.9        | 1.9        | -          | -          |
| Kimlun                | 356             | 0.92             | BUY    | 1.94        | DEC | 4.2         | 3.5        | 0.4        | 0.3        | 4.4        | 5.0        |
| Kumpulan Kitacon      | 325             | 0.65             | NR     | NR          | DEC | 6.5         | 5.9        | 0.9        | 0.8        | 6.0        | 6.0        |
| <b>Simple Average</b> |                 |                  |        |             |     | <b>10.6</b> | <b>9.1</b> | <b>2.4</b> | <b>2.1</b> | <b>4.5</b> | <b>4.7</b> |

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|                     |                                                                                                                   |
|---------------------|-------------------------------------------------------------------------------------------------------------------|
| <b>BUY</b>          | Expected absolute return of +10% or more over the next 12 months.                                                 |
| <b>HOLD</b>         | Expected absolute return of -10% to +10% over the next 12 months.                                                 |
| <b>SELL</b>         | Expected absolute return of -10% or less over the next 12 months.                                                 |
| <b>UNDER REVIEW</b> | Rating on the stock is temporarily under review which may or may not result in a change from the previous rating. |
| <b>NON RATED</b>    | Stock is not or no longer within regular coverage.                                                                |

**Sector rating guide**

|                    |                                                                             |
|--------------------|-----------------------------------------------------------------------------|
| <b>OVERWEIGHT</b>  | Sector expected to outperform the market over the next 12 months.           |
| <b>NEUTRAL</b>     | Sector expected to perform in-line with the market over the next 12 months. |
| <b>UNDERWEIGHT</b> | Sector expected to underperform the market over the next 12 months.         |

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