Inta Bina Group Berhad

Setting the Stage for Better Margins

Company update

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BUY

Share price	RM0.380
Target price	RM0.780
Previous TP	RM0.760
Capital upside	105.3%
Dividend return	5.6%
Total return	110.9%

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)	640.8
Market Cap (m)	243.5
52W High/Low	0.46 / 0.355
Est. Free float (%)	33.6
Beta (x)	0.9
3-mth avg vol ('000)	804.7
Shariah compliant	Yes

Major shareholders	%
Apexjaya Industries S/B	28.2
Lim Ooi Joo	8.6
Teo Hock Choon	8.3

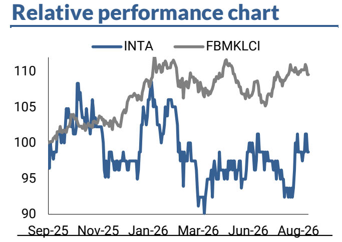
Share price vs. KLCI (%)

Hist. return	1M	3M	12M
Absolute	2.7	0.0	-10.6
Relative	4.2	-1.0	-17.2

Earnings snapshot

FYE (Dec)	FY25	FY26f	FY27f
PATMI (m)	40.5	41.4	44.0
EPS (sen)	6.52	6.70	7.11
P/E (x)	5.83	5.67	5.35

Relative performance chart



Newsbreak

- **Post-2Q26 briefing highlights.** Management highlighted progress in broadening INTA's earnings base, with two property developments targeted for launch in 4Q26. Seiring Setia in Bukit Jelutong and Aliran Restu in Glenmarie have obtained their respective planning approvals, with the two projects set to provide the next leg of growth for its property development arm.

- **The Group also highlighted further traction in its downstream business.** IBEE has secured 14 projects worth RM26.4m in FY26, including a RM1.9m data centre installation job in Nusajaya, while management continues to explore opportunities to deepen its M&E capabilities.

M+ Global View

- **Solid earnings visibility.** We remain positive on INTA's earnings visibility, backed by c.RM1.6bn of unbilled construction order book and RM424m of YTD FY26 job wins. As at July 2026, the Group had submitted RM2.5bn of new tenders, bringing total outstanding tenders to RM3.6bn. Management also remains confident of securing c.RM860m of new jobs for FY26 in line with our annual replenishment assumption of RM800-900m, supported by several bids already in final negotiations.

- **Margin expansion scope.** More importantly, we see scope for gradual margin improvement as the earnings mix evolves. While construction remains the core earnings driver, the Group expects a growing contribution from its higher-margin property development segment, with two new projects targeted for launch in 4Q26. At the same time, its value engineering and early procurement initiatives, alongside the variation-on-price (VOP) mechanism incorporated into recent contracts, should help mitigate raw material cost pressures. We therefore expect margins to improve progressively rather than materially step up in the near term.

- **Industrial & Data Center diversification**. Growing exposure to industrial and data center projects provides longer-term diversification for its construction pipeline. INTA has secured a RM49m factory construction project at Eco Business Park 7, while IBEE has landed a RM1.9m data center installation job and continues to tender for larger data center projects alongside M&E partners.

Valuation & Recommendation

- **Forecast.** We roll over our earnings base to FY27f and introduce our FY28f earnings estimates at RM46.7m, implying a three-year CAGR of 5% from FY25 to FY28f.

- **Maintain BUY with a higher TP of RM0.78.** We reiterate our BUY recommendation on INTA with a higher TP of RM0.78, derived from an unchanged target P/E multiple of 11x to our FY27f EPS of 7.11 sen.

Financial Forecast

All items in (RM m) unless otherwise stated

Balance Sheet

FYE Dec (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Cash	115.0	108.8	183.4	228.5	277.0
Receivables	260.6	304.6	289.6	307.9	327.4
Inventories	15.9	16.7	20.9	22.2	23.6
PPE	41.5	62.8	54.5	48.9	42.3
Others	188.7	222.9	188.7	188.7	188.7
Assets	**621.6**	**715.8**	**737.1**	**796.1**	**858.9**
Debts	112.6	129.9	114.2	121.4	129.0
Payables	303.9	298.8	333.6	354.7	377.1
Others	11.5	35.9	11.5	11.5	11.5
Liabilities	**428.0**	**464.6**	**459.3**	**487.5**	**517.6**
Shareholder's equity	193.3	250.7	277.8	308.6	341.3
Minority interest	0.3	0.5	-	-	-
Equity	**193.6**	**251.2**	**277.8**	**308.6**	**341.3**

Cash Flow Statement

FYE Dec (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Profit before taxation	43.5	55.6	54.8	58.2	61.8
Depreciation & amortis	13.8	19.7	14.6	15.6	16.6
Changes in working ca	32.5	(49.9)	1.1	1.5	1.6
Share of JV profits	-	-	-	-	-
Taxation	(10.3)	(15.1)	(13.2)	(14.0)	(14.8)
Others	(80.9)	15.1	-	-	-
Operating cash flow	**(1.5)**	**25.4**	**57.4**	**61.3**	**65.1**
Net capex	(10.9)	(20.9)	(10.0)	(10.0)	(10.0)
Others	(15.6)	(28.6)	-	-	-
Investing cash flow	**(26.5)**	**(49.4)**	**(10.0)**	**(10.0)**	**(10.0)**
Changes in borrowings	46.2	17.3	5.5	7.2	7.7
Issuance of shares	-	-	-	-	-
Dividends paid	-	-	(12.4)	(13.2)	(14.0)
Others	(19.6)	(17.3)	-	-	-
Financing cash flow	**26.5**	**-**	**(7.0)**	**(6.0)**	**(6.3)**
Net cash flow	**(1.5)**	**(24.0)**	**40.2**	**45.1**	**48.6**
Forex	0.3	0.3	-	-	-
Others	-	-	-	-	-
Beginning cash	101.5	115.0	143.2	183.4	228.5
Ending cash	115.0	108.8	183.4	228.5	277.0

Income Statement

FYE Dec (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Revenue	**690.8**	**750.6**	**845.7**	**899.0**	**955.9**
EBITDA	60.5	81.8	75.9	80.6	85.6
EBIT	46.7	62.1	61.3	65.0	69.0
Net finance income/ (co	(2.9)	(5.9)	(6.5)	(6.8)	(7.2)
Associates & JV	-	-	-	-	-
Profit before tax	**43.5**	**55.6**	**54.8**	**58.2**	**61.8**
Tax	(10.3)	(15.1)	(13.2)	(14.0)	(14.8)
Net profit	**33.1**	**40.5**	**41.7**	**44.2**	**47.0**
Minority interest	0.1	(0.2)	(0.2)	(0.2)	(0.3)
Core earnings	**33.3**	**40.3**	**41.4**	**44.0**	**46.7**
Exceptional items	-	-	-	-	-
Reported earnings	33.3	40.3	41.4	44.0	46.7

Valuation & Ratios

FYE Dec (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Core EPS (sen)	5.38	6.51	6.70	7.11	7.55
FD Core EPS (sen)	5.38	6.51	6.70	7.11	7.55
P/E (x)	7.06	5.83	5.67	5.35	5.03
EV/EBITDA (x)	0.12	0.09	0.10	0.09	0.09
DPS (sen)	2.22	2.22	2.01	2.13	2.26
Dividend yield	5.8%	5.8%	5.3%	5.6%	6.0%
BVPS (RM)	0.31	0.41	0.45	0.50	0.55
P/B (x)	1.22	0.94	0.85	0.76	0.69
EBITDA margin	8.8%	10.9%	9.0%	9.0%	9.0%
EBIT margin	6.8%	8.3%	7.2%	7.2%	7.2%
PBT margin	6.3%	7.4%	6.5%	6.5%	6.5%
Net margin	4.8%	5.4%	4.9%	4.9%	4.9%
ROE	18.4%	18.1%	15.7%	15.0%	14.4%
ROA	5.9%	6.0%	5.8%	5.7%	5.6%
Net gearing	CASH	8.4%	CASH	CASH	CASH

Disclaimer

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