

Report Date: 11-May-25

AL-TAJAMOAT FOR TOURISTIC PROJECTS CO PLC

ASE: TAJM

Quarterly Earnings: 31/03/2025

Annual Earnings: 31/12/2024



Price as of 11-May-25

JD 0.59/Share

RATING:



Initiated Coverage 11/05/2025

We project that TAJM will perform in line with the market over the next 6-12 months. This projection is based on our analysis of four key factors that influence common stock performance: (1) relative valuation, (2) earnings strength, (3) financial stability, and (4) price movement.

Target Price

JD 0.59

Previous Rating



09/01/2025

52- Week Price Range

JD 0.45- JD 0.71

Market Capitalization

JD 54.87 M

Forward P/E

17.55x

P/BV

0.49x

Div. Yield

11.86%

Last Dividend:

0.07 JD/Share

Founded:

1983

Shares

Outstanding: 93 M

Employees:

122

Sector:

Real Estate (Retail)

Industry:

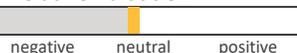
Real Estate

Al Tajamouat for Touristic Projects Co Plc (hereinafter referred to as "TAJM" or the "Company") is a public shareholding company established in Jordan. TAJM's main activity is to control and operate TAJ Lifestyle Centre (Taj Mall). Taj Mall has changed Amman's retail experience by offering a luxurious place for shopping, dining, and entertainment. On April 10, 2025, the Board of Directors of TAJM approved the distribution of 7% cash dividends to its shareholders.

Recommendation Summary

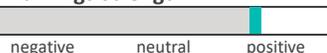
UFICO's **HOLD** recommendation for TAJM is based on our systematic analysis of the four characteristics mentioned above. TAJM's stock presents a mixed valuation outlook, appearing undervalued price based on its P/BV ratio, while its P/E ratio indicates overvaluation relative to emerging market and peers' averages. The Company's earnings showed an increase during the first quarter of 2025. The stock price presents a stable movement. Investors are advised to continually monitor and track developments in order to analyze TAJM's long-term potential.

Relative Valuation



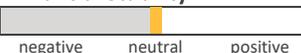
The stock is overpriced based on its P/E ratio and underpriced based on its P/BV ratio, in comparison to emerging markets averages and its peers.

Earnings Strength



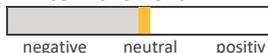
TAJM's earnings increased with net income up 110% and revenues 1.21%.

Financial Stability



TAJM exhibits moderate financial stability with a low ROA and a healthy debt-to-equity ratio.

Price Movement



Moderate volatility with some price fluctuation over time. The stock is rated a **Hold** at its current 14-Day RSI and a **Sell** at its MA 200.

Major Risks & Rewards

- **Market competition:** The current economic climate, along with competition from upscale malls like City Mall and Abdali Mall in Amman, presents a significant challenge to TAJM's market position. This may lead to a decrease in traffic and spending within the Company, ultimately impacting its revenue and profitability negatively.
- **Economic Downturn (Rising Cost Risks):** The Company is susceptible to the impact of an economic downturn, a scenario that could materialize due to escalations in interest rates and energy expenses. Such a downturn is anticipated to decrease consumer expenditure while simultaneously driving up operational overheads. This twin effect poses a significant risk to the Company's financial stability and operational viability.
- **Stock Giving Mixed Signals:** Although a high dividend yield is often favourable, it could also imply that the stock is carrying high risk, and this payout could be unsustainable. Therefore, investors are advised to always check earnings stability before making an investment.
- **Limited Free Float:** TAJM's limited free float reduces daily trading opportunities, which could impact the stock's liquidity and price.
- **Dividend Distribution:** TAJM's 7.0% cash dividend distribution is a testament to the Company's shareholders of TAJM's solid performance, another reason to increase investor confidence in holding TAJM's stock. Moreover, the dividend yield exceeds bank deposits rates making the stock appealing for income-seeking investors.

Peers Group Comparison

Ticker	Peer Name	Price	Mkt Cap*	EPS	BV/Share	P/E	P/BV	ROA
		11/05/2025	11/05/2025	(Forward)	11/05/2025	(Forward)	(MRQ)	(TTM)
TAJM	Al-Tajamouat Touristic Projects Co	JD 0.59	54,870	JD 0.034	JD 1.21	17.55x	0.49x	2.47%
JRCD	Jordanian Real Estate Co.	JD 0.53	18,285	JD 0.008	JD 1.00	69.70x	0.53x	0.71%
APCT	Arab Company for Investment Projects	JD 1.25	3,125	JD 0.096	JD 1.20	12.87x	1.03x	6.82%
SPIC	Specialized Investment Compounds	JD 0.37	4,070	JD 0.052	JD 1.62	16.39x	0.52x	2.69%
Peers Weighted Average**						14.86x	0.59x	
Emerging Market Averages (www.investing.com)						8.40x	0.90x	
Median						14.63x	0.53x	

* In JD thousands, **excluding JRCD

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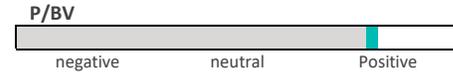
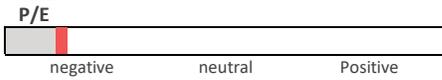
JD 0.59/Share
Past Performance

	2020	2021	2022	2023	2024	1Q24	1Q25
Net Profit Margin	-2.35%	8.04%	20.07%	21.84%	21.87%	13.08%	27.17%
Earning/ Share (JD)	(0.003)	0.010	0.024	0.027	0.027	0.004	0.008
Debt to Equity	22.58%	19.59%	13.71%	9.66%	5.79%	8.56%	5.54%
Gross Profit Margin	38.02%	42.02%	40.01%	40.97%	38.50%	36.17%	40.92%

Relative Valuation: NEUTRAL

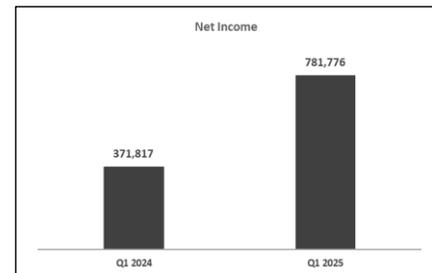
Last Price	Mkt Cap	EPS	P/E	BV/Share	P/BV	DPS	Div. Yield
(TTM)	(TTM)	(TTM)	(TTM)	(MRQ)	(MRQ)	(2024)	(TTM)
JD 0.59	JD 54.87 M	JD 0.034	17.55x	JD 1.21	0.49x	0.07	12%

- **P/E vs. Industry:** is above the peers' average, median and the emerging market average indicating overvaluation.
- **P/BV vs. Industry:** is below the average and median P/BV of the sector indicating undervaluation.


Earning Strength: POSITIVE

1Q 2025 Results	Revenues	Net Income	ROE	NPM
(TTM)	JD 2.9 M (1.21%)	JD 781,776 (110.3%)	2.80%	27.17%

- **Earnings Trend:** Revenues showed a slight increase of 1.21% at the end of Q1 2025 compared to Q1 of 2024, while earnings have increased by an exponential 110.3%
- **Return on Equity** is weak but higher than that achieved in Q1 2024.
- **Net Profit Margin** showed substantial increase during Q1 2025, mainly due to the decrease in financing cost and COGS.

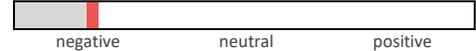

Earnings Trend

Profitability

Financial Stability: NEUTRAL

1Q 2025 Results	Assets	Equity	ROA	Debt/ Equity
(MRQ)	JD 126.5 M	JD 112.46 M	2.50%	5.54%

- **Return on Assets** is low which may indicate low occupancy, high operating costs, or underutilized assets, warranting closer operational review.
- **Debt/ Equity** is healthy, indicating a balanced financial structure with low reliance on debt.

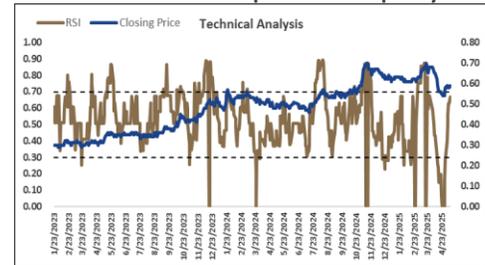
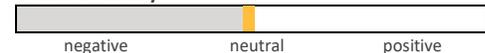
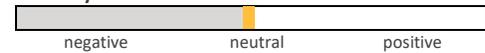
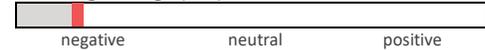
Return On Assets

Debt/ Equity

Price Movement: NEUTRAL

Annual Volatility:	14-Day RSI:	200 Day MA:	Avg. Vol (3M):
+/- 27.60%	40.034	0.60	262,370 Shares

- **Price Volatility** indicates a moderate level of fluctuation in price over time. The higher the volatility, the riskier the stock.
- **14-Day Relative Strength Index (RSI)** indicates a **Hold** signal at this level. Traditionally, a stock is considered overvalued when RSI is above 70 and undervalued when it is below 30.
- **Moving Averages (MA):** The stock price currently trades just below its 200-day MA which might indicate a **Sell** signal. The MA for the 50-Day and 100-Day are 0.62 and 0.62, respectively, indicating a **Sell** signal.
- **Average Volume 3-Months** indicates moderate trade activity.

TAJM is under clear technical pressure. Key support lies around JD 0.56 – JD 0.57 with immediate resistance at JD 0.59, and a ceiling at JD 0.61. UFICO's recommendation is to be cautious. New investors should consider monitoring the stock for a breakout above JD 0.59, while existing holders should watch for any breach below the support levels as a potential exit signal.

Stock Price is up 18% in the past year

Price Volatility

14-Day RSI

Moving Average (MA)

Average Volume (3-Months)


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negative neutral positive

UFICO Stock Ratings: UFICO's coverage of stocks uses a quantitative model that evaluates a company's relative valuation, earnings strength, financial stability, and its recent price movement. UFICO's five recommendation ratings include strong buy, buy, hold, sell, strong sell. For all stocks in our coverage universe, ratings are generated each week and reflect the fundamental and price data as of the last trading day of the week.

1	2	3	4	5	Strong Buy	Significantly Satisfactory
1	2	3	4	5	Buy	Satisfactory
1	2	3	4	5	Hold	Average
1	2	3	4	5	Sell	Unsatisfactory
1	2	3	4	5	Strong Sell	Significantly Unsatisfactory

Relative Valuation: Relative valuation is a weighted combination of factors that measure a company's current stock price valuation vs industry. These include the company's price-to-earnings vs. industry, and its price-to-book vs. industry. UFICO also measures the rank of a company's dividend yield among dividend payers on the Amman Stock Exchange. A stock may stay undervalued or overvalued for a long period of time. For this reason, it is important to combine dividend yield rank factor with shorter-term predictive factors such as earnings momentum or price momentum to identify more imminent valuation adjustments. In addition, UFICO also measure a company's dividend payments growth over the past 10 years and the degree its dividend payments are covered by earnings.

Earnings Strength: Over 20 years of research have shown that the change in the growth of earnings per share is an important factor that drives stock price performance. UFICO measures earnings momentum to get an early indication of changing earnings patterns. Earnings strength is a weighted combination of factors that measure a company's earnings growth performance. These include the company's 5-year average earnings growth rate, its 1-year earnings growth rate vs its 5-year average earnings growth rate, its 1-year earnings growth rate vs. industry, its relative strength of ROE, and its y-o-y profit margin growth rate.

Financial Stability: Financial stability is a weighted combination of factors that measure a company's ability to pay its debts in the short and long terms. UFICO looks for a company's capital structure where its total liabilities do not exceed 40% of its equity. For a company's solvency strength, we look for an interest coverage of at least 3x, indicating a company's ability to cover its interest payments through its operating income, and a debt coverage of at least 200%, indicating a company's ability to cover its loans and interest payments through its operating income. For liquidity strength, we look for a company's current ratio of at least 1.25x, indicating current liabilities are sufficiently covered by current assets. Companies in the banking sector are analyzed using assets/equity ratio, loans/deposits ratio, loans/assets ratio, and level of bad loans. For assets/equity ratio, we look for a ratio below 10x, indicating adequate reliance on debt to fund the bank's operations. For loans/deposits ratio, we look for a ratio below 125%, indicating high liquidity and low exposure risk to cover unexpected funding requirements. For loans/asset ratio, we look for a ratio below 110%, indicating high liquidity and low exposure risk to defaults. For the level of bad loans, we look for a ratio below 5.00%, indicating lower provisions are required and, hence, increases bank profitability.

Recent Price Movement: Historical price action of a company's stock is an especially helpful measure used to identify intermediate and short term performance potential. Long term historical performance is a good predictor of future price performance, but much more importantly, large price movements over the intermediate and short term tend to reverse themselves. UFICO's price momentum measure integrates historical long, intermediate and short term price changes, creating ratings that are highest for stocks with strong twelve-month price performance that have had a price consolidation in the past quarter and month. Price movement is an evaluation based on a company's relative share price strength in the past 1-quarter, 14-day and 1-year period. In UFICO's analysis, positive price strength in the past 200-day period is a favorable indication of near-term price gain. Conversely, positive price changes in the past quarter or 14-day period can indicate a short-term overbought condition resulting in negative near-term price change.

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