

**Report Date: 24-Mar-25**

# AL-TAJAMOUAT FOR TOURISTIC PROJECTS CO PLC

**ASE: TAJM**
**Annual Earnings: 31/12/2024**
**Price as of 23-Mar-25**
**JD 0.68/Share**
**RATING:**

1	2	3	4	5
---	---	---	---	---

*Initiated Coverage 23/03/2025*

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 0.69**
**Previous Rating**

1	2	3	4	5
---	---	---	---	---

*09/01/2025*
**52- Week Price Range**

JD 0.45- JD 0.71

**Market Capitalization**

JD 63.2 M

**Dividend Yield**

10.3%

**Dividend/ Share**

JD 0.07

**Founded: 1983**
**Shares Outstanding: 93 M**
**Employees: 88**
**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. The occupancy rate, based on signed lease contracts, stands at 81.4% by the end of 2023. **On March 19, 2025, the Board of Directors of TAJM announced 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 fairly priced based on its P/BV ratio, while its P/E ratio indicates overvaluation relative to emerging market averages. The Company's earnings showing a slight increase at the end of 2024. The stock's price trend suggests a likelihood of an upward movement. UFICO Suggests continually monitoring and tracking developments in order to analyze TAJM's long-term potential.

**Relative Valuation**


negative neutral positive  
The stock is overpriced based on its P/E ratio and fairly priced based on its P/BV ratio, in comparison to emerging markets averages and its peers.

**Earnings Strength**


negative neutral positive  
Earnings increased over the past 3 years, recording a 0.2% increase at the end of 2024.

**Financial Stability**


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

**Price Movement**


negative neutral positive  
Low volatility with minimal price fluctuation over time. The stock is rated a **BUY** at its current 14-Day RSI and 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 23/3/2025	Mkt Cap* 23/3/2025	BV/Share (MRQ)	P/E (TTM)	P/BV (MRQ)	ROA (MRQ)
TAJM	Al-Tajamouat Touristic Projects Co	JD 0.68	63,240	JD 1.20	25.20x	0.57x	2.03%
JRCD	Jordanian Real Estate Co.	JD 0.54	18,630	JD 1.00	35.40x	0.54x	1.43%
APCT	Arab Company for Investment Projects	JD 1.30	3,250	JD 1.24	11.87x	1.05x	7.90%
RICS	Al-Rakaez Investment Co.	JD 0.37	4,070	JD 1.02	22.50x	0.36x	1.52%
<b>Peers Weighted Average</b>					<b>30.43x</b>	<b>0.58x</b>	
<b>Emerging Market Averages (<a href="http://www.damodaran.com">www.damodaran.com</a>)</b>					<b>21.91x</b>	<b>0.58x</b>	
<b>Median</b>					<b>22.50x</b>	<b>0.54x</b>	

*\* In JD thousands*

Report Date: 24-Mar-25

# AL-TAJAMOUAT FOR TOURISTIC PROJECTS CO PLC

ASE: TAJM

Price as of 23-Mar-25

**JD 0.68/Share**

## Past Performance

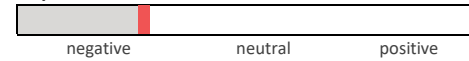
	2018	2019	2020	2021	2022	2023	2024
Net Profit Margin	16.81%	11.57%	-2.35%	8.04%	20.07%	21.84%	<b>21.87%</b>
Earning/ Share (JD)	0.025	0.015	(0.003)	0.010	0.024	0.027	<b>0.027</b>
Debt to Equity	29.50%	22.46%	22.58%	19.59%	13.71%	9.66%	<b>5.79%</b>
Gross Profit Margin	46.55%	43.48%	38.02%	42.02%	40.01%	40.97%	<b>38.50%</b>
Dividend/ Share (JD)	-	-	-	-	-	-	<b>0.07</b>

## Relative Valuation: **NEUTRAL**

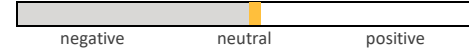
Last Price	Mkt Cap*	EPS	P/E	BV/Share	P/BV	DPS	Div. Yield
23/3/2025	23/3/2025	(TTM)	(TTM)	(MRQ)	(MRQ)	(TTM)	23/3/2025
JD 0.68	JD 63.2 M	JD 0.03	25.20x	JD 1.20	0.57x	0.07	10.3%

- **P/E vs. Industry:** is above the emerging market average, median indicating that the Company may be overvalued, but lower than the peers weighted average.
- **P/BV vs. Industry:** is in line with the emerging market average and the peers' weighted average, indicating fair valuation.
- **Dividend Yield** is above the average of dividend payers in the Jordanian market.

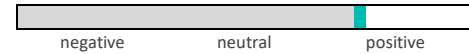
### P/E



### P/BV



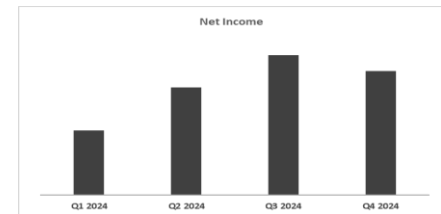
### Dividend Growth



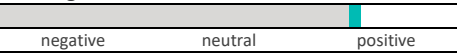
## Earning Strength: **POSITIVE**

2024 Results	Revenues	Net Income	ROE	NPM
(TTM)	JD 11.5 M <b>(0.1%)</b>	JD 2.51 M <b>(0.2%)</b>	2.28%	21.87%

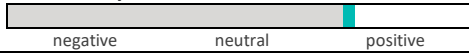
- **Earnings Trend:** TAJM has been profitable over the past 3 years, with earnings showing a slight increase of 0.2% at the end of 2024.
- **Return on Equity** is slightly lower than 2.33% achieved at the end of 2023.
- **Net Profit Margin** is steady at 21.87%, compared to the end of 2023.



### Earnings Trend



### Profitability

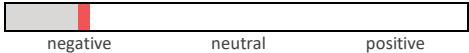


## Financial Stability: **NEUTRAL**

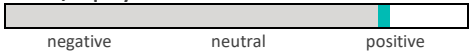
2024 Results	Assets	Equity	ROA	Debt/ Equity
(MRQ)	JD 123.4 M	JD 111.5 M	2.02%	5.79%

- **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: **POSITIVE**

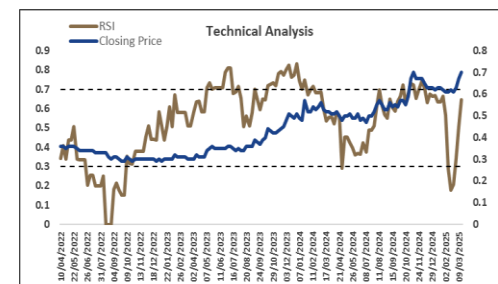
Avg 30-Day Volatility:	14-Day RSI:	200 Day MA:	Avg. Vol (3M):
+/- 12.67%	56.392	0.58	208,628 Shares

- **Price Volatility** indicates a low level of fluctuation in price over time. The higher the volatility, the riskier the stock.
- **14-Day Relative Strength Index (RSI)** is 56.392, indicating a **Buy** 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 above its 200-day MA which might indicate a **Buy** signal. The MA for the 50-Day and 100-Day are 0.63 & 0.64, accordingly, indication a **Buy** signal.
- **Average Volume 3-Months** is 208,628 shares, indicating moderate trade activity.

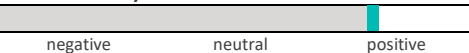
TAJM had a positive price strength in the past 200-day period indicating a favourable signal of near-term price gains.

TAJM stock recently fell after strong resistance level following the board's recommendation to distribute a 7% cash dividend. The stock tested the resistance level of JD 0.70 but failed to break through, and is now trading at JD 0.68.

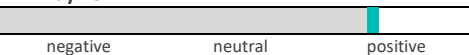
## Stock Price is up 30.8% in the past year



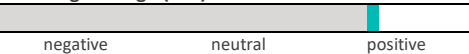
### Price Volatility



### 14-Day RSI



### Moving Average (MA)



### Average Volume (3-Months)



**Report Date: 24-Mar-25**

# AL-TAJAMOUAT FOR TOURISTIC PROJECTS CO PLC

**ASE: TAJM**
**Price as of 23-Mar-25**
**JD 0.68/Share**

**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.

## Disclaimer

The statements, opinions and analyses presented in this report (collectively, "Information") are for informational purposes only. Any opinions or probabilities expressed in this report are those of the author as of the report date and are subject to change without notice. United Financial Investments ("UFICO") makes no guarantee as to the completeness or accuracy of the Information, nor can it accept any responsibility for any errors in the report. Other events that were not taken into account may occur, and any opinions or probabilities should not be construed to be indicative of the actual events that may occur. The Information contained herein is not an offer to sell or the solicitation of an offer to buy any securities. Nothing contained herein is intended to be investment advice, nor is it to be relied upon in making any investment or other decision. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment will be profitable or equal any historical performance level(s). Neither UFICO, any of its affiliates, nor each of their respective officers, directors, members, agents, representatives, employees, or contractors (collectively, "UFICO Parties"), are liable for investment decisions based upon, or the results obtained from, the Information provided. UFICO Parties or their clients may at times own positions in the companies described in these reports. You assume all risks of loss resulting, directly or indirectly, from the use of the Information contained in this report. By accepting receipt of this report, you agree to hold harmless the UFICO Parties from any and all claims, actions, damages, losses, liabilities, costs and expenses of any kind whatsoever, including any claims of negligence, arising out of, resulting from, by reason of, or in connection with the use of the Information contained in this report. This report contains certain "forward-looking statements," which may be identified by the use of such words as "believe," "expect," "anticipate," "should," "planned," "estimated," "potential" and other similar terms. Examples of forward-looking statements include estimates with respect to financial condition, market developments, and the success or lack of success of particular investments (and may include such words as "crash" or "collapse"). All are subject to various factors, including general and local economic conditions, changing levels of competition within certain industries and markets, changes in interest rates, changes in legislation or regulation, and other economic, competitive, governmental, regulatory and technological factors that could cause actual results to differ materially from projected results. Comparable companies, strategies, portfolios and indices may be included in this report only as a context reflecting general market results during the depicted period or as of the specified date. The comparison of any company, strategy, portfolio or index to a single other portfolio may be inappropriate because the portfolio's assets, strategies and level of risk may vary materially from the comparable company, strategy, portfolio or index as a whole. This report is provided to you on a confidential basis and is intended solely for the use of the person to whom it is provided. It may not be modified, reproduced or redistributed in whole or in part without the prior written consent of UFICO.