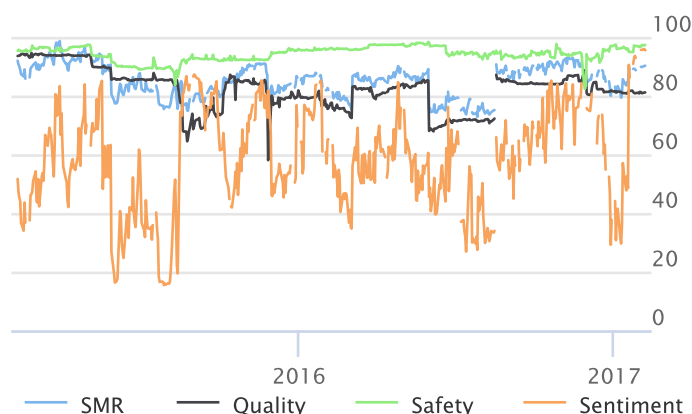


Rating Update¹ for Mitrajaya Holdings Bhd

Stock upgraded to Good from Above Average

Ticker	Company Name	Exchange	Industry	Sector
MITRA	Mitrajaya Holdings Bhd	Bursa Malaysia	Construction & Engineering	Industrials

C1. SADIF overall Rating (SMR) and its drivers

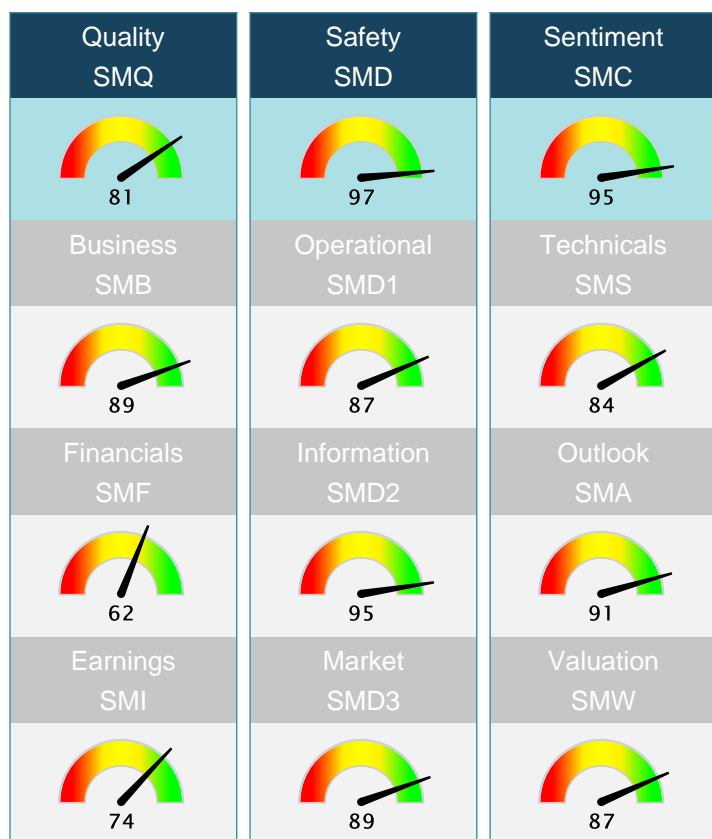


Highlights

Mitrajaya Holdings Bhd has a bright prospect, with an overall score of 90/100. This represents an upgrade in relation to the previous rating. This is mostly due to a rise in its business market sentiment. More specifically, the company experienced a rise of 147.38% in its outlook.

Looking forward, its quality remains flat and our estimates rating shows a deterioration, mainly due to a decline in book value per share.

Overall, we expect Mitrajaya Holdings Bhd to be a good long-term investment that is likely to deliver long-term returns.



Last Close Price	52-Week Range	Market Cap.
1.280 MYR	1.08 - 1.47	858.674M MYR
Beta	PE	PBV
0.70	10.38	1.77
EPS ²	Earnings Yield	Div Announc. Date
0.12	10.58%	29 April 2016
DPS	Dividend Yield	Div Ex Date
0.05	3.54%	15 July 2016

T1. Quarterly EPS

Year	Q1	Q2	Q3	Q4
2017	0.037f	-	-	-
2016	0.023	0.038	0.034	0.038f
2015	0.021	0.036	0.033	0.031

T2. Quarterly BVS

Year	Q1	Q2	Q3	Q4
2017	0.842f	-	-	-
2016	0.661	0.723	0.723	0.782f
2015	0.644	0.692	0.607	0.645

Summary StockMarks Ratings for Mitrajaya Holdings Bhd were calculated in relation to the entire population of 843 Malaysia-listed companies rated today, using a scale from 0 (worst) to 100 (best). For an explanation of each rating, see page 3. Readers should check for the latest news and events not yet reflected in the company financials.

Estimates

The book value and earnings estimates above were based on the following revenue forecast which is not adjusted for company guidance:

T3. Quarterly Revenue Per Share

Year	Q1	Q2	Q3	Q4
2017	0.3f	-	-	-
2016	0.2	0.3	0.320	0.3f
2015	0.2	0.4	0.288	0.3

The company's business outlook (SMA) is positive but, based on a deteriorating trend in our estimates (SMH), is likely to deteriorate. Earnings per share are stable, while its book value per share is rising. The trend on market multiples is favorable. Our target price has an implicit annual CAGR of 27.7%, well below that of the analyst consensus.

Sentiment

The current investor sentiment in relation to Mitrajaya Holdings Bhd is bullish, and with a positive outlook. This is weakened by a negative trend in financial estimates. Meanwhile, the short term trend measured through technical indicators shows some stability in the last month.

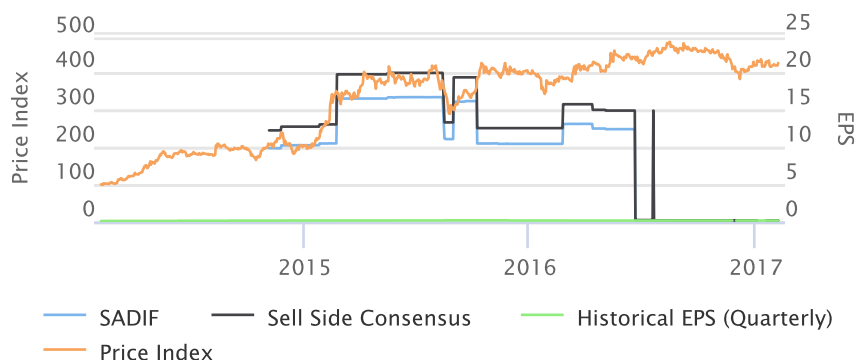
T4. History of up(down)grades ³

Date	Trend	SADIF Rating
07 Feb 2017	↑	Good
12 Jan 2017	↓	Above Average
13 Apr 2015	↑	Above Average

Conclusion

Mitrajaya Holdings Bhd is a high quality company. With good business rating, it has fair financials and good earnings quality. In terms of risk, Mitrajaya Holdings Bhd, is null. With low operational risk, it has low information risk and low market risk. The current market sentiment in relation to the company is positive with favorable technical indicators, positive estimates and an attractive valuation. The trend in Mitrajaya Holdings Bhd fair value exchange rate against its closest rated-competitor, Muhibbah Engineering M Bhd, has been stable over the past 2 weeks. When compared to its closest competitor, Muhibbah Engineering M Bhd, Mitrajaya Holdings Bhd shows greater undervaluation and is equally likely to outperform the market.

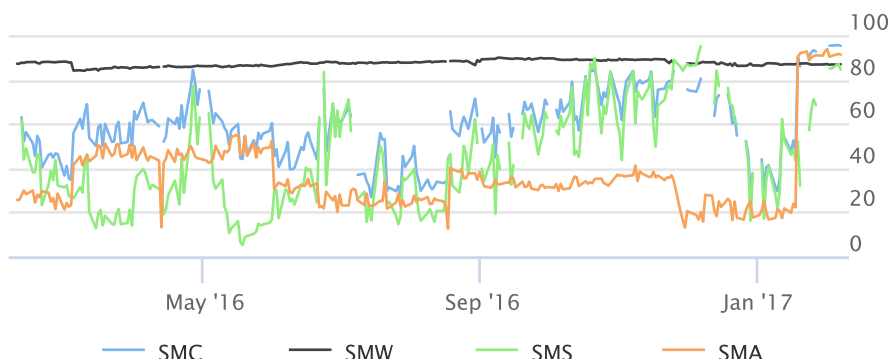
C2. SADIF and Sell Side consensus estimates vs historical EPS



T5. Benchmark Group: Industry Competitors Outlook

Ticker	Company Name	Similarity	Industry Share	SMA	SMH	SMO1	ACR
MITRA	Mitrajaya Holdings Bhd		2.76%	91	63	89	88
MUHIB	Muhibbah Engineering M Bhd	81.25%	5.13%	89	66	71	80
HSL	Hock Seng Lee Bhd	81.25%	1.69%	85	44	26	95
ECONB	Econpile Holdings Bhd	81.25%	1.38%	90	69	36	83
AZRB	Ahmad Zaki Resources Bhd	75.00%	2.92%	76	86	84	N/A
KIMLU	Kimlun Corporation Bhd	75.00%	2.85%	89	64	73	80

C3. Overall Investor Sentiment (SMC) and its constituents



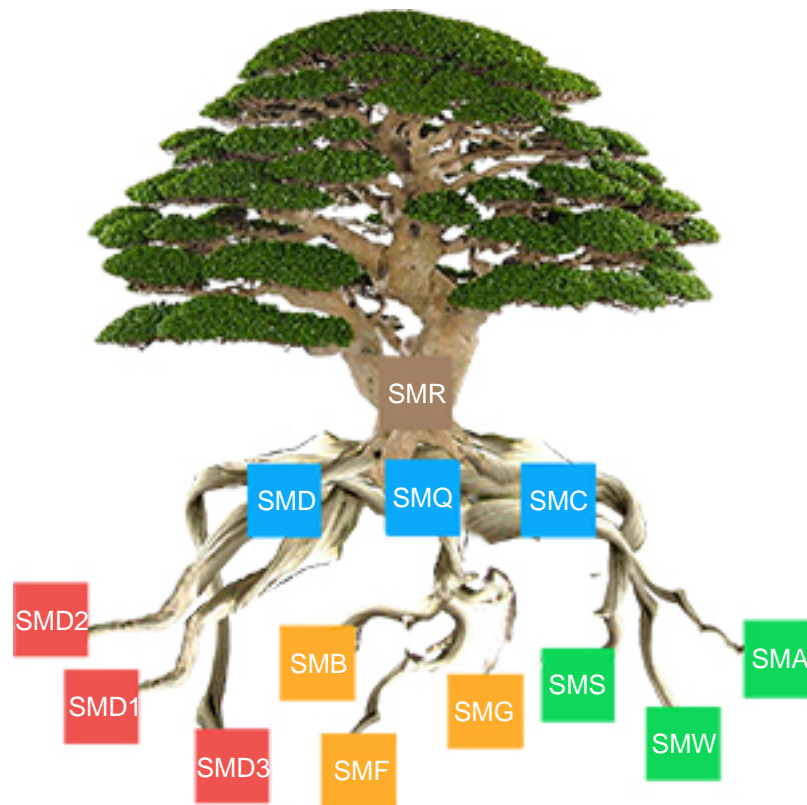
Notes:

1) Last due diligence report published on 02 December 2016

2) EPS, last twelve months, adjusted for stock splits.

3) Current Ratings are not strictly comparable to those published before 8 Dec 2016 due to changes in methodology.

The StockMarks™ Ratings



SMR	SMR	A SADIF recommendation based on equal weighting of company ratings for quality (SMQ), safety (SMD) and investor sentiment (SMC). Investors with different strategies (e.g. growth or safety) should reweight accordingly.	
Recommendation (SMR)	SMQ	A company's overall quality rating based on its ratings for business, financials and governance.	
	SMD	A company's overall safety rating based on its ratings for operational, information and market risk.	
	SMC	A company's overall sentiment rating based on investors' ratings for its current valuation, estimates and technical indicators.	
Safety (SMD)	SMD1	A company's operational safety based on its ratings for revenue growth, leverage adequacy and financial strength.	
	SMD2	A company's informational safety based on its rating for earnings quality, data availability and reliability.	
	SMD3	A company's market safety based on its ratings for its continuation as a listed company, its exposure to takeover bids and its stock price volatility.	
Quality (SMQ)	SMB	A company's business quality based on its ratings for revenue growth, cash conversion and level of leverage.	
	SMF	A company's financial quality based on its ratings for financial strength, efficiency and performance.	
	SMG	A company's governance quality based on its ratings for earnings quality, compensation policy and tunnelling risk. For most companies, the rating includes only the earnings quality rating (SMI).	
Sentiment (SMC)	SMW	A company's valuation attractiveness based on the ratings for its current price multiples, outperformance likelihood and price attractiveness.	
	SMA	A company's current estimates based on the ratings for its current outlook, estimates forecasts and consensus recommendations.	
	SMS	A company's technical indicators rating based on the current values for Bollinger Bands, rates of change and relative strength indexes.	

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