

Team Coverage

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Recommendation:	BUY
Current Price:	RM0.60
Previous Target Price:	-
Target Price:	RM 1.27
Capital Upside/ Downside:	111.7%
Dividend Yield (%):	5.1%
Total Upside/ Downside	116.8%

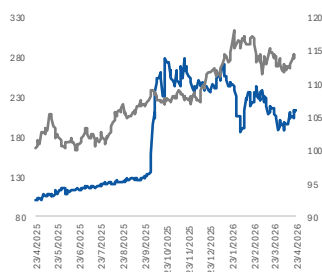
Stock information

Board	MAIN
Sector	Construction
Bursa / Bloomberg Code	9571 / MHB MK
Syariah Compliant	Yes
ESGRating	***
Shares issued (m)	728.4
Market Cap (RM' m)	437.1
52-Week Price Range (RM)	0.81-0.29
Beta (x)	1.1
Free float (%)	32.0
3M Average Volume (m)	0.8
3M Average Value (RM' m)	0.5

Top 3 Shareholders (%)

Tan Eng Piew	51.0
Oversea-Chinese Banking Corp Ltd	4.1
Khoo Yok Kee	3.1

Share Price Performance



	1M	3M	12M
Absolute (%)	-0.8	-13.0	106.9
Relative (%)	-0.7	-13.0	80.7

Earnings Summary	FY25	FY26F	FY27F
Revenue (RM'm)	808.5	1151.4	1509.8
PATAMI (RM'm)	81.8	128.2	168.5
CNP (RM'm)	94.2	138.6	178.9
EPS - core (sen)	12.9	19.0	24.6
P/E(x)	4.6	3.1	2.4

Mitrajaya Holdings Berhad

Riding the Data Centre Wave into a New Growth Phase

- **Data centre exposure drives a structural earnings inflection.** MITRA's involvement in NEXTDC's KL1 hyperscale campus has expanded to RM578m, anchoring multi-year earnings visibility while offering higher-margin potential versus conventional non-DC jobs.
- **Strong earnings growth backed by order book and margin expansion.** We forecast core earnings growth of 47%/29%/5.2% over FY26F–FY28F, driven by an average annual orderbook replenishment of RM1.4bn and margin uplift as key projects progress.
- **Robust order book with upside from data centre pipeline.** MITRA's RM901m order book provides visibility through FY28F, with its growing DC track record enhancing prospects for follow-on contracts.
- **Property segment offers re-rating catalyst.** The RM1.5bn GDV Puchong Prima development supports medium-term earnings, with upside from successful launches and improving take-up.
- **Initiate BUY with TP of RM1.27 (116.8% upside).** Valuation discounts reflect execution risks, but we see scope for re-rating as DC delivery and earnings visibility strengthen.

Key Investment Highlights

Structural Earnings Upside Driven by Data Centre Expansion. MITRA's entry into the data centre (DC) segment marks a key inflection point in its earnings profile. The Group secured its first DC contract in May 2024—a RM86.6m foundation works package from NEXTDC for the KL1 hyperscale campus—followed by a RM375.5m main works contract in January 2025. Following scope enhancements, alongside an additional RM54m early works contract awarded in March 2026, MITRA's exposure to the KL1 project now stands at RM578m, anchoring its near- to medium-term earnings visibility.

Importantly, KL1 is expected to be Peninsular Malaysia's first Tier 4-accredited data centre above 5MW, with a total planned capacity of 25MW. The project's technical complexity, stringent delivery timelines, and high specification requirements underpin **structurally higher margin potential** relative to conventional building jobs. As Malaysia rapidly emerges as a regional digital infrastructure hub—driven by hyperscale and enterprise demand across Kuala Lumpur, Johor, and Selangor—we see **strong potential for repeat orders and pipeline expansion**, positioning MITRA as a solid beneficiary of the DC buildout cycle.

Robust Order Book Underpins Multi-Year Earnings Visibility. Beyond DCs, MITRA's construction division maintains solid momentum, supported by an outstanding order book of RM901m. Key projects include the NEXTDC KL1 campus, Avisena Specialist Hospital, and the Kedah Science and Technology Park, providing diversified exposure across healthcare, institutional, and commercial segments.

This order book offers **clear earnings visibility through FY26F–FY28F**, with contributions expected to be progressively recognised as projects advance. Coupled with its proven execution track record and **disciplined cost management**, MITRA is well positioned to capitalise on upcoming infrastructure spending under Budget 2026, particularly in road, rural, and water-related projects. Notably, its growing track record in data centre construction enhances its **competitive positioning in securing future DC-related contracts**, a segment with structurally higher margins and stronger demand visibility. We forecast average order book replenishment of RM1.4bn annually over FY26F–FY28F, which should sustain a **robust construction pipeline and support continued earnings growth**.

Property Segment Set for Reacceleration. MITRA's property division is poised for a cyclical upturn, anchored by the RM1.5bn GDV Puchong Prima mixed development. The project will be rolled out in three phases, providing **sustainable medium-term earnings visibility** while

diversifying the Group's income base beyond construction. Near-term catalysts include the Phase 1 launch (RM300m GDV) in 2026, followed by a RM50m residential development targeted for 2027. The Group's sizeable landbank of over 500 acres offers **long-term monetisation upside**, while unbilled sales of RM28.5m provide a base level of near-term earnings support. Successful execution and take-up of initial phases could serve as a **key re-rating catalyst**, particularly as sales momentum strengthens.

Valuation and recommendation. We initiate coverage on MITRA with a **BUY** recommendation and a target price of **RM1.27 representing a capital upside of 116.8%**, derived from a sum-of-parts (SOP) valuation and supported by a three-star ESG rating.

Risks. Margin compression from rising input and labour costs, cash flow volatility from working capital requirements, and execution and concentration risk from large projects.

Company Background

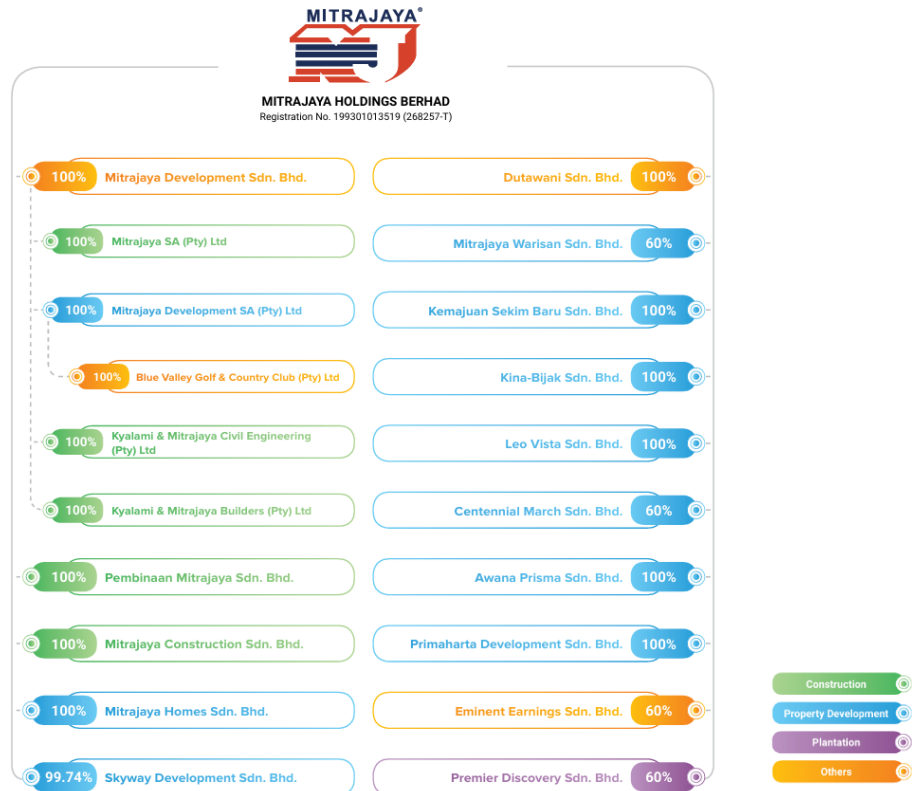
Mitrajaya Holdings Berhad (MITRA) is a diversified group with core businesses in construction, property development and other industries. Established originally as a pure construction outfit, the Group has since grown into a multinational player with a strong domestic track record and a strategic foothold in South Africa.

Founded in 1985 with the establishment of Pembinaan Mitrajaya Sdn Bhd (PMSB), the Group began as a civil and infrastructure contractor undertaking public works, utilities and road projects. MITRA was incorporated in 1993 as the Group’s investment holding entity and subsequently listed on the Second Board of Kuala Lumpur Stock Exchange (now Bursa Malaysia Securities Berhad), marking a major milestone in its corporate evolution. Over nearly four decades, MITRA has expanded from infrastructure works into full-fledged main building construction, specialising in high-rise residential, commercial, industrial, educational and healthcare projects. The Group’s long-standing reputation has been built on quality execution, strong safety standards and timely delivery.

Today, MITRA operates a multi-segment structure encompassing construction, property development and plantation activities (Figure 1). Its portfolio includes PMSB and Mitrajaya Construction Sdn Bhd (Construction), Mitrajaya Homes Sdn Bhd and Skyway Development Sdn Bhd (Property), and Premier Discovery Sdn Bhd (Plantation). Internationally, the Group maintains a notable presence in South Africa through subsidiaries under Mitrajaya Development SA (Pty) Ltd, which manage the Blue Valley Golf and Country Estate and associated developments.

In recent years, MITRA has diversified into high-value, technology-led segments, particularly data centre construction, an area underpinned by Malaysia’s increasing role as a regional digital infrastructure hub. This expansion aligns with the Group’s core competencies in large-scale building construction and positions MITRA to capture strong, multi-year demand from the hyperscale and enterprise data centre segments.

Figure 1: Mitrajaya’s Corporate Structure

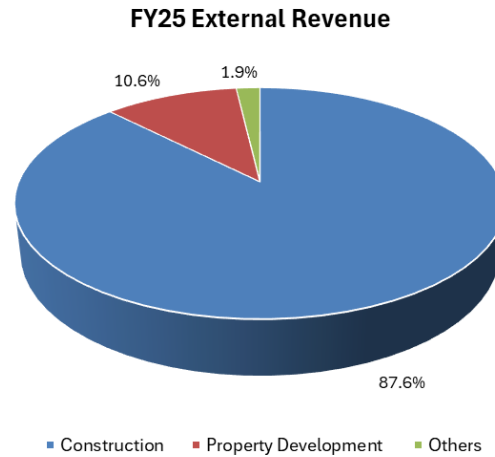


Source: Company

Business Overview

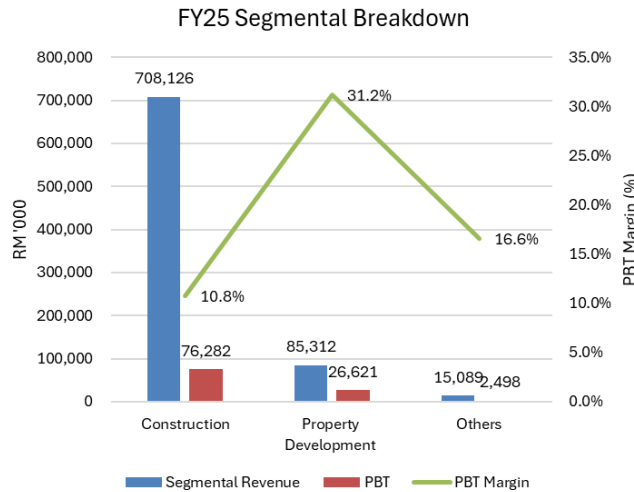
Business Model. The Group provides a comprehensive suite of services through its subsidiaries and associates, spanning: (i) **Construction**, (ii) **Property Development**, and (iii) **Others**.

Figure 2: External Revenue Breakdown for Key Business Activities



Source: Company, Apex Securities

Figure 3: Segmental Revenue, PBT and Margin Breakdown (FY25)



Source: Company, Apex Securities

Construction (88% of FY25 Revenue) – Core Engine of Growth

MITRA’s Construction division remains the Group’s principal earnings driver, anchored by its longstanding reputation for quality, reliability and timely delivery. Through PMSB, the Group undertakes a wide scope of civil engineering, infrastructure and building works nationwide. Over the years, MITRA has accumulated an extensive track record across landmark developments including KLIA, the Light Rail Transit (LRT) system, the Putrajaya administrative centre, the MACC Headquarters and IMU Hospital, among others.

Figure 4: Completed projects featuring MACC Headquarters (left) and IMU Hospital (right)



Source: Company

Figure 5: Completed projects featuring LRT Extension Stations (left) and Double Tree by Hilton (right)



Source: Company

A key structural advantage lies in MITRA's fully in-house project delivery model. Unlike most peers, the Group owns and operates its construction equipment and executes the bulk of works internally rather than outsourcing to subcontractors. This results in superior cost control, tighter execution oversight, faster mobilisation and full retention of project margins. These strengths give MITRA a competitive edge in securing technically demanding projects where execution reliability and speed are paramount, enabling the Group to consistently command above-industry margins.

Strategic Entry into Data Centre. In line with evolving industry demand, MITRA has expanded into high-specification, technology-driven infrastructure, particularly data centre construction which is one of the fastest growing segments in Malaysia. In May 2024, the Group secured its maiden data centre contract, a RM86.6m foundation works package for NEXTDC's KL1 hyperscale data centre. NEXTDC is Australia's largest listed data centre developer and operator.

Although MITRA lacked prior experience in this niche segment, it adopted a deliberate strategy by investing early in consultants with deep familiarity with NEXTDC's engineering and operational requirements. This enabled MITRA to align with stringent design standards and demonstrate execution readiness, ultimately strengthening client confidence despite competition from larger, more established contractors.

Building on this early success, MITRA was awarded a RM375.5m main works package for KL1 in January 2025. The contract was later revised to RM844.7m in 10 December 2025 following several scope enhancements. In addition, on 2 March 2026, MITRA was awarded a RM54m contract for the early works of KL1 Stage 4. Today, MITRA's outstanding orderbook exposure to KL1 stands at 578m. These awards reaffirm NEXTDC's confidence in MITRA's execution capabilities and signalling deeper involvement across multiple build phases.

NEXTDC also tends to maintain continuity in contractors across expansion phases to ensure design consistency and reduce learning curve inefficiencies. This significantly enhances

MITRA's prospects for follow-on packages as NEXTDC progresses with its RM3bn investment commitment for the KL1 campus in Malaysia. Over the longer term, we believe MITRA may also explore selective participation in data centre ownership structures if suitable opportunities emerge.

Attractive Payment Terms and Working Capital Discipline. Data centre developers are typically strong counterparties with disciplined payment behaviour, where the standard practice is 45-day payment terms. In NEXTDC's case, actual payments are often made even earlier, providing MITRA with strong cash flow visibility and easing working capital requirements. The accelerated payment cycle reflects both the urgency of hyperscale project timelines and the client's confidence in MITRA's execution capabilities.

Margin Expansion from Data Centre Projects. Data centre construction commands higher gross margins of 15-20%, versus the 6-13% margins typical of MITRA's conventional civil and building works. As MITRA's data centre exposure deepens, the segment acts as a structural margin uplift driver, further amplified by its in-house execution model. This trend is already visible with FY25 Construction PBT margin expanding to 10.8% compared to 5.8% in the previous corresponding period.

Financial Performance. For FY25, the Construction division delivered revenue of RM708.1m and PBT of RM76.3m, rising 130.6% YoY and 328.1% YoY, respectively. Growth was driven by higher progress billings from ongoing projects, the scaling up of data centre works and significant margin expansion from high-specification contracts. As at the 6 March 2026 investor briefing, MITRA's outstanding orderbook stood at RM901mn. The Group also has a tender book of RM700mn with an additional RM740m of tenders under preparation, providing visibility on potential orderbook replenishment, with an even split between data centre and non-data centre opportunities.

Figure 6: Outstanding OrderBook

No.	Construction Contracts	Total Contract Sum RM' m	Outstanding Orderbook RM' m	Estimated Completion Date
1	Data Centre Works	892	578	Feb 27
2	Kedah Science and Technology Park	143	62	Aug 26
3	Penchala Hills Residency	87	29	Sep 26
4	Avisena Specialist Hospital	176	110	May 27
5	Langkawai Service Apartment	70	62	Jun 27
6	Others	300	60	Various
	Total	1,668	901	

Note: As at March 6 2026 Investor Briefing

Source: Company, Apex Securities

Property Development (11% of FY25 Revenue)

The Property Development division under MITRA remains a key pillar of the Group's diversified operations, focusing on residential and mixed-use developments primarily across the Klang Valley. Over the years, MITRA has built a solid reputation for delivering projects that combine functional design, community-centric layouts and long-term value creation. Flagship projects such as Puchong Prima and Kiara 9 Residency in Mont' Kiara highlight the Group's ability to cater to both mid- and high-end urban lifestyles. Meanwhile, developments such as Amber in Rawang, Amora Residensi @ Warisan 9 in Sepang, and Wangsa 9 in KL demonstrate its strategic expansion into emerging growth corridors, offering a balance of affordability, modern design and accessibility.

Well-Rounded Product Offerings. Beyond its mid- and upper-tier offerings, MITRA also plays an active role in supporting affordable housing initiatives under the Selangor state's Rumah Selangorku programme, underscoring its commitment to inclusive urban development. Projects such as Pangsapuri Seri Akasia in Puchong Prima and Pangsapuri Seri Warisan in Kota Warisan cater to lower- and middle-income families, providing quality housing options for first-time buyers at accessible price points. By integrating these developments alongside its more premium projects, the Group ensures a well-balanced portfolio that serves diverse market

segments. MITRA’s strategy of combining township, mid-range and affordable projects across prime and suburban locations enables it to maintain steady sales momentum while aligning with Malaysia’s broader housing policy and demand dynamics.

Financial Performance. In FY25, property revenue rose to RM85.3m, while PBT surged to RM26.6m, translating into YoY growth of 45.4% and 169.4%, respectively. The stronger performance was underpinned by steady contributions from the completed Wangsa 9 Residency development. The Group’s unbilled sales stand at RM28.5m across its 3 active projects, comprising the Amber, Amora Residensi and Wangsa 9 Residensi, providing near-term earnings visibility as construction progresses (Figure 8, 9, 10). Current unsold NDV across the after mentioned projects stands at RM533.4m.

Future Launches. Looking ahead, planned launches include the RM1.5bn mixed development at Puchong Prima, which will be rolled out over 3 phases with the RM350m first phase targeted for launch in 2026. A proposed RM50m residential development at Puchong Prima is expected to follow in 2027. With more than 500 acres of remaining landbank, the Group has a sizeable multi-year development pipeline that offers meaningful long-term monetisation potential.

Figure 7: Property Division Ongoing/Completed Projects

No.	Project	Location	Unsold NDV (RM m)	Take-up Rate (%)	Unbilled Sales (RM m)
1	Amber 2 #	Bukit Sentosa, Rawang	0.98	98%	0.274
2	Amber 3 #	Bukit Sentosa, Rawang	1.22	97%	0.705
3	Amber 4 (95% completion)	Bukit Sentosa, Rawang	4.29	79%	5.324
4	Amber 5 (85% completion)	Bukit Sentosa, Rawang	22.69	0%	0
5	Amora Residensi	Kota Warisan, Sepang	220.86	3.37%	5.16
6	Wangsa 9 Residency Phase 1 Block C	Wangsa Maju, KL	20.09	87%	0
7	Wangsa 9 Residency Phase 1 Block B	Wangsa Maju, KL	30.89	83%	1.543
8	Wangsa 9 Residency Phase 2 Block A	Wangsa Maju, KL	232.33	20%	15.463
Total			533.36		28.47

CCC for Amber 2 obtained in September 2025. CCC for Amber 3 undergoing application.

* CCC for Wangsa 9 Residensi: Phase 1 obtained in March 2019, Phase 2 obtained in March 2023.

Source: Company, Apex Securities

Figure 8: Completed/Ongoing Project — Amber (Bukit Sentosa, Rawang)



Source: Company

Figure 9: Ongoing Project: Amora Residensi @ Warisan 9



Source: Company

Figure 10: Ongoing Project: Wangsa 9 Residensi (Wangsa Maju, KL)



Source: Company

The Group’s sizeable and well-diversified landbank of more than 500 acres provides strong long-term monetisation potential across varying market cycles. Ownership of land across multiple locations and land-use titles gives the Group the flexibility to recalibrate its project mix in line with shifting market demand as opportunities arise. In addition, land acquired at earlier stages carries a lower cost base, offering meaningful margin protection and greater pricing flexibility amid elevated construction and financing costs.

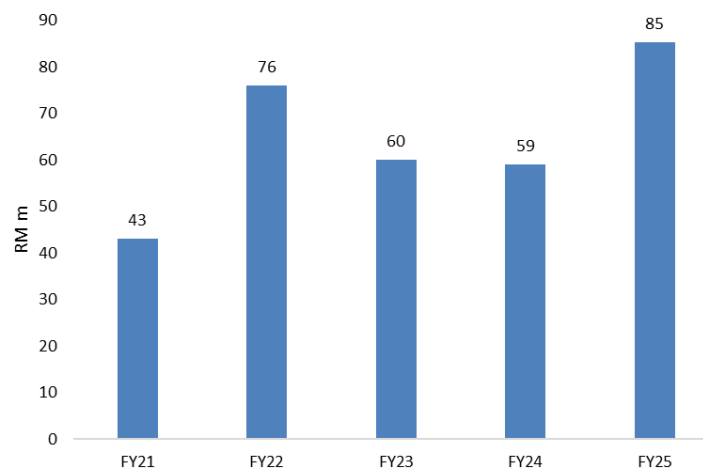
Figure 11: Land Bank in Malaysia

No.	Location	Type	Land Area (acres)	BV @ 31/12/2025
1	Port Dickson, Negeri Sembilan (agriculture)	Freehold	10.71	0.7
2	Banting, Selangor (industrial)	Freehold	198	30.82
3	Seksyen 28, Petaling Jaya (industrial)	Leasehold	9.3	41.95
4	Sungai Rengit, Johor (residential)	Freehold	4.5	2.58
5	Bukit Beruntung (industrial)	Freehold	7.08	4.9
6	Puchong Prima (commercial)	Freehold	14.53	41
7	Kg Sri Aman (residential)	Leasehold	4	7.04
8	Emville, Mukim Setul, Nilai (Mixed development)	Leasehold	252.63	78.71
9	Dengkil, Kota Warisan, Daerah Sepang, Selangor (Building)	Leasehold	17.51	37.9
10	Dengkil, Kota Warisan, Daerah Sepang, Selangor (Commercial)	Leasehold	21.55	56
11	Medini Land (apartment building)	Leasehold	3.34	21.56
			543.15	323.16

Note: As at Mar 6 2026 Investor Briefing

Source: Company, Annual Report, Apex Securities

Figure 12: Property Development Division Historical 5 - year Revenue Trend



Source: Company, Apex Securities

Others - South Africa and Plantation (2% of FY25 Revenue)

The Others division comprises the Group’s international operations in South Africa and its plantation business in Malaysia. In South Africa, the Group operates through Mitrajaya Development SA (Pty) Ltd, which owns and manages the Blue Valley Golf and Country Estate, a premier gated residential community combining upscale living with leisure and recreational facilities. This segment generates stable income from property sales, land development and golf

club operations, contributing to the Group's international footprint and brand presence outside Malaysia.

Meanwhile, the Plantation division manages the Group's agricultural operations in Bentong, Pahang. The division currently oversees 478 acres of land, of which 150 acres have been developed and planted with around 4,000 durian trees. Approximately 60% of these trees remain in the early growth stage, while the remaining 40% are approaching maturity and are expected to begin contributing revenue in FY26. Although still at a formative stage, the plantation offers long-term growth potential and could grow to provide a natural hedge against the cyclical nature of the Group's construction and property business. MITRA views this initiative as a strategic diversification that capitalises on Malaysia's strong durian export market, particularly to China, while optimising the value of its land assets for recurring agricultural income.

Figure 13: Blue Valley Club House

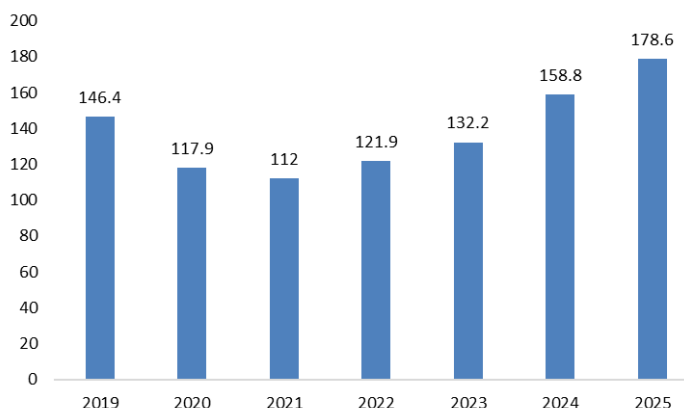


Source: Company

Industry Overview

Construction. Malaysia's construction sector is entering a renewed growth phase, underpinned by sustained public-sector spending and continued private-sector investment. Under Budget 2026, the federal government allocated RM81.0bn in development expenditure, representing a 1.3% increase from the estimated RM80.0bn in FY25. This allocation is expected to provide meaningful support to construction demand, particularly for civil and infrastructure works. Key spending items include RM5.6bn for state road maintenance, RM3.3bn for rural infrastructure projects, RM3.0bn for the nationwide replacement of ageing water pipes, and RM2.5bn for federal road maintenance. In addition, state-owned investment companies plan to mobilise RM30.0bn in domestic investments under the GEAR-uP Programme, further strengthening the project pipeline. Collectively, these initiatives are likely to benefit contractors with exposure to roadworks, earthworks and public infrastructure projects.

Meanwhile, private-sector construction activity continues to be supported by ongoing developments in healthcare, education and commercial buildings, particularly within the Klang Valley and key industrial corridors in Selangor and Johor. For MITRA, whose core competencies span building construction, hospital projects, roadworks and earthworks, the current policy and investment landscape provides a supportive operating backdrop. The Group's diversified project portfolio positions it well to capture opportunities across both public and private sectors as construction sentiment improves in tandem with Malaysia's broader economic expansion. Notably, the value of construction work done has risen steadily since 2020 following the pandemic-induced slowdown, surpassing pre-pandemic levels in 2024 and now registering a five-year CAGR of 8.7%.

Figure 14: Value of Construction Work Done in Malaysia, RM bn

Source: DoSM, ApexSecurities

Data Centres. The rapid expansion of data centre development has emerged as a structural growth driver for Malaysia’s construction and digital infrastructure ecosystem. Although Budget 2026 did not allocate direct funding for digital infrastructure, the government’s broader policy focus on carbon-tax readiness, renewable energy expansion and green investment incentives provides a supportive framework for sustainability-linked developments, including energy-intensive data centres. Against this backdrop, multinational technology companies and hyperscale operators continue to scale their presence in Malaysia, particularly across Kuala Lumpur, Johor and Selangor, driving demand for high-specification civil, structural and building works. According to DC Byte, hyperscale data centre development in the Asia-Pacific region recorded a strong five-year CAGR of 32.9% between 2020 and 2025, positioning APAC as one of the fastest-growing global markets for cloud and digital infrastructure.

Malaysia has rapidly established itself as one of the fastest-growing data centre investment destinations in the region, underpinned by its strategic location, competitive operating costs and increasingly supportive digital ecosystem. Since 2021, a total of 143 data centre investment projects has been approved, representing cumulative investments of RM144.4bn. Major commitments from global cloud service providers including AWS (RM29.2bn), Microsoft (RM10.5bn) and Google (RM9.4bn) signals long-term demand visibility for data centre infrastructure. This strong investment momentum has also reshaped Malaysia’s foreign direct investment (FDI) profile, with data centre investments overtaking manufacturing as the dominant recipient of FDI in recent years (Figure 16). Following the strong investment pipeline, live data centre capacity in Malaysia has grown exponentially, rising from just 55MW in 2019 to 784MW by 3Q2025 (Figure 17).

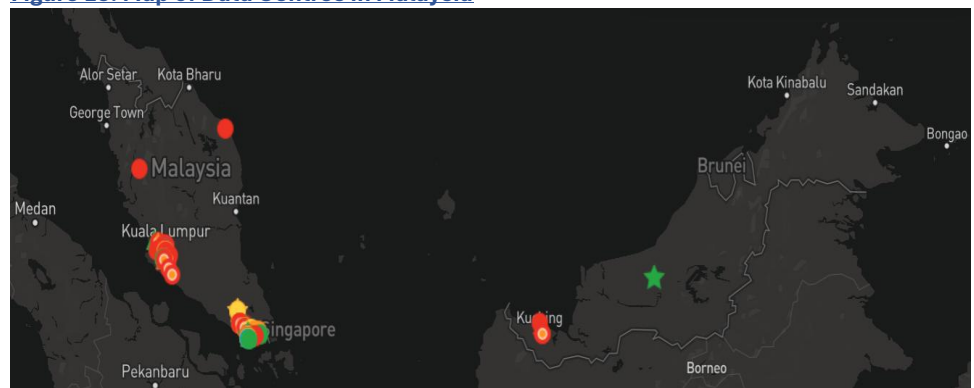
Beyond construction and capital inflows, data centre investments play a central role in advancing Malaysia’s broader digitalisation agenda. They directly support the objectives of the Digital Economy Blueprint (2021–2030) and contribute meaningfully towards the targets outlined under the New Industrial Master Plan (NIMP). Locally hosted data centres reduce latency by shortening the distance between users and data storage, enabling faster connectivity and improved system responsiveness. This is particularly critical for businesses deploying real-time analytics, artificial intelligence, automation and precision control systems, while e-commerce platforms benefit from enhanced customer experience and transaction efficiency. In addition, domestic data storage lowers costs for businesses and consumers by reducing cross-border data transfer fees and leveraging Malaysia’s relatively competitive utility and operating cost structure.

From a regulatory and strategic perspective, localised data infrastructure also strengthens data sovereignty, allowing greater oversight over data governance, privacy and monetisation. This is

especially important for sensitive sectors such as banking, healthcare and government services, where data security and regulatory compliance are paramount. In alignment with NIMP objectives, data centre development contributes to advancing Malaysia’s economic complexity by anchoring high-skilled digital operations and attracting multinational cloud service providers, thereby supporting the creation of higher-value employment. At the same time, data centres form the foundational infrastructure required for SMEs to adopt digital tools, scale cloud-based solutions and participate in AI-driven innovation across multiple sectors. As Malaysia consolidates its position as a regional digital hub, the data centre industry is expected to remain a key enabler of long-term economic transformation and a resilient, high-value segment within the broader construction and infrastructure landscape.

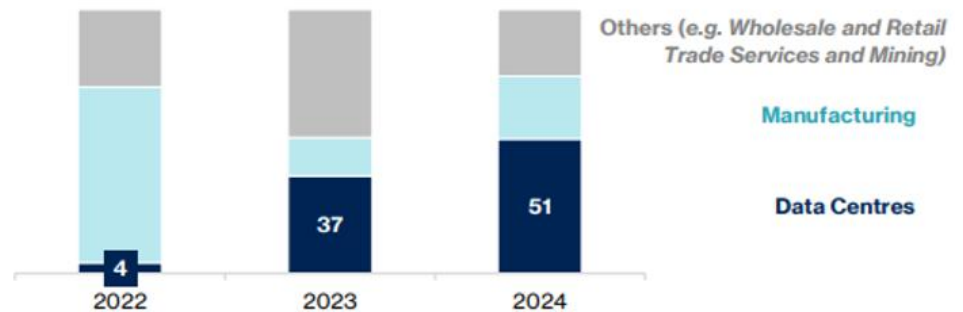
For MITRA, this trend represents a timely diversification opportunity into a higher-value construction segment. The Group first entered the data centre space through an RM86.6m foundation works contract, before securing its maiden full data centre build contract valued at RM375.5m from NEXTDC for Stage 1, Phase 2 of the KL1 data centre campus. Following strong execution progress, the project scope was subsequently expanded via later Stages and variation orders. This successful progression highlights MITRA’s ability to scale within the data centre segment while leveraging its core building expertise and concurrently developing capabilities in advanced mechanical, electrical and cooling systems. As Malaysia continues to strengthen its position as a regional digital and cloud infrastructure hub, data centre construction is expected to remain one of the most resilient, technically demanding and value-accretive segments within the broader construction landscape.

Figure 15: Map of Data Centres in Malaysia



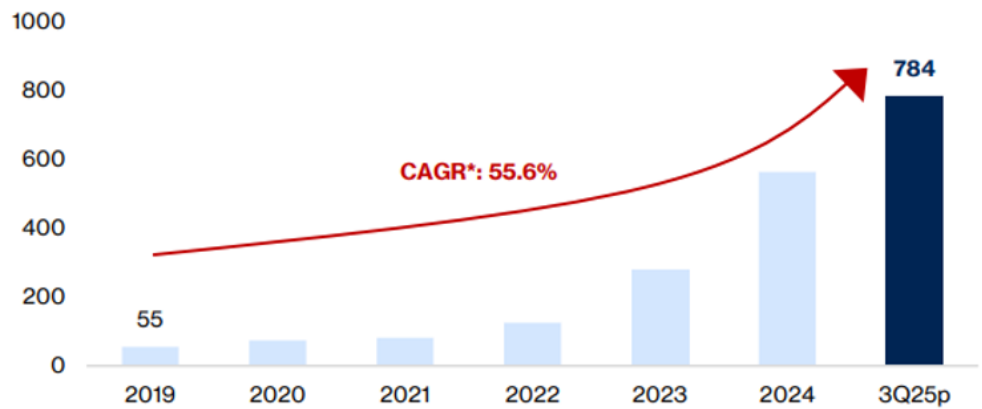
Source: Baxtel

Figure 16: Malaysia’s Net FDI Inflows by Percentage across Different Industries



Source: DoSM, BNM

Figure 17: Malaysia’s Data Centre Cumulative Live Capacity, MW



Source: DC Byte, BNM

Property Development. Malaysia's property development sector remains stable with a cautiously optimistic outlook heading into 2026, underpinned by resilient domestic demand, a growing working-age population and gradually improving macroeconomic conditions. While demand for luxury condominiums and high-rise investment properties remains selective, the mid-market and affordable housing segments continue to anchor overall market activity. Property transaction volumes have recorded a steady uptrend in recent years, registering a four-year CAGR of 6.6% between 2021 and 2025, broadly in line with the growth in newly launched residential projects, which posted a four-year CAGR of 6.9%. This trend underscores sustained end-user demand despite a more disciplined and cautious development environment.

Policy support remains a key stabilising factor for the sector. Budget 2026 reaffirmed the government's commitment to improving housing affordability through continued emphasis on initiatives such as Rumah Mesra Rakyat and Rumah Selangorku, which are aimed at addressing urban housing needs for middle-income households. In parallel, the government allocated RM20.0bn in coverage under the Home Credit Guarantee Scheme (SJKP) to support up to 80,000 additional first-time homebuyers, including self-employed and gig-economy workers. The extension of full stamp duty exemption for first-time buyers purchasing homes priced up to RM500,000 until 31 December 2027 further enhances affordability and lowers entry barriers to homeownership.

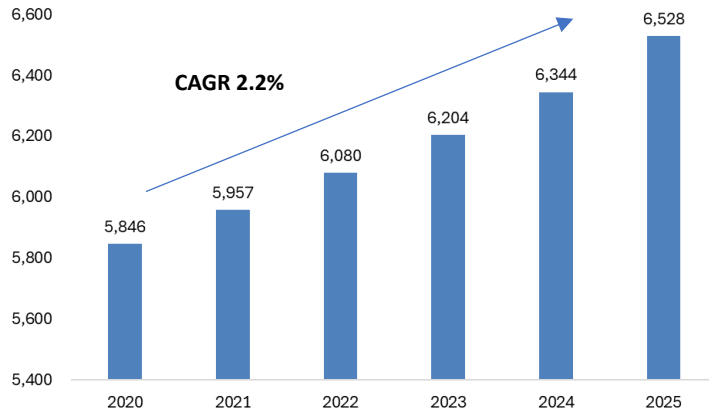
Geographically, the Klang Valley, southern Selangor and emerging growth corridors such as Rawang, Sepang and Puchong remain the primary development hotspots, supported by population growth, improving transport connectivity and proximity to industrial and employment hubs. Nevertheless, developers have generally adopted a cautious approach to new launches in recent years, prioritising inventory management and capital discipline. This is reflected in the moderation of future residential supply, which recorded a five-year CAGR of -8.6%, even as existing residential supply expanded at a more measured five-year CAGR of 2.2%, helping to mitigate oversupply risks in selected sub-markets.

Taken together, the combination of targeted policy support and a more disciplined supply pipeline suggests that Malaysia's property sector is well positioned to sustain steady, demand-led growth, with developers focused on affordable and mid-market segments likely to remain the key beneficiaries as consumer confidence gradually strengthens.

Against this backdrop, MITRA is well positioned to align with prevailing market demand through its balanced exposure to township, mid-tier and affordable housing developments. Its track record in delivering integrated projects such as Puchong Prima and Kiara 9 Residency highlights its capabilities in large-scale urban development, while newer projects such as Amora Residensi @ Warisan 9 and Amber in Rawang are well-suited to lifestyle-oriented, affordable segments with strong liveability appeal. In addition, the Group's participation in government-linked affordable housing initiatives places it in a favourable position to benefit from continued policy support under Budget 2026, which prioritises homeownership for the B40 and M40 income groups. As consumer confidence gradually improves, developers with diversified

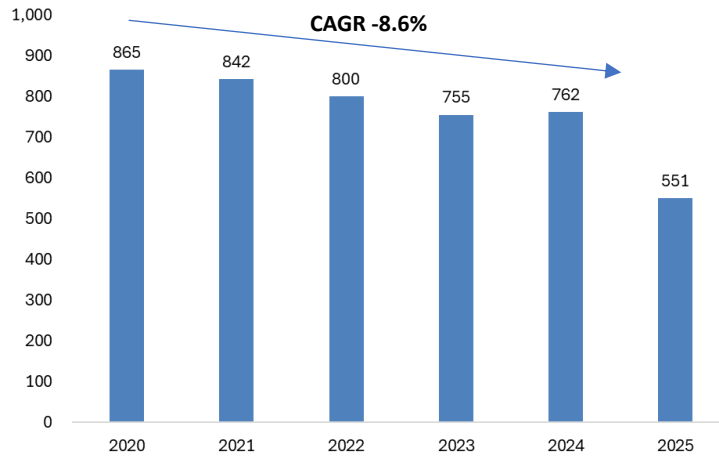
product offerings and prudent capital management, such as MITRA, are expected to sustain steady sales momentum while remaining resilient to cyclical market fluctuations.

Figure 18: Existing Supply of Residential Properties in Malaysia, 000 units



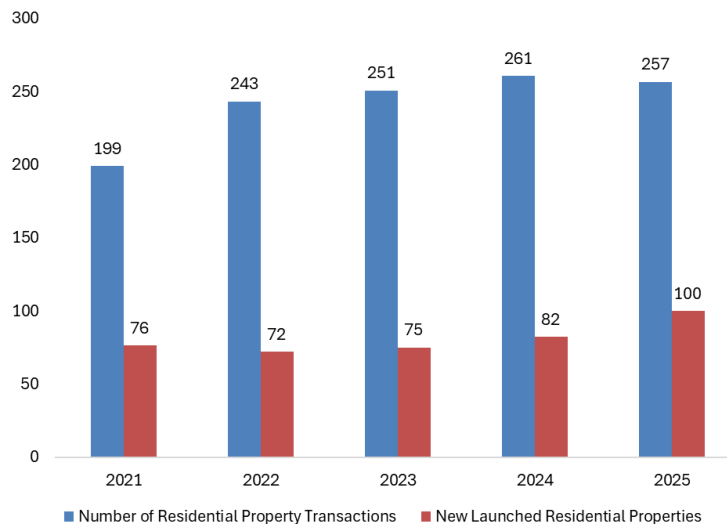
Source: NAPIC, Apex Securities

Figure 19: Future Supply of Residential Properties in Malaysia, 000 units



Source: NAPIC, Apex Securities

Figure 20: Number of Property Transactions and Newly Launched Residential Properties in Malaysia, 000 units



Source: NAPIC, Apex Securities

Investment Highlights

Structural Upside from the Data Centre Construction Cycle. MITRA is strategically positioned to benefit from Malaysia’s accelerating data centre infrastructure build-out, driven by hyperscale-led capacity expansion in the Klang Valley and Johor. Its foothold in NEXTDC’s KL1 campus is a strong validation point. KL1, designated as the first Tier-4 certified DC above 5MW in Peninsular Malaysia, has a planned IT load of 65MW supported by an estimated AUD1bn (c.RM3bn) investment. Thus far, MITRA’s orderbook for the KL1 campus stands at RM578m, marking one of the largest private-sector contracts wins in its history. Importantly, NEXTDC’s preference for contractor continuity, given the high integration complexity of hyperscale facilities, significantly enhances the likelihood of follow-on awards for MITRA.

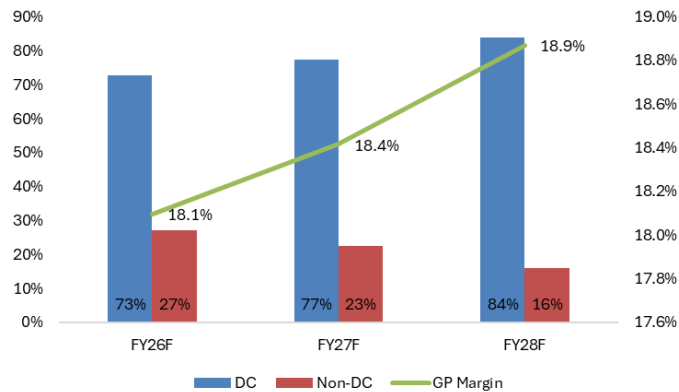
From our interactions with management, we believe that NEXTDC’s KL2 campus is potentially scheduled for award in CY26-27 with three stages planned for a total of 150MW. Using a benchmark of RM25m per MW and an 18-month construction cycle, the 150MW translates into RM3.75bn in potential contract value. At an estimated 20% GP margin, this implies c.RM750mn in cumulative GP across the 3 stages, or c.RM250m per stage. In the event of a follow-on award, this pipeline could provide strong earnings visibility from FY26 to FY28 and materially enhances MITRA’s short to medium-term earnings trajectory.

Better Margin and Cash-Flow Discipline from a DC-Weighted Work Mix. DC projects structurally offer superior economics, with mid-teens gross margins (15–20%) compared to high single-digit margins (6–13%) for conventional building contracts. The margin uplift is driven by the specialised nature of DC construction, which demands tighter tolerances, higher M&E intensity and more stringent certification standards, thereby allowing experienced contractors such as MITRA to command premium pricing.

Cash-flow discipline is also significantly stronger in the DC segment. Contracts are typically backed by well-capitalised hyperscaler or institutional clients with robust payment governance and milestone-based billing structures. These characteristics enable faster certification cycles and reduced receivable volatility. Industry norms indicate receivable turnover of around 45 days for DC projects, significantly quicker than the timelines seen in public-sector or developer-driven work.

As DC exposure rises within MITRA’s orderbook, the shift in project mix should drive structurally higher margins, better cash conversion and improved earnings resilience, reinforcing MITRA’s profitability trajectory.

Figure 21: Construction Revenue Mix & GP margin overtime



Execution Advantage from Integrated In-House Capabilities. MITRA’s extensive in-house construction capabilities across civil, structural, architectural and M&E scopes provide a meaningful competitive advantage, particularly in the DC segment where delivery timelines are mission-critical. Unlike contractors that rely heavily on third-party subcontractors, MITRA’s

integrated delivery model enhances coordination efficiency and allows for tighter control over sequencing, workforce deployment and quality assurance.

For hyperscaler projects where delays can result in substantial commercial penalties and lost revenue for operators, reliability of execution is often more valued than cost. Contractors capable of maintaining end-to-end control are therefore strongly preferred, especially for multi-phase DC campuses that require continuity and precision in structural handover, equipment integration and power-up schedules.

MITRA's ability to self-perform key scopes allows it to consistently meet demanding delivery milestones, strengthening client confidence and increasing the probability of repeat awards, as evidenced by its continued involvement in NEXTDC's KL1 development. This execution moat both differentiates MITRA from peers and enhances its competitiveness in securing additional high-specification DC work.

Strong Order Book and Tender Pipeline. As of the latest reporting period, MITRA's orderbook stands at approximately RM901m of which c.60% comprises DC-related work. The remaining balance is supported by non-DC projects including Avisena Specialist Hospital, the Kedah Science and Technology Park and the serviced apartment contract in Langkawi awarded by Tenaga Nasional Berhad. These projects span healthcare, institutional, residential and commercial segments and are expected to contribute meaningfully over the next three financial years, providing a stable foundation for topline growth.

The Group's tender book stands at RM700m with another RM740m under preparation. Historically, the Group has targeted a 5% success on total tenders submitted and for FY22/23/24 has achieved a success rate of 6.25%/4.26%/14.71%. Although there was a slight miss in success rate in FY23, we believe that the Group remains capable in exceeding its target especially given NEXTDC's preference for contractor continuity as stated earlier. MITRA's execution performance thus far positions it favourably to compete for future DC opportunities, both within NEXTDC and with other hyperscalers or co-location operators. Meanwhile, non-DC tenders span residential and hospital projects, supporting earnings diversification across business cycles.

On FY25 revenue, the Group has a book-to-bill ratio of 1.11x providing revenue coverage for FY26F. However, with MITRA's advantageous positioning to benefit from contractor continuity regarding DC projects, we expect an average orderbook replenishment of 1.4bn across FY26F - FY28F to support earnings momentum with an estimated 70-30 split between DC and Non-DC projects over the same time period.

Anticipated Launch of New Property Development Projects. The property development segment is poised for reacceleration with the planned RM1.5bn mixed development at Puchong Prima, which will be rolled out in 3 phases and anchor medium-term earnings visibility while broadening the Group's revenue mix beyond construction. Near-term catalysts include the Phase 1 (RM300m GDV) of the RM1.5bn Puchong Prima mixed development in 2026 and a RM50m residential development in Puchong Prima targeted for 2027. The Group's sizeable landbank of more than 500 acres provides significant long-term monetisation potential, while unbilled sales of RM28.5m offer near-term earnings visibility.

Financial Highlights

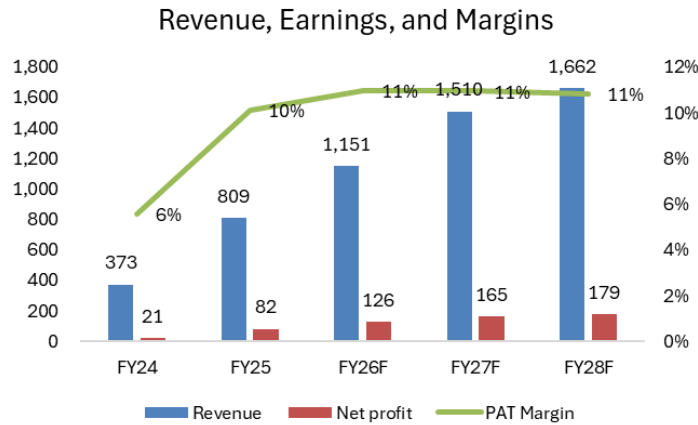
FY25 Results. MITRA delivered a strong set of results for FY25, recording revenue of RM809m and core net profit (CNP) of RM77.6m, representing year-on-year growth of 117% and 247%, respectively. The sharp improvement was driven by robust progress from ongoing construction projects and improved profitability from both the Bukit Sentosa development and the completed Kiara 9 Residency project. During the period, the Group secured variation orders to increase the project scope of its KL1 DC build contract. This expanded the contract value from RM375.5m to RM844.7m while including Stages 2 and 3 of the single development campus. In addition, MITRA was awarded a RM70.0m contract by Tenaga Nasional Berhad for the construction of an eight-

storey serviced apartment in Langkawi. These wins boosted the Group’s construction orderbook to RM901m, providing a solid base of earnings visibility for the next two financial years.

Earnings outlook. Looking ahead, we forecast **core earnings growth of 47%/29%/5.2%** for FY26F/FY27F/FY28F, respectively, underpinned by (i) an average orderbook replenishment of RM1.4bn annually across FY26F - FY28F; (ii) stronger margin recognition from key construction projects, namely the NEXTDC data centre as they progress along the earnings S-curve; and (iii) contributions from a transit-oriented development (TOD) in Puchong Prima. These catalysts, coupled with improving sector sentiment and sustained government infrastructure spending, are expected to drive a healthy multi-year growth trajectory for the Group.

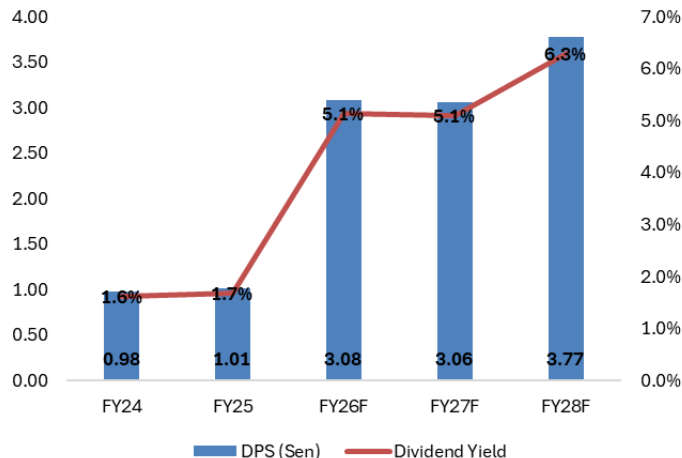
Dividends. While MITRA has yet to formalise a dividend policy instead relying on historical trends, the Group has maintained a consistent payout of c.1 sen per share over the past two years (FY24-FY25), translating into dividend payout ratios of 32% in FY24 and 9% in FY25. Moving forward, MITRA has signalled a 3 sen DPS for FY26F which translates into a payout ratio of c.17.5%. Supported by a robust construction orderbook, upcoming property launches, and a healthy balance sheet, we project a payout ratio of 17.5%/13.2%/15.4% for FY26F/FY27F/FY28F based on a rolling 2-year average, which implies an attractive dividend yield of 5.2%/5.1%/6.3% based on the share price of RM0.60. We believe that a higher forecasted payout ratio reflects the Group’s steady cash flow generation, suggesting dividend sustainability over the medium term.

Figure 22: Financial Performance Overview



Source: Company, Apex Securities

Figure 23: Dividend per Share and Dividend Yield



Source: Company, Apex Securities

Valuation & Recommendation

Coverage Initiation. We initiate coverage on MITRA with a **BUY** recommendation and a target price of **RM1.27**, derived from a sum-of-parts (SOP) valuation and supported by a three-star ESG rating. We assign a c.40% discount (6.45x FY27F P/E) to the Construction division relative to peers' average of 16.6x, reflecting its smaller scale, project concentration risks and the execution complexity of several newly secured jobs, despite the division's improving earnings visibility. For the Property division, we apply a 50% discount to its RNAV (based on a 10.6% CoE) to capture execution and take-up risks tied to upcoming launches. While its RM1.5bn GDV mixed development in Puchong Prima will be rolled out in stages, providing sustainable earnings visibility, revenue recognition will be staggered over several years as the project matures. The discount also accounts for the division's exposure to mid-market and affordable housing segments, though we see potential for narrowing as subsequent phases are successfully launched and sales momentum strengthens.

Peers Comparison

Figure 24: Selected peers engaged in DC Construction Activities, listed on Bursa Malaysia

Company	Market Group	FYE	Price (RM)	Market Cap (RM' m)	P/E (x)		Annualized Dividend Yield (%)	Revenue (RM' m)*
					2026F ¹	2027F ²		
Mitrajaya Holdings Berhad	MAIN	Dec	0.60	433.4	3.1	2.4	1.7	808.5
Gamuda Berhad	MAIN	Jul	4.46	26,564	24.2	19.2	2.2	16,070.0
IJM Corp Berhad	MAIN	Mar	2.31	8,097	20.1	16.4	3.0	6,800.0
Sunway Construction Group Berhad	MAIN	Dec	6.92	9,190	21.9	20.4	1.3	5,340.0
Binastra Corp Berhad	MAIN	Jan	1.95	2,129	12.1	10.2	1.8	1,500.0
Average ex-Mitrajaya Holdings Berhad				11,495.0	19.6	16.6	2.1	7,427.5

¹ Denotes current FY

² Denotes next FY

* Figure taken from last audited financial statement

Source: Bloomberg, Apex Securities

Investment Risk

Margin Compression from Rising Input and Labour Costs. MITRA faces potential margin pressure from fluctuating material and labour costs, particularly as several fixed-price contracts progress into peak construction phases. Persistent cost inflation or labour shortages could erode profitability if price adjustments are not fully recoverable from clients. For instance, recent geopolitical risks have led to an increase in building material costs. However, based on our understanding, the KL1 campus has had most of its major material prices locked in earlier with suppliers, in addition to the use of variation orders. Overall, we believe cost pressures on the construction segment are largely contained.

Cash Flow Volatility from Working Capital Requirements. The Group's expanding orderbook and phased property launches may heighten working capital needs, especially for project mobilisation and land development costs. Any delay in billing or receivable collection could strain liquidity and affect near-term cash flow stability.

Execution and Concentration Risk from Large Projects. MITRA's earnings remain concentrated in a few large-scale contracts such as the NEXTDC data centre and Kedah Science and Technology Park. Delays, cost overruns, or technical challenges in these complex projects could disrupt earnings recognition and impact overall profitability.

Financial Highlights

Income Statement

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	372.8	808.5	1,151.4	1,509.8	1,639.9
Operating Profit	25.0	104.8	168.5	222.1	232.5
EBITDA	38.4	136.2	200.5	270.4	300.7
Depreciation & Amortisation	13.5	31.4	32.0	48.3	68.2
EBIT	25.0	104.8	168.5	222.1	231.5
Net Finance Income/ (Cost)	(1.8)	0.6	0.2	(0.5)	2.8
Associates & JV	0.0	0.0	0.0	0.0	1.0
Pre-tax Profit	23.1	105.4	168.7	221.7	235.3
Tax	(2.3)	(23.6)	(40.5)	(53.2)	(56.5)
Profit After Tax	20.8	81.8	128.2	168.5	178.9
Minority Interest	0.0	0.0	0.0	0.0	1.0
Net Profit	20.8	81.8	128.2	168.5	177.9
Exceptionals	13.6	12.4	10.4	10.4	10.4
Core Net Profit	34.4	94.2	138.6	178.9	188.3

Key Ratios

FYE Dec	FY24	FY25	FY26F	FY27F	FY28F
EPS (sen)	4.7	12.9	19.0	24.6	25.8
P/E (x)	12.7	4.6	3.2	2.4	2.3
P/B (x)	0.6	0.5	0.5	0.4	0.3
EV/EBITDA (x)	15.3	3.8	2.7	1.8	1.4
DPS (sen)	0.98	1.01	3.08	3.06	3.77
Dividend Yield (%)	1.6%	1.7%	5.1%	5.1%	6.3%
EBITDA margin (%)	10.3%	16.9%	17.4%	17.9%	18.3%
EBIT margin (%)	6.7%	13.0%	14.6%	14.7%	14.1%
PBT margin (%)	6.2%	13.0%	14.6%	14.7%	14.4%
PAT margin (%)	5.6%	10.1%	11.1%	11.2%	10.9%
NP margin (%)	5.6%	10.1%	11.1%	11.2%	10.8%
CNP margin (%)	9.2%	11.7%	12.0%	11.8%	11.5%
ROE (%)	4.4%	11.1%	14.5%	16.2%	15.0%
ROA (%)	3.3%	8.2%	9.8%	10.7%	10.1%
Gearing (%)	9.2%	1.0%	3.1%	0.9%	0.0%
Net gearing (%)	7.9%	Net Cash	2.1%	Net Cash	Net Cash

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Average orderbook replenishment	-	-	1,400.0	1,400.0	1,400.0

Valuation	Valuation Method	Equity Value
Construction Segment	6.45x FY27F PER	729.0
Property Segment	50% discount to RNAV @ 10.6% CoE	198.8
SOP Value		927.7
Issued Shares (m)		728.4
Fair Value (RM)		1.27
ESG premium discount		0%
Implied Fair Value (RM)		1.27

Source: Company, Apex Securities

Balance Sheet

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Cash	10.5	14.5	9.0	39.2	112.5
Receivables	208.6	290.5	413.8	542.6	587.7
Inventories	283.6	293.0	293.0	293.0	293.0
Other current assets	66.6	90.6	186.5	224.7	226.8
Total Current Assets	569.3	688.7	902.3	1,099.5	1,220.0
Fixed Assets	97.9	101.2	152.7	215.8	285.4
Intangibles	0.0	0.0	0.0	0.0	0.0
Other non-current assets	377.7	360.2	360.2	360.2	360.2
Total Non-current assets	475.6	461.4	512.9	576.0	645.5
Short-term Debt	72.3	8.2	29.2	10.0	0.0
Payables	134.1	225.3	314.7	411.7	443.8
Other Current Liabilities	48.8	61.6	103.0	129.9	134.3
Total Current Liabilities	255.2	295.2	447.0	551.6	578.1
Long-term Debt	0.2	0.0	0.0	0.0	0.0
Other non-current liabilities	3.9	3.0	10.6	20.1	32.3
Total Non-current Liabilities	4.1	3.0	10.6	20.1	32.3
Shareholder's equity	697.4	765.5	871.3	1,017.4	1,168.8
Minority interest	88.1	86.4	86.4	86.4	86.4
Equity	785.5	851.9	957.6	1,103.8	1,255.2

Cash Flow

FYE Dec (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Pre-tax profit	23.1	105.4	168.7	221.7	235.3
Depreciation & amortisation	13.5	31.4	32.0	48.3	68.2
Changes in working capital	(53.4)	0.2	(88.4)	(43.2)	(10.7)
Others	1.7	(7.5)	(33.1)	(43.2)	(47.2)
Operating cash flow	(15.1)	129.5	79.2	183.6	245.7
Net capex	(41.1)	(35.3)	(83.5)	(111.4)	(137.8)
Others	5.0	(6.9)	1.2	0.7	3.1
Investing cash flow	(36.1)	(42.3)	(82.3)	(110.7)	(134.6)
Changes in borrowings	47.7	(64.0)	21.1	(19.2)	(10.0)
Issuance of shares	(0.2)	(9.3)	0.0	0.0	0.0
Dividends paid	(7.6)	(7.4)	(22.4)	(22.3)	(27.5)
Others	(2.5)	(3.1)	(1.0)	(1.2)	(0.3)
Financing cash flow	37.3	(83.8)	(2.4)	(42.7)	(37.8)
Net cash flow	(13.9)	3.5	(5.5)	30.2	73.3
Forex	0.0	1.0	0.0	0.0	0.0
Others	0.5	(0.5)	0.0	0.0	0.0
Beginning cash	23.9	10.5	14.5	9.0	39.2
Ending cash	10.5	14.5	9.0	39.2	112.5

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Emissions	★★	Its Construction division recorded a 73% increase in total carbon emission in 2024.
Energy	★★★	Total electricity usage per headcount decreased 21% in 2024.
Water	★★★	Water usage per employee decreased by 13% in 2024, indicating improved efficiency in individual consumption.
Waste Management	★★★	The Group minimise waste at all project sites by encouraging use of system formwork which allows reusing of materials.

Social

Workforce Development	★★★	Committed to provide training and developing all employees throughout the Group. Average training hours was 7 hours per employee in 2024.
Diversity & Inclusion	★★	38% of employees are female.
Employee Wellbeing	★★★	Employee turnover in 2024 dropped to 12.8% from 16.7% in the previous year.
Occupational Health & Safety	★★★	The Group successfully integrated QESH Management System into its core business processes.

Governance

Stakeholder Engagement	★★★	The Group identifies significant stakeholders and prioritise their issues as required.
Integrity & Anti-Corruption	★★★★	The Group implemented an Anti-Bribery Management System in 2021 to uphold its zero-tolerance policy against all forms of bribery.
Whistleblowing Policy	★★★	The Group has a Whistleblowing Policy that allows individuals to report any irregularities.
Code of Business Conduct	★★★	The Group adopts a “No Gift” policy whereby all Employees, Directors and their family members are prohibited.

Overall ESG Scoring: ★★★

Recommendation Framework:

BUY: Total returns* are expected to exceed 10% within the next 12 months.

HOLD: Total returns* are expected to be within +10% to – 10% within the next 12 months.

SELL: Total returns* are expected to be below -10% within the next 12 months.

TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.

TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.

*Capital gain + dividend yield

Sector Recommendations:

OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.

NEUTRAL: The industry defined by the analyst is expected to be within +10% to – 10% within the next 12 months.

UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

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(a) nil.