

14 April 2014 | last updated at 06:23PM [Email](#) [Print](#)

EA Holdings set for explosive growth



KUALA LUMPUR: EA Holdings Bhd (EAH) is set for an explosive growth due to its strong clients base which will lead to an explosive earnings growth with more jobs at the bidding process.

MIDF Research said the earnings growth of EA ever since its listing had been spectacular, of which between 2010-2013, its earnings grew at a cumulated average growth earnings of 32 per cent.

"The growth is sustainable as EA's clientele base is strong as it services the government, government-linked companies (GLCs), corporate and retail enterprises as well as financial sectors primarily banking institutions, it said in a research note to investors giving the stock a fair value of 26 sen from 17 sen last Thursday.

Its jobs-in-hand amount is currently RM103.6 million including a RM71.1 million job obtained from the Inland Revenue Board in 2013.

This year, EA will be bidding for at least RM90 million in new jobs.

The prospect is good as information technology (IT) spending is expected to grow 6.5 per cent in 2014 compared with an estimated 5.9 per cent in 2013.

In its entitled "EAH: Explosive growth", MIDF said the fair value price is based on its belief that EAH is worth at least RM0.26, pegging its earnings per share of 2.8 sen for 2014 to price to earnings ratio of 9.1 times for 2014. It is a clean company with very little borrowing.

The research house's said EAH has already been identified by Forbes as one of the most promising small-cap companies in Malaysia.

It was listed on Forbes Asia's 200 Best Under A Billion List of companies within the Asia-Pacific region for 2011 and 2012.

Its market capitalisation is only RM70.2 million which is low for an IT growth company focusing on ICT services, software solutions and Radio Frequency Identification (RFID), access control systems and building automation system.

EAH had last month announced to Bursa Malaysia about its plans to undertake

STOCKS
Warrants
REITs
ETBS
ETFs
BURSAMKTPLC
info?

THIS IS WHERE MALAYSIA GROWS WEALTHIER.
SHOULDN'T YOU BE HERE TOO?

FOLLOW AND LEARN WITH EVERYONE'S MARKET-IN-THE-POCKET

BURSAMKTPLC
Created for you by Bursa Malaysia

MOST READ

MARKET DATA »

- Portfolio
- Unit Trust
- Commodities/Money

TODAY'S PAGE »



ECONOMIC REPORT »



FOREX RATES »

[view history](#) | [get widget](#)

a rights issue with free warrants to further reward shareholders while strengthening the company's mergers and acquisitions activities.

Under the exercise, up to 635.9 million shares would be issued fixed at a par value of EAH shares of RM0.10 each.

In the same announcement, EAH is also proposing to increase its authorised share capital to RM250 million from RM100 million as it moves into its next level of growth after a stellar year in 2013, which saw EAH posting record revenue and profits following four consecutive quarters of solid profits and securing two significant nation-building projects from a major government agency.

FROM AROUND THE WEB

- [AirAsia flight carrying 162 people from Indonesia to Singapore...](#) (*Nikkei Asian Review*)
- [High Court gives a Kwok five years](#) (*Nikkei Asian Review*)
- [Men thought they are always right until they see this..](#) (*Tristupe*)
- [Tips to refresh your car](#) (*Febreze on Yahoo MY*)
- [What you can do if you have 10 minutes of free internet](#) (*XPAX ON FOOYOH*)
- [It's not just playing, your child learns at the same time too!](#) (*Fisher Price*)

Recommended by

5 Stocks to Double in 2015

Experts at Zacks Investment Research just uncovered five stocks expected to deliver extreme profits of +100% and more in the next year.

[See them free »](#)

RELATED ARTICLES

- [Stiff competition caps F&N's performance](#)
[Foreign funds snap up shares](#)
- [RHB Research keeps 'buy' on CIMB](#)
[MIDF 'neutral' on shipping sector](#)
- [China asset monetisation lifts LBS income](#)

???comments.leaveyourcomment???

???.com.atex.plugins.facebookcomments.login???

Forex Rates - Pacific Rim



USD/AUD	▼	1.2288
USD/CNY	▲	6.1480
USD/HKD	▲	7.7631
USD/IDR	▲	12465
USD/INR	▲	63.9170
USD/JPY	▲	120.4491
USD/KRW	▼	1104.0311
USD/MYR	▲	3.5014
USD/NZD	▲	0.7773
USD/PHP	▲	44.8076
USD/PKR	▲	101.9037
USD/SGD	▼	1.3235
USD/THB	▲	33.0182
USD/TWD	▲	31.7791

© theFinancials.com

[Harian Metro](#)

[The Edge](#)

[Business Times](#)

[My Gadget Planet](#)

[Travellic](#)

[Harum](#)

[Eats](#)

[Properties](#)

[News Image Bank \(NIB\)](#)

HIGHLIGHTS

[New Economic Model](#)

[NST Reviews](#)

[NiEXUS](#)

[Friends of Travel Times](#)

[Property News](#)

[NSTLIVE Archive](#)

[Spell-It-Right](#)

COFFEE BREAK

[Sudoku](#)