THE EDGE SPECIAL PULLOUT | SEPTEMBER 16, 2024

THE EDGE BILLION RINGGIT Club 2024

RECOGNISING
MALAYSIA'S OUTSTANDING
CORPORATE PERFORMERS


READY FOR IT.
The new Mercedes-Benz GLC 350 e 4MATIC plug-in hybrid.
New horizons await in the new Mercedes-Benz GLC 350 e 4MATIC plug-in hybrid. Go forth and discover new levels of performance and efficiency with the next generation of plug-in hybrid technology, offering over 100km (WLTP) of electric range, and a battery warranty of up to 8 years or 160,000km.
GLC 350 e 4M
Embark on a journey of boundless possibilities: mercedes-benz.com.my/glc


Energise every drive with unparalleled plug-in hybrid technology from Mercedes-Benz.
Intelligent efficiency and low consumption thanks to recouped energy from regenerative braking.
Comfortable vehicle dynamics delivering a whisper-quiet electric driving experience.
Extended range from intelligent drive management optimises energy for longer journeys.
ROOM TO ROAM.
Embark on bolder adventures with a versatile combination of flexibility and space.
ADVENTURES ENLIGHTENED.
Lead the way with intuitive safety under all conditions with DIGITAL LIGHTS.
CONTROLS CENTERED AROUND YOU.
Control important functions intuitively and comfortably with the MBUX multimedia system complete with a central display.
*Vehicle images displayed are intended for illustrative purposes.

MAKING EXCELLENCE A HABIT

The 2024 chapter of *The Edge* Billion Ringgit Club (BRC) Awards is especially memorable, not only because it is the 15th year for the awards — that started in 2010 as an initiative by *The Edge Malaysia* to recognise, honour and celebrate the biggest and best of Corporate Malaysia — but also the year in which *The Edge Malaysia* celebrates its 30th anniversary of reporting news that matters.

Thank you for your presence at the BRC gala dinner on Aug 23. We believe this is possibly the only time in the year that top executives of companies across all sectors listed on Bursa Malaysia are gathered.

Just four years ago, in 2020, we had to do without a physical awards ceremony because of social distancing measures that were in place to flatten the Covid-19 curve. There were no handshakes in 2021 when we gathered again with many wearing masks and individual hand sanitisers provided on every table. We have indeed emerged stronger from the experience.

If excellence becomes a habit and not just lip service, Corporate Malaysia is bound to reach greater heights. The strong measurable performance delivered by many of our BRC winners shows the fruits of their sweat and labour. And the BRC members' commitment to corporate responsibility (CR) is them sharing some of those fruits to build up the community around them while contributing to the country's tax coffers, robust employment as well as stellar economic growth.

To help readers make better business and investment decisions, this year, *The Edge* introduced AskEdge: 12 things you must know about any stock listed on Bursa Malaysia and the Singapore Stock Exchange (SGX). Our readers would have noticed the QR code that can be scanned to access the information on our webpage — the *CEO Morning Brief* as well as our flagship *The Edge Malaysia* weekly. We have also included the QR code in the 2024 BRC special pullout.

This year's BRC gala dinner saw 55 awards presented to 40 companies, including for CR.

At 188, the number of *The Edge* BRC members for 2024 — companies listed on Bursa Malaysia with a market cap of at least RM1 billion at the cut-off date of March 31 — is at a record high, just above the all-time high of 186 in 2021. This year's 188 BRC members command a market cap of RM1.67 trillion or close to 90% of the combined market cap of all Bursa Malaysia-listed companies as at March 31, 2024.

BRC members continue to be major taxpayers, paying an estimated RM36 billion in taxes for FY2023, comparable to FY2021 and significantly higher than RM23 billion for FY2020 and RM28 billion for FY2019.

This year's Company of the Year, Gamuda Bhd, not only outperformed the index over three and five years but is also among CR winners.

Public Bank Bhd group managing director and CEO Tan Sri Tay Ah Lek, this year's Value Creator: Malaysia's Outstanding CEO is truly an admirable person by any standard, well-acknowledged among peers.

I thank our distinguished partners, OCBC Bank Malaysia and Mercedes-Benz Cars Malaysia, for their steadfast support in honouring, recognising and celebrating Corporate Malaysia's continued excellence. *The Edge* BRC awards ceremony and gala dinner would not be the prestigious and Corporate Malaysia's most anticipated annual gathering that it has become without their ardent support.

Congratulations to all winners! We look forward to celebrating Corporate Malaysia's crème de la crème again next year!

Datuk Ho Kay Tat
Publisher & Group CEO
The Edge Media Group

LOW YEN YEING/THE EDGE

Main Partner

Official Car

CONTENTS

EDITOR-IN-CHIEF KATHY FONG
EDITORIAL TEAM
PROJECT EDITOR CINDY YEAP
SENIOR EDITOR EDDIE HOO
CHIEF COPY EDITORS
ELAINE LIM, MAH PIN PIN
ASSISTANT CHIEF COPY EDITORS
EVELYN TUNG,
KENNETH FRANCIS MARTINUS
SENIOR COPY EDITORS
LEE MEI GEOK, SHANTHI MURUGIAH,
KOAY SOOK KUAN
COPY EDITOR ARION YEOW
PHOTO EDITOR CHU JUCK SENG
PHOTO DESK
MOHD IZWAN MOHD NAZAM.
KENNY YAP, SUHAIMI YUSUF,
PATRICK GOH, SHAHRIN YAHYA,
SAM FONG, LOW YEN YEING,
ZAHID IZZANI, SHAHRILL BASRI
ART DIRECTOR SHARON KHOH
DESIGN DESK
RAYMOND KHOR, WENNIE HENG,
CHERYL LOH, VALERIE CHIN
PRODUCTION MANAGER
THOMAS CHIN
PRODUCTION TEAM
HONG KIN SIANG,YONG ONN,
VOON POH YIN, YONG YIK SHENG

ADVERTISING & MARKETING
CHIEF COMMERCIAL OFFICER
SHARON TEH (012) 313 9056
GENERAL MANAGER
FONG LAI KUAN (012) 386 2831
ASSISTANT GENERAL MANAGER
GREGORY THU (012) 376 0614
SENIOR MANAGERS
GEETHA PERUMAL (016) 250 8640
KENNY LIM (014) 334 2733
SHANNON LEONG (012) 677 5345
SENIOR ACCOUNT MANAGERS
BRYAN ANG (012) 317 8473
GERALDINE LEE (016) 626 9339
CECILIA TOO (012) 319 7666
SHAFINA SYAHRIR (017) 281 4787
ACCOUNT MANAGER
MEGAN WONG (012) 289 2631
MANAGER, AD-TRAFFIC
NORMA JASMA NORMAN
EMAIL: advertising@bizedge.com

CORPORATE
PUBLISHER & GROUP CEO
HO KAY TAT
CHIEF OPERATING OFFICER
LIM SHIEW YUIN

THE EDGE BILLION RINGGIT Club 2024

Corporate Malaysia's crème de la crème fêted

BY CINDY YEAP

Winners of *The Edge* Billion Ringgit Club (*The Edge* BRC) Awards 2024 gathered at Corporate Malaysia's biggest and most anticipated awards night on Friday, Aug 23.

The men looked elegant in tuxedos and bespoke suits and the ladies were chic in evening gowns at the black-tie event held at the St Regis Kuala Lumpur. Business associates and old friends caught up over pre-dinner tipple and soda in the foyer as a string quartet played.

Guests were among the first in Malaysia to view the all-new Mercedes-Benz E-Class, which has several artificial intelligence-powered features.

Prime Minister Datuk Seri Anwar Ibrahim, who was the guest of honour, graced the event, accompanied by Minister of Investment, Trade and Industry Tengku Datuk Seri Zafrul Abdul Aziz.

Gamuda Bhd group managing director Datuk Lin Yun Ling received the trophy for *The Edge* BRC Company of the Year 2024 while Public Bank Bhd managing director and CEO Tan Sri Tay Ah Lek accepted the trophy as this year's *The Edge* BRC Value Creator: Outstanding CEO of Malaysia.

Also on stage for the awards presentation were The Edge Media Group chairman Tan Sri Tong Kooi Ong, The Edge Media Group publisher and CEO Datuk Ho Kay Tat, *The Edge* Malaysia editor-in-chief Kathy Fong, OCBC Bank Malaysia CEO Tan Chor Sen and CEO and president of Mercedes-Benz Cars Malaysia, and head of region Mercedes-Benz Cars Southeast Asia II Amanda Zhang.

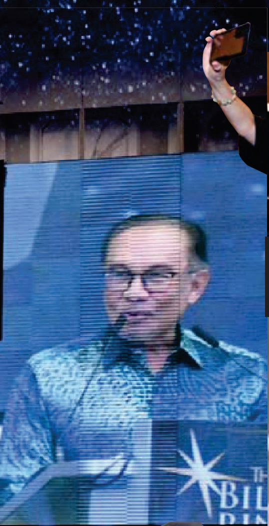
OCBC Bank Malaysia has been a key partner since the awards' inauguration in 2010 while Mercedes-Benz Malaysia, the awards' official car, returned as a partner for the 10th year.

A total of 55 awards were given to 40 companies, including for corporate responsibility. As the evening drew to a close, many took photographs with friends, colleagues and their trophies for remembrance.

SEE PAGES S30 TO S40 FOR MORE PICTURES

Tong with prime minister and guest of honour Anwar and Zafrul

THE EDGE BILLION RINGGIT Club 2024



Kang Siew Li (*The Edge Malaysia*) with Eddie Lee (Westports Holdings)

Chai Keng Wai (Matrix Concept Holdings)

Exploring the zero-layer interface and latest generation of intelligent MBUX system in the new Mercedes-Benz E-Class

Value Creator: Outstanding CEO of Malaysia Tay Ah Lek (Public Bank Bhd)

Mercedes-Benz's Zhang being interviewed by The Edge TV

Zafrul speaking with Gamuda's Lin. With them are Tong and Ho.

Fong (*The Edge Malaysia*) with Dominica Chin (Bursa Malaysia)

OCBC's Tan being interviewed by The Edge TV

RCE Capital Bhd CEO Loh Kam Chuin (with red pocket square) and his team

Speech by Datuk Seri Anwar Ibrahim
Prime Minister of Malaysia

LOW YEN YEING/THE EDGE

PRIORITISE NATION BUILDING, THINK OF THE RAKYAT

Assalamualaikum warahmatullahi wabarakatuh. Salam Sejahtera. Salam Malaysia Madani. And a very good evening to Yang Berbahagia Tan Sri Tong Kooi Ong, chairman of The Edge Media Group; Yang Berbahagia Datuk Ho Kay Tat, publisher and group CEO of The Edge Media Group; distinguished guests; members of *The Edge* Billion Ringgit Club; and ladies and gentlemen.

I would like to thank Tan Sri Tong and *The Edge* for inviting me to grace this evening's dinner where we celebrate the success of the biggest and best performing companies on Bursa Malaysia.

Congratulations to all of you here tonight.

Being the best performing companies in your respective fields, you are the role models of Corporate Malaysia. Your success not only inspires other industry players to do better but also helps nation building as more tax income flows to the government to fund development for the people and more job opportunities are created for fellow Malaysians.

There are many things that this unity government wishes to achieve in raising Malaysia's overall economic competitiveness but managing our fiscal balance is an uphill challenge, mainly due to the inherited heavy debt burden which limits our ability to invest and spend more.

Hence, as successful private sector players, you have a pivotal role to play in driving sustainable economic growth. Your contribution goes beyond financing and investment. Equally important are the areas of innovation, governance, social responsibility, technological input, and in creating and sustaining higher wage job opportunities for young Malaysians.

I hope you can lead the way, be bolder and more innovative, whether in terms of penetrating new markets, investing in R&D (research and development), attracting talents or identifying new frontiers of growth. The more successful you are, the more resilient our economy will be.

Leveraging each other's strengths in the public-private sector relationship, this government is committed to playing its part as an enabler while the private sector focuses on driving economic growth, investing and creating jobs.

Considering the supply chain constraints faced by the world today, there is a need to establish greater economic integration with neighbouring countries. We need to nurture more highly competitive and resilient local companies to expand beyond our borders and penetrate regional markets.

Next year, Malaysia chairs Asean. It is yet another opportunity for us to promote Asean — the consolidated market size and strength — as a core centre for global investments and trade, as an integral part of the global supply chain, and as a centre for tourism and services. But that requires Asean to be better coordinated and have progressive governance in order to capture this opportunity.

The government is looking at various ways, including trade diplomacy and strategic arrangements, to enhance bilateral and multilateral market integration and facilitate the movement of goods, capital, skilled workforce, and technology sharing with neighbouring countries. We will introduce relevant tax incentives to support and reward companies focusing on high-impact activities.

In addition, Malaysia's application to BRICS (alliance of Brazil, Russia, India, China and South Africa) will also allow our country to tap into new markets and increase trade and investment opportunities. BRICS offers substantial opportunities for Malaysian businesses, given its diverse resource base. Increased market access to BRICS nations is likely to benefit businesses, especially those in the palm oil, rubber and electronics sector where Malaysia holds a competitive advantage.

The government is prepared to review policies and regulations if the private sector can convince us that it will lead to greater investments and economic activities and create more paying jobs, especially for young Malaysians.

We are always willing to listen to the private sector and we invite you to engage with this government more regularly. However, in presenting your ideas and proposals, you should also prioritise nation building, think of the rakyat and how you can help them.

Ladies and gentlemen.

On Malaysia Madani, let me reiterate that it focuses on solving problems, meeting the needs of the nation, creating a peaceful and prosperous future, and fulfilling the potential of the people and the country.

The Madani economy is a framework that revolves around economic sustainability and fiscal development. It supports the nation's total aspirations, not just in terms of economic revenue but also inclusive society and governance targets.

The six pillars of Madani — namely sustainability, prosperity, innovation, respect, trust and compassion — form the fundamental core values that guide our efforts. Our goals are clear; to improve the rakyat's standard of living and to regain our lead as a regional economic champion.

While we know reforms are difficult and generally unpopular, we cannot hesitate in implementing reforms because there is a greater need to improve the fiscal position, reduce deficit and achieve long-term sustainability for our country. This includes expanding the revenue base, implementing targeted subsidies and eradicating systemic corruption and malpractice. We also need an efficient, intelligent and agile public service in realising the country's nation building agenda.

I know everyone is impatient for change to happen for the better. I can assure you that I am equally impatient and if possible, I would want to implement the various reforms to the public service delivery system now so that processes can be simplified, expedited and be more transparent. Red tape leads to inefficiency, wastage of resources and increases the costs for businesses.

While some reforms are simpler and easier to implement, others may require longer time, detailed consideration and planning prior to implementation. I seek your understanding and support as we work towards realising these reforms.

I am convinced, as we make further progress in the digitalisation of the economy and in delivery of public services, you will see not just greater efficiency, more decisive and transparent public service, but also significantly reduced incidences and severity of public sector corruption, thus helping businesses perform better and more efficiently.

Ladies and gentlemen.

This government takes the fight against corruption seriously. Corruption manifests in many ways — from petty bribes and kickbacks to grand theft of resources. It increases the cost of business and is detrimental to consumers because the cost will be passed on to them eventually.

Corruption erodes trust, exacerbates inequality and hampers economic development. But more importantly, corruption is a disease that infests. It kills good businesses, discourages hardworking people and destroys ethics, values and culture. If there is a single factor that can help explain why some countries succeed but others fail, it is the degree of corruption. Corruption is not only bad for business and the economy, but it also destroys the very fabric of society. Don't forget, even the great Roman Empire finally collapsed because corruption weakened its foundations.

I appeal to Corporate Malaysia to help the government in fighting corruption, both in the public and private sectors. This is one of the promises this government made to the people and we will do our best to deliver on this promise.

Ladies and gentlemen.

As the saying goes, "with great power comes great responsibility". I often remind myself that this responsibility is not a privilege and should not be taken lightly. The unity government is committed to fulfilling the rakyat's mandate to achieve economic prosperity, and promote unity and harmony within the country. The nation must be brought back to its track to ensure that peace and the well-being of our people are achieved. While this is not an easy task and we will need the continuous support and trust of fellow Malaysians, this unity government will do what it can to deliver this mandate.

The private sector can work hand in hand with us to turn things around for the benefit of our people and our future generations.

It is time for us to set things right and ensure that every citizen in a multi-racial society like Malaysia can experience a dignified life in this country without feeling marginalised.

In closing, let me once again congratulate the award winners tonight and I hope *The Edge* Billion Ringgit Club members will continue to grow and be more successful in the years to come, to bring greater benefits to the people and the nation.

Thank you. E

Speech by Tan Sri Tong Kooi Ong
Chairman of The Edge Media Group

ZAHID IZZANI/THE EDGE

BRINGING OUT THE BEST IN EVERY MALAYSIAN COMPANY

Yang Amat Berhormat Datuk Seri Anwar Ibrahim, Prime Minister of Malaysia; Yang Berhormat Senator Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz, Minister of Investment, Trade and Industry; members of *The Edge* Billion Ringgit Club; our partners, friends and colleagues; ladies and gentlemen.

It gives me great honour, on behalf of *The Edge*, to wish you a warm welcome and thank you for being here this evening.

I would like to express my sincere appreciation to our prime minister for accepting this invitation despite his busy schedule. Thank you, YAB Datuk Seri. We are honoured by your presence tonight.

I would also like to thank YB Tengku Zafrul for graciously accepting our invitation, especially since he also has to be at another function.

This evening is the 15th year of *The Edge* Billion Ringgit Club Awards (BRC). While acknowledging that there is no shortage of accolades and awards in the corporate world, we created the BRC because we believe none promotes meritocracy and transparency the way we do.

The Edge Billion Ringgit Club awards recognise success based on transparent and universally accepted measures. Companies and individuals that win awards at BRC must truly be deserving of recognition.

And this is evident by the exceptional success of the companies that have previously won the BRC Company of the Year award. Of the 13 previous winners of the BRC Company of the Year award from 2010 to 2022, the stock prices for all except one outperformed the overall stock market by more than 75% on average over a three-year period.

This is achieved because our award methodology and evaluation criteria are transparent, verifiable and independently audited. Not only are we proud of this, it is also the reason Corporate Malaysia covets the *Edge* awards.

And what do we hope we will achieve in giving out these awards? Our sole purpose is that it brings out the best in every Malaysian company and its management. To quote Amanda Zhang, the CEO and president of Mercedes-Benz Cars Malaysia and head of region Mercedes-Benz Cars SEA II, our partner for this event, "Recognition is often the best motivator for success, and it motivates one to strive for excellence and performance."

More productive and efficient companies will raise valuations, making the capital markets more efficient, attracting more investments, all of which will then support higher income and better job opportunities for the people.

Today, in 2024, *The Edge* Billion Ringgit Club has 188 members. Their combined market capitalisation is RM1.7 trillion, and they paid a total of RM30 billion in corporate taxes last year.

Tonight, we will be presenting a total of 53 awards to 40 winning companies, encompassing different sectors and categories of the economy. To all the award winners, you have all the reasons to celebrate because you truly deserve the recognition.

Ladies and gentlemen, let me quote Mr Tan Chor Sen, CEO of OCBC Bank Malaysia, our main partner for this event since inception: "We continue to call on Corporate Malaysia to remain attentive to the importance of blending corporate responsibility with financial performance so that we are always doing well by doing good."

While financial returns are important, companies do not exist for the sole purpose of making profits in any society. Economic entities must also aim to make positive contributions to enable a better world and enrich lives. This is also in line with the Madani concept of national economic development, of social well-being, environmental sustainability, ethical governance, equal opportunities and addressing socio-economic disparities.

The Edge Billion Ringgit Club Company of the Year award also takes into consideration the CSR programmes, ethical practices, social contributions and environmental stewardships of the company — in alignment with Malaysia Madani.

Lastly, let me thank our guest of honour, the honourable prime minister for joining us this evening; our dear friend, the minister of Investment, Trade and Industry; our partners for tonight's event, OCBC Bank Malaysia and Mercedes-Benz for their continued support.

And to all award winners, congratulations. Please enjoy the rest of the evening. E

THEEDGE BILLION RINGGIT Club

CRÈME DE LA CRÈME

Prime Minister Datuk Seri Anwar Ibrahim (second from left), accompanied by the Minister of Investment, Trade and Industry Tengku Datuk Seri Zafrul Tengku Abdul Aziz (left) and The Edge Media Group chairman Tan Sri Tong Kooi Ong (right), presented the awards for Company of the Year, Value Creator (Malaysia's Outstanding CEO), Big Cap Companies (RM10 billion to RM40 billion market cap) and Super Big Cap Companies (RM40 billion and above market cap). The other awards were presented by The Edge Media Group publisher & group CEO Datuk Ho Kay Tat, *The Edge Malaysia* editor-in-chief Kathy Fong, OCBC Bank Malaysia CEO Tan Chor Sen and Mercedes-Benz Malaysia CEO and president and head of region Mercedes-Benz Cars, Southeast Asia II, Amanda Zhang.

COMPANY OF THE YEAR – Gamuda Bhd

(Datuk Lin Yun Ling, group managing director)

VALUE CREATOR: OUTSTANDING CEO OF MALAYSIA

Tan Sri Dr Tay Ah Lek (managing director and CEO of Public Bank Bhd)

CONTINUES ON PAGES S42 TO S48

THANK YOU

YANG AMAT BERHORMAT
DATO' SERI ANWAR BIN IBRAHIM
PRIME MINISTER OF MALAYSIA

FOR GRACING

THE EDGE BILLION RINGGIT Club 2024

GALA DINNER & CORPORATE AWARDS

Brought to you by
BUSINESS & INVESTMENT WEEKLY THE EDGE MALAYSIA

Main Partner
OCBC

Official Car


DIALOG
40 YEARS
CELEBRATING EXCELLENCE
A LEADING INTEGRATED TECHNICAL SERVICE PROVIDER TO THE ENERGY SECTOR, IN MALAYSIA AND INTERNATIONALLY
UPSTREAM
MIDSTREAM
DOWNSTREAM
SUSTAINABLE & RENEWABLES
DIALOG staff volunteering at the seagrass monitoring project in partnership with Reef Check Malaysia and Universiti Malaya at Tanjung Kopok, Pasir Gudang, Johor.


THEEDGE
BILLION
RINGGIT Club
2024
Energy
Highest Return On Equity
Over Three Years
Marking another successful milestone made possible through the unwavering support of our partners, customers and stakeholders over 40 years of growth.
Thank you!

THE EDGE BILLION RINGGIT Club 2024

Winners of *THE EDGE* BILLION RINGGIT CLUB corporate awards 2024

COMPANY OF THE YEAR
GAMUDA BHD

VALUE CREATOR: OUTSTANDING CEO OF MALAYSIA
TAN SRI TAY AH LEK, MANAGING DIRECTOR AND CEO PUBLIC BANK BHD

SUPER BIG CAP
Above RM40 bil market capitalisation

HIGHEST RETURN ON EQUITY OVER THREE YEARS
CelcomDigi Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
CIMB Group Holdings Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
CIMB Group Holdings Bhd

BIG CAP COMPANIES
RM10 bil to 40 bil market capitalisation

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Nestlé (M) Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Gamuda Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
YTL Power International Bhd

CONSTRUCTION

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Sunway Construction Group Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Gamuda Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Sunway Construction Group Bhd

CONSUMER PRODUCTS & SERVICES

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Carlsberg Brewery Malaysia Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
7-Eleven Malaysia Holdings Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Bermaz Auto Bhd

ENERGY

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Dialog Group Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Dayang Enterprise Holdings Bhd

FINANCIAL SERVICES
RM10 bil and above market capitalisation

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Public Bank Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
CIMB Group Holdings Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
CIMB Group Holdings Bhd

FINANCIAL SERVICES
Below RM10 bil market capitalisation

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Bursa Malaysia Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
MBSB Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
RCE Capital Bhd

HEALTHCARE

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Apex Healthcare Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
IHH Healthcare Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
KPJ Healthcare Bhd

INDUSTRIAL PRODUCTS & SERVICES

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Uchi Technologies Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Kelington Group Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Kelington Group Bhd

PLANTATION

HIGHEST RETURN ON EQUITY OVER THREE YEARS
United Plantations Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Kim Loong Resources Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
United Plantations Bhd

PROPERTY
RM3 bil and above market capitalisation

HIGHEST RETURN ON EQUITY OVER THREE YEARS
OSK Holdings Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
IGB Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Eco World Development Group Bhd

PROPERTY
Below RM3 bil market capitalisation

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Matrix Concepts Holdings Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
LBS Bina Group Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Ideal Capital Bhd

REIT

HIGHEST RETURN ON EQUITY OVER THREE YEARS
IGB Reit

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
KLCCP Stapled Group

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
YTL Hospitality Reit

TECHNOLOGY

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Greatech Technology Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Inari Amertron Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Frontken Corporation Bhd

TELECOMMUNICATIONS & MEDIA

HIGHEST RETURN ON EQUITY OVER THREE YEARS
CelcomDigi Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Time Dotcom Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Time Dotcom Bhd

TRANSPORTATION & LOGISTICS

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Westports Holdings Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Bintulu Port Holdings Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Malaysia Airports Holdings Bhd

UTILITIES

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Gas Malaysia Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Gas Malaysia Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
YTL Power International Bhd

BEST CR INITIATIVES
SUPER BIG CAP
Above RM40 bil market capitalisation
CelcomDigi Bhd

BEST CR INITIATIVES
BIG CAP COMPANIES
RM10 bil to RM40 bil market capitalisation
Gamuda Bhd

BEST CR INITIATIVES
Below RM10 bil market capitalisation
Allianz Malaysia Bhd – Joint-winner
Bursa Malaysia Bhd – Joint-winner

CONGRATULATIONS

to the winners of

THE EDGE BILLION RINGGIT Club 2024 CORPORATE AWARDS

7-ELEVEN MALAYSIA HOLDINGS BHD
ALLIANZ MALAYSIA BHD
APEX HEALTHCARE BHD
BERMAZ AUTO BHD
BINTULU PORT HOLDINGS BHD
BURSA MALAYSIA BHD
CARLSBERG BREWERY MALAYSIA BHD
CELCOMDIGI BHD
CIMB GROUP HOLDINGS BHD
DAYANG ENTERPRISE HOLDINGS BHD
DIALOG GROUP BHD
ECO WORLD DEVELOPMENT GROUP BHD
FRONTKEN CORPORATION BHD
GAMUDA BHD
GAS MALAYSIA BHD
GREATECH TECHNOLOGY BHD
IDEAL CAPITAL BHD
IGB BHD
IGB REIT
IHH HEALTHCARE BHD
INARI AMERTRON BHD
KELINGTON GROUP BHD
KIM LOONG RESOURCES BHD
KLCCP STAPLED GROUP
KPJ HEALTHCARE BHD
LBS BINA GROUP BHD
MALAYSIA AIRPORTS HOLDINGS BHD
MATRIX CONCEPTS HOLDINGS BHD
MBSB BHD
NESTLÉ (MALAYSIA) BHD
OSK HOLDINGS BHD
PUBLIC BANK BHD
RCE CAPITAL BHD
SUNWAY CONSTRUCTION GROUP BHD
TIME DOTCOM BHD
UCHI TECHNOLOGIES BHD
UNITED PLANTATIONS BHD
WESTPORTS HOLDINGS BHD
YTL HOSPITALITY REIT
YTL POWER INTERNATIONAL BHD


MATRIX®
OUR ACHIEVEMENT
IS A REFLECTION
OF YOUR SUPPORT.
MATRIX CONCEPTS HOLDINGS BHD
PROPERTY
BELOW RM3B MARKET CAPITALISATION
Highest Return on Equity
Over Three Years
THEEDGE
BILLION
RINGGIT Club
2024
10-TIME WINNER
THEEDGE
BILLION
RINGGIT Club
2024
2024
Below RM3B Market Capitalisation
Highest Returns on Equity
Over Three Years


Every accolade we receive is a testament to the unwavering support and dedication of our stakeholders and supporters. Our latest achievement highlights the strength we derive from your trust and continued collaboration. We extend our deepest gratitude to all who have been part of this journey. As we celebrate this shared success, we look forward to building on these accomplishments for many more years to come.
PROPERTY DEVELOPMENT | CONSTRUCTION | EDUCATION | HOSPITALITY | HEALTHCARE
MATRIX CONCEPTS HOLDINGS BERHAD
199601042262 (414615-U)
mchb.com.my
1 800 88 2688
matrixconcepts

Celebrating enduring excellence for the 15th year

BY CINDY YEAP

Winning *The Edge* Billion Ringgit Club (BRC) Company of the Year award is no easy feat.

Not only does the company need to outperform on three quantitative measures — growth in profit after tax over three years (30%); returns to shareholders over three years (20%); and return on equity over three years (20%) — it also needs to do well in terms of corporate responsibility (CR).

Twelve of the 13 past victors continued to outperform the FBM KLCI by 75%, on average, over a three-year period. (See Table 1.) Of these, four — Supermax Corp Bhd (KL:SUPERMX), Press Metal Aluminium Holdings Bhd (KL:PMETAL), Nestle (M) Bhd (KL:NESTLE) and Vitrox Corp Bhd (KL:VITROX) — outperformed the FBM KLCI by more than 100%.

Maintaining a strong performance annually after winning the title is perhaps even harder than winning it in the first place, especially beyond three years.

If measured from each of the 15 Company of the Year's respective winning year, eight of the companies continued to outperform the FBM KLCI in terms of price while seven — QL Resources Bhd (+552%) (KL:QL); Press Metal (114.5%); Supermax (89.5%); Gamuda Bhd (58%) (KL:GAMUDA); Nestle (32.4%); Tenaga Nasional Bhd (23.7%) (KL:TENAGA) and Mega First Corp Bhd (20.9%) (KL:MFCB) — outperformed the index on total returns. (See Table 3.)

When measuring the immediate three years (Jan 1, 2021 to Aug 27, 2024), six outperformed the index, with Gamuda, this year's Company of the Year, outperforming the FBMKLCI by 99% on price appreciation alone and 125% on total returns. (See Table 4.)

Over the five-year period from Jan 1, 2019 to Aug 27, 2024, eight of the 15 companies outperformed the KLCI. It is perhaps no surprise that out of the eight, five were among the winners of the accolade in the past six years, with the exception of Hartalega Holdings Bhd (KL:HARTA), the world's largest nitrile glove maker whose industry is still working through overcapacity issues.

Of the eight, Frontken Corp Bhd (KL:FRONTKN) is in the lead, outperforming the index by 45% over three years and 719% over five years in terms of total returns.

Table 1

ASIA ANALYTICA DATA

All but one past BRC Company of the Year outperformed the KLCI by more than 75%, on average, over three years (one year before win to two years after win)

BRC COMPANY OF THE YEAR (2010 TO 2022)	WINNING YEAR (T)	SHARE PRICE MARCH 31 (T-1)	SHARE PRICE MARCH 31 (T+2)	% CHANGE	% KLCI TOTAL RETURN	OVER OR (UNDER) RELATIVE TO KLCI
Supermax Corp Bhd	2010	0.05	0.29	472	99	373.4
QL Resources Bhd	2011	0.52	0.96	83	39	44.1
Genting Bhd	2012	7.87	7.64	-3	32	-34.6
Digi.Com Bhd (CelcomDigi Bhd since March 2, 2023)	2013	2.33	4.22	81	26	55
Dutch Lady Milk Industries Bhd	2014	33.11	42.03	27	13	13.9
Tenaga Nasional Bhd	2015	7.58	9.31	23	3	19.5
Nestle (Malaysia) Bhd	2016	58.16	136	134	12	121.9
AirAsia Bhd (CapitalA Bhd since Feb 10, 2022)	2017	0.88	1.75	98	5	92.5
Petronas Dagangan Bhd	2018	18.74	18.42	-2	-14	12.4
Press Metal Aluminium Holdings Bhd	2019	1.99	4.75	138	-6	144.8
Hartalega Holdings Bhd	2020	3.74	4.68	25	8	17
Vitrox Corp Bhd	2021	1.73	3.94	128	19	108.7
Frontken Corp Bhd	2022	3.39	3.85	14	11	2.7

Note: Share prices are adjusted for dividends, stock splits and/or bonus issues

Gamuda outperformed the index by 125% over three years and 306% over five years. Mega First, which won last year, outperformed the index by 21% over three years and 195% over five years. Press Metal, which won in 2019, outperformed the index by 15% over three years and 115% over five years. Tenaga, which won in 2015, outperformed the index by 44% over three years and 19% over five years. QL Resources, which won in 2011 or some 13 years ago, outperformed the index by 0.4% in the past three years and 32% in the past five years.

From Jan 1, 2019, to Aug 27, 2024, the FBM KLCI was down 2.3% with total returns at 20.4%. Between Jan 1, 2021, and Aug 27, 2024, it was up 1.5% with total returns at 17.2%.

At 188, the number of *The Edge* Billion Ringgit Club (BRC) members — companies listed on Bursa Malaysia with a market cap of at least RM1 billion at the cut-off date of March 31 — is at a record high, just above the all-time high of 186 in 2021.

The 188 companies command a market cap of RM1.67 trillion or close to 90% of the combined market cap of all Bursa Malaysia-listed companies as at March 31, 2024. This is 11.6% above the combined market cap of RM1.49 trillion from 181 BRC members last year but is just shy of the RM1.69 trillion from 170 members in 2018. (See Table 2.)

The combined net profit of this year's 188 BRC members of RM93.6 billion is above last year's RM91.8 billion but a shade below 2022's RM95.8 billion.

BRC members continue to be major taxpayers, contributing an estimated RM36 billion in taxes for FY2023, which is comparable to FY2021's amount and significantly higher than FY2020's RM23 billion and FY2019's RM28 billion. The estimated tax amount is a shade below the RM42 billion contributed in FY2022, where the one-off 33% prosperity tax or cukai makmur — well above the corporate tax rate of 24% — was imposed on companies with chargeable income of over RM100 million.

In its 15th instalment, the BRC awards aim to spur Malaysian companies to be even better at what they do — not just financially but also be responsible corporate citizens.

This is why corporate responsibility (CR) efforts constitute 30% of scores that goes towards determining the Company of the Year. The BRC methodology is transparent and the awards cannot be bought. Results are audited by Deloitte Malaysia. The billion-ringgit cut-off figure serves as an aspirational target for dynamic smaller companies, the same reason why the RM40 billion cut-off for Super Big Cap companies was created.

While there is no shortage of accolades and awards in the corporate world, none promotes meritocracy and transparency the way the BRC corporate awards do, The Edge Media Group chairman Tan Sri Tong Kooi Ong said in his welcome address at the gala dinner on Aug 23.

"*The Edge* BRC awards recognise success based on transparent and universally accepted measures. Companies and individuals that win awards at BRC must truly be deserving of recognition. And this is evident by the exceptional success of the companies that have previously won The BRC Company of the Year award," Tong said.

"This is achieved because our award methodology and evaluation criteria are transparent, verifiable and independently audited. Not only are we proud of this, it is also the reason Corporate Malaysia covet *The Edge* BRC awards. And what do we hope to achieve in giving out these awards? Our sole purpose is that it brings out the best in every Malaysian company and its management."

Table 2

THE EDGE ESTIMATES

BRC MEMBERSHIP STATISTICS

	2010	2011	2012	2013	2014	2015	2016	2017
Number of companies	163	185	144	144	178	166	176	184
As a percentage of total listed companies	17% of 959 listed companies	19% of 955 listed companies	15% of 937 listed companies	15.4% of 937 listed companies	19.1% of 934 listed companies	18.3% of 906 listed companies	19.4% of 906 listed companies	20.4% of 904 listed companies
BRC members' combined market cap as at end-March (RM bil)	916.58	1,165.216	1,197.413	1,320.444	1,544.761	1,536.644	1,513.542	1,592.607
Y-o-y change (%)	NA	+25.5	+2.8	+10.3	+17	-0.5	-1.5	+5.2
BRC members' combined market cap as a percentage of total market cap (%)	88	89	88	90.6	90.9	88.9	90.7	90.3

	2018	2019	2020	2021	2022	2023	2024
Number of companies	170	168	161	186	178	181	188
As a percentage of total listed companies	18.7% of 911 listed companies	18.3% of 919 listed companies	17.4% of 924 listed companies	19.9% of 933 listed companies	18.7% of 952 listed companies	18.8% of 961 listed companies	18.4% of 1023 listed companies
BRC members' combined market cap as at end-March (RM bil)	1,692.467	1,551.456	1,407.255	1,592.365	1,580.519	1,492.962	1,666.69
Y-o-y change (%)	+6.3	-8.3	-9.3	+13.2	-0.74	-5.54	+11.6
BRC members' combined market cap as a percentage of total market cap (%)	90.8	90.9	90.9	90	88	90.4	89.7

Note: Market capitalisation data as at end-March for 2010 to 2024 and as at end-June for 2020

THE EDGE BILLION RINGGIT Club 2024

In his speech as the guest of honour, Prime Minister Datuk Seri Anwar Ibrahim invited the private sector to engage with the government "more regularly". "We are always willing to listen to the private sector ... However, in presenting your ideas and proposals, you should also prioritise nation building, think of the rakyat and how we can help them."

OCBC Bank Malaysia CEO Tan Chor Sen congratulated this year's winners, saying they continue to leave a lasting imprint of good corporate governance alongside being exemplars of sustainable excellence. "Heartiest congratulations to all winners on their well-deserved recognition. They have raised the bar even higher this year while setting new benchmarks for excellence, unearthing fresh winning formulas that mesh fine business acumen with a keen sense of corporate responsibility. Their endeavours have continued to centre on sustainability and accountability, weaved seamlessly into the business equation to uplift society as a whole. We laud the good you have brought to the table and hope you continue to flourish."

Amanda Zhang, CEO and president of Mercedes-Benz Cars Malaysia and head of region, Mercedes-Benz Cars SEA II, also applauded the winners and called upon all BRC members to embrace the challenges and opportunities of the sustainability transition. "Recognition is often the best motivator for success and it motivates one to strive for excellence and performance. My heartiest congratulations to all the winners for their efforts and achievements. We can all leverage on such recognition that encourages us to further integrate sustainability into our core business strategy."

OCBC Bank Malaysia, a key partner since the awards were introduced in 2010, continues its steadfast support. "And as far as lasting journeys go, we are pleased to highlight that OCBC Malaysia has now been the main sponsor of The Edge Billion Ringgit Club for a decade and a half. Thank you to The Edge for its commitment to ensuring that companies worthy to be emulated are duly singled out for recognition so others can model their journeys after them.

"We at OCBC Malaysia, as part of a respected regional banking group that aspires to be Asia's leading financial services partner for a sustainable future, will continue to hold ourselves to the highest standards of excellence in helping people and communities realise their aspirations, particularly those that are sustainable in nature. Climate action and the ongoing decarbonisation journey are at the forefront of our strategic thrust moving forward and we invite Corporate Malaysia to hold on to the vision that the best is yet ahead," Tan said.

Mercedes-Benz Malaysia, the awards' official car, returns as a partner for the 10th year. "*The Edge* BRC awards highlight the connection between financial performance and corporate responsibility. We hope Corporate Malaysia would be able to harness long-term success, which requires balancing profit with environmental and social considerations. Innovation in sustainability can drive competitive advantage, and transparency and measurable targets are crucial for credible ESG efforts. Additionally, collaboration across industries is necessary to address major challenges like climate change," Zhang said.

The attendees of the gala dinner were among the first in Malaysia to witness the exclusive preview of the all-new Mercedes-Benz E-Class, which boasts several AI-powered features. Zhang said they not only enhance safety and offer personalised suggestions but also analyse vehicle data to anticipate service needs through predictive maintenance capabilities.

"The upcoming E-Class promises personalised user experience in the future. The aim is for the E-Class to fully automate recurring routine tasks, if desired, and AI will make this possible. Mercedes-Benz will offer AI-generated routines like seat heating and ventilation for the driver's seat. Other interior systems are to be successively integrated and further routines made possible in the near future. The vehicle's ability to also learn and evolve with the customer will represent a new level of intelligence," Zhang said.

SAM FONG/THE EDGE

Ho: Corporate Malaysia is bound to reach greater heights, if excellence becomes a habit and not just lip service.

OCBC

Tan: BRC winners have raised the bar even higher this year... unearthing fresh winning formulas that mesh fine business acumen with a keen sense of corporate responsibility.

MERCEDES

Zhang hopes Corporate Malaysia would be able to harness long-term success, which requires balancing profit with environmental and social considerations.

Table 3

BLOOMBERG

BRC COMPANY OF THE YEAR

HOW PERFORMANCE AND SHAREHOLDER RETURNS OF COMPANIES NAMED 'BRC COMPANY OF THE YEAR' STACK UP AGAINST THE FBM KLCI AND FBM EMAS INDEX SINCE THEIR RESPECTIVE WINNING YEAR

PERIOD	BRC COMPANY OF THE YEAR	PRICE CHANGE (%)	FBM KLCI PERFORMANCE (%)	FBM EMAS PERFORMANCE (%)	TOTAL RETURNS (%)	FBM KLCI TOTAL RETURNS (%)	FBM EMAS TOTAL RETURNS (%)
2010–2024	Supermax Corp Bhd	+93.1	+29.8	+46	+201.6	+112.1	+130.9
2011–2024	QL Resources Bhd	+532.4	+8.8	+19.7	+624.7	+72.7	+84
2012–2024	Genting Bhd	-60.7	+7.9	+18.4	-47.1	+65.8	+76.5
2013–2024	Digi.Com Bhd (CelcomDigi Bhd since March 2, 2023)	-31.8	-2.2	+8.6	+6.2	+45.5	+56.9
2014–2024	Dutch Lady Milk Industries Bhd	-34.7	-11.5	-3.4	-11.2	+27.6	+35.5
2015–2024	Tenaga Nasional Bhd	+0.9	-6.2	+2.9	+54.7	+31	+40.1
2016–2024	Nestle (Malaysia) Bhd	+36.1	-2.4	+5.3	+64.7	+32.3	+39.3
2017–2024	AirAsia Bhd (Capital A Bhd since Feb 10, 2022)	-65.3	+0.64	+8.3	-35.2	+32.2	+39.1
2018–2024	Petronas Dagangan Bhd	-13.9	-8	-4	+7.5	+16.8	+19.5
2019–2024	Press Metal Aluminium Holdings Bhd	+121.5	-2.3	+7.7	+134.9	+20.4	+30.2
2020–2024	Hartalega Holdings Bhd	-51.5	+4	+9.7	-41.2	+23.9	+28.4
2021–2024	Vitrox Corp Bhd	+1.2	+1.5	+5.6	+3.2	+17.2	+20.1
2022–2024	Frontken Corp Bhd	-7.4	+5.4	+9.8	-5.1	+16.9	+20.7
2023–2024	Mega First Corp Bhd	+34	+10.5	+16.1	+38.5	+17.6	+22.8
2024–2024	Gamuda Bhd	+69.7	+13.6	+14.8	+74.1	+16.1	+17.1

Note: The performance figures are based on the adjusted share price at the start of the year the respective companies of the year received their award to the last practicable date (Aug 27, 2024).

Table 4

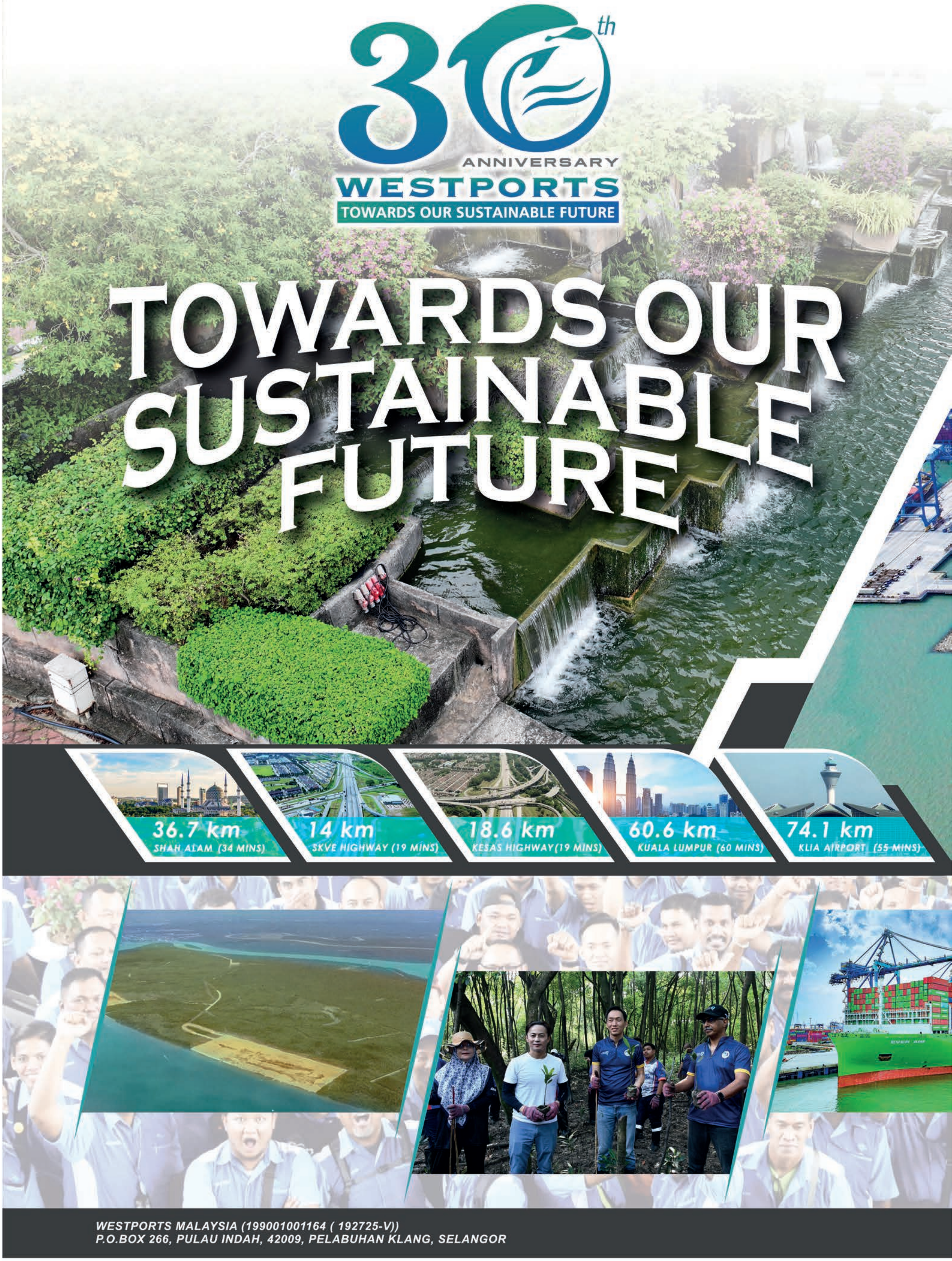
BLOOMBERG

How each BRC Company of the Year performed versus the FBM KLCI and FBM Emas (2019 to 2024)

YEAR OF WIN	BRC COMPANY OF THE YEAR	3 YEARS		5 YEARS	
		PRICE CHANGE BETWEEN JAN 1, 2021 AND AUG 27, 2024 (%)	TOTAL RETURNS BETWEEN JAN 1, 2021 AND AUG 27, 2024 (%)	PRICE CHANGE BETWEEN JAN 1, 2019 AND AUG 27, 2024 (%)	TOTAL RETURNS BETWEEN JAN 1, 2019 AND AUG 27, 2024 (%)
2010	Supermax Corp Bhd	-85.4	-81.6	+4.8	+33
2011	QL Resources Bhd	+14	+17.6	+45.6	+51.9
2012	Genting Bhd	-3.1	+8	-29.2	-13.9
2013	Digi.Com Bhd (CelcomDigi Bhd since March 2, 2023)	-12.8	-1.9	-19.8	-2.5
2014	Dutch Lady Milk Industries Bhd	-17.9	-13	-50.4	-45.4
2015	Tenaga Nasional Bhd	+33.6	+61.6	+2.4	+39.4
2016	Nestle (Malaysia) Bhd	-28.1	-23.2	-32.2	-24.7
2017	AirAsia Bhd (CapitalA Bhd since Feb 10, 2022)	-10.2	-10.2	-73.2	-59.7
2018	Petronas Dagangan Bhd	-2.3	+10.7	-21.1	-5.2
2019	Press Metal Aluminium Holdings Bhd	+27.5	+32.6	+121.5	+134.9
2020	Hartalega Holdings Bhd	-78.1	-73.7	-56.7	-46.7
2021	Vitrox Corp Bhd	+1.2	+3.2	+136.6	+144.1
2022	Frontken Corp Bhd	+55.9	+62	+685.1	+739.7
2023	Mega First Corp Bhd	+29	+38.5	+187.1	+215.3
2024	Gamuda Bhd	+100.3	+142.3	+232.9	+326.1
–	FBM KLCI	+1.5	+17.2	-2.3	+20.4
–	FBM EMAS	+5.6	+20.1	+7.7	+30.2

The Edge Media Group publisher and CEO Datuk Ho Kay Tat said Corporate Malaysia "is bound to reach greater heights if excellence becomes a habit and not just lip service. The strong measurable performance delivered by many of our BRC winners shows the fruits of their sweat and labour. And the BRC members' commitment to corporate responsibility is them sharing some of those fruits to build up the community around them, while contributing to the country's tax coffers, robust employment as well as stellar economic growth.

"I thank our distinguished partners, OCBC Bank Malaysia and Mercedes-Benz Cars Malaysia, for their steadfast support in honouring, recognising and celebrating Corporate Malaysia's continued excellence. The Edge BRC awards ceremony and gala dinner would not be the prestigious and Corporate Malaysia's most anticipated annual gathering that it has become without their ardent support. We look forward to celebrating Corporate Malaysia's crème de la crème again next year." E


30th
ANNIVERSARY
WESTPORTS
TOWARDS OUR SUSTAINABLE FUTURE
TOWARDS OUR SUSTAINABLE FUTURE
36.7 km
SHAH ALAM (34 MINS)
14 km
SKVE HIGHWAY (19 MINS)
18.6 km
KESAS HIGHWAY(19 MINS)
60.6 km
KUALA LUMPUR (60 MINS)
74.1 km
KLIA AIRPORT (55 MINS)
WESTPORTS MALAYSIA (199001001164 (192725-V))
P.O.BOX 266, PULAU INDAH, 42009, PELABUHAN KLANG, SELANGOR


NATURAL DEEP HARBOUR UP TO 18 METERS
801 MOVES (WORLD RECORD) WITHIN 1 HOUR
CAPACITY TO HANDLE 24,000 TEUS VESSEL- SIZE
CONNECTIONS TO MORE THAN 350 PORTS GLOBALLY
TOP 5 CONTAINER VOLUME HANDLED OUTSIDE CHINA
HIGH PRODUCTIVITY OF 30 MOVES PER HOUR CONSISTENTLY
EQUIPPED WITH 66 WORLD LARGEST SHIP-TO-SHORE CRANES
11 TH BUSIEST PORT GLOBALLY BASED ON CONTAINERS HANDLED
WESTPORTS
PROVEN. TRUSTED. FRIENDLY.
WESTPORTS TREASURE HUNT 2024
EVERGREEN
westportsmalaysia
Westports Malaysia
westports-malaysia
Westports_My
westports_malaysia
www.westportsholdings.com

THE EDGE BILLION RINGGIT Club 2024

VALUE CREATOR: **OUTSTANDING CEO OF MALAYSIA**

Tan Sri Tay Ah Lek

Managing director and CEO Of Public Bank Bhd

A rare breed of banker

BY ADELINE PAUL RAJ

There aren't many bankers today quite like Tan Sri Tay Ah Lek, the managing director and CEO of Public Bank Bhd (KL:PBBANK).

A pioneer staff member when Public Bank was founded in 1966, Tay has poured blood, sweat and tears into helping build the bank over the course of almost six decades together with its founder, the late Tan Sri Teh Hong Piow, who was Tay's mentor.

Under their watch, Public Bank grew to become the country's third-largest banking group by assets — after Malayan Banking Bhd (KL:MAYBANK) and CIMB Group Holdings Bhd (KL:CIMB) — and the second-largest listed company on Bursa Malaysia by market capitalisation.

For his role in taking the group to new heights, Tay — who has been in the driving seat since July 2002 — wins *The Edge* Billion Ringgit Club Value Creator: Outstanding CEO of Malaysia award this year. Teh had won the same award in 2010.

"Life is a confluence of opportunities and timing," Tay, 81, reflects when asked by *The Edge* about his start in the world of banking.

"In those days, joining a bank was prestigious and coming from a humble background, stability and growth were important. I was lucky to be able to join the then Malayan Banking in 1961 and even more so to have met the late Tan Sri Teh.

"Teh interviewed me for my first job at Malayan Banking and recognised my potential. He took me under his wings and, later in 1966, offered me [the opportunity] to join him as a pioneer staffer when he founded Public Bank. The rest, as they say, is history."

Today, Public Bank is widely considered by analysts to be one of the best-run banks in the country. It has consistently stood out in the industry as having the best return on equity (ROE), cost-to-income ratio (CIR) and asset quality.

Public Bank opened its first branch at No 4, Jalan Gereja, Kuala Lumpur, on Aug 6, 1966. The first five months of business saw the group yield a profit of RM71,562 — the start of an unbroken track record of profitability of 57 years.

Exactly a year after the business started, Public Bank was listed on the local stock exchange, then known as the Kuala Lumpur Stock Exchange. In 1970, it forked out its first dividend of 3.5% per ordinary share of RM1 each, in what would be the beginning of an unbroken stream of dividends paid out by the group every financial year. For many years now, the stock has been an investor darling, sought after in particular for its solid dividends.

Over the years, it has undertaken several major acquisitions, including that of Sime Merchant Bank Bhd in October 2000 and Hock Hua Bank Bhd in March 2001. It was one of the early banks to have spread its wings across the region, with a presence now in Hong Kong, China, Cambodia, Vietnam, Laos and Sri Lanka.

Resilient through turbulent times

Public Bank has grown from strength to strength, showing resilience during periods of economic crises — it was profitable even during the 1997/98 Asian financial crisis that had brought many local lenders to their knees — and the unprecedented challenges of the Covid-19 pandemic. Even though the group's net profit dipped to RM4.87 billion in the financial year ended Dec 31, 2020 (FY2020) — the first year of the pandemic — from RM5.51 billion in FY2019, it bounced back quickly. Its net profit gathered steam to grow to RM5.66 billion in FY2021, RM6.12 billion in FY2022 and RM6.65 billion in FY2023.

Since Tay took the helm in July 2002, Public Bank's annual net profit has grown more than eightfold from just RM770.24 million in FY2002. Its total assets had expanded to RM510.6 billion in FY2023 from RM61.77 billion in FY2002.

Its net ROE and CIR, at 13% and 33.7% respectively in FY2023, remained easily the best among the local domestic banking groups. However, its gross impaired loan ratio — an indicator of asset quality — at 0.59% fell closely behind that of Hong Leong Bank Bhd (KL:HLBANK) (0.56%).

What is particularly interesting about Public Bank is that many of its investors and staff have stayed loyal to the group through its ups and downs over the years — a feat arguably no other bank has managed to pull off as successfully.

When asked what makes Public Bank unique in this sense, Tay attributes it to the culture instilled by Teh.

"Our founder consistently emphasised the importance of culture in building and expanding the bank. He firmly believed in the value of open lines of communication to ensure alignment with our vision and mission.

"This approach has fostered a unique corporate family culture that we, as a bank, take great pride in. The strong bonds within our team promote collaboration, allowing us to address issues swiftly and effectively, thereby enhancing our collective ability to adapt to changes and overcome challenges," he says.

PUBLIC BANK

Tay: The strong bonds within our team promote collaboration, allowing us to address issues swiftly and effectively, thereby enhancing our collective ability to adapt to changes and overcome challenges

Teh passed away in December 2022 at the age of 92 while holding the role of chairman emeritus and adviser. Tay and his team, however, ensure that his legacy is upheld.

"The late founder taught us that the right people are a company's greatest asset. He believed in giving credit where credit is due. Meritocracy was his middle name and he had always advocated that if you want to do something, you must always do it well or don't do it at all.

"That said, setbacks are viewed as learning opportunities. Challenges are transient and it is also important to maintain an optimistic outlook to navigate the ever-changing landscape of banking and life in general, and to move on.

"In short, my late mentor is a hard act to follow and [his were] very big shoes to fill ... but I try and I am still trying," Tay says.

Enviable returns

The group has delivered superior returns for long-term shareholders, even making millionaires out of some. It points out that if a shareholder had bought 1,000 Public Bank shares in 1967 and held on to them over the years, subscribing for all its rights issues, that person would have accumulated 744,690 shares worth RM3.2 million, based on its share price of RM4.29 as at end-2023. In addition, the person would have received a total gross dividend of RM1.9 million.

This would have translated into a solid compound annual rate of return of 17.7% in shareholder returns (that is, total dividends received plus share price appreciation) for each of the 56 years that the person held the shares.

At the time of writing on Aug 27, the stock had gained 11.7% over this year to close at RM4.68, for a market capitalisation of RM90.84 billion — still comfortably the second-largest listed company on Bursa. For comparison, Malayan Banking, the largest, had a market cap of RM129.12 billion while the third-largest, CIMB, had RM84.86 billion.

An important lesson Tay has learnt over the years is that one must be prepared to "unlearn, learn and relearn at all stages in life", he says. "Indeed, upscaling and rescaling are a necessity. I constantly and strongly encouraged my staff to pursue certifications."

Throughout the interview, conducted via email, Tay pays homage to Teh, underscoring the vast influence that the elder banker had on his life.

"Right from the onset, it [was] drummed into the workforce that Public Bank is founded as the 'Bank for the People' and, through the years, we have never deviated from this compass," Tay says.

Despite his many successes, Tay remains humble to the core.

"I come from a traditional and humble family. We were taught to respect the elders and it was ingrained in us that hard work is the key and nothing comes easy. Along the way, some sacrifices were made and I am happy to have arrived at where I am today," he shares.

He says his journey thus far has been enriched by having had his "life mentor and benefactor" guide, teach and inspire him.

"He (Teh) guided and raised me up from day one of my banking career. Whatever business acumen I have acquired over the years, it is definitely through lessons learnt and guidance from my *Sifu*.

"While life has taken me to heights beyond my imagination all those years ago, I am still a simple man with simple tastes. I have always enjoyed a good round of weekend golf and the company of family members and old friends."

The last few years since the pandemic, coupled with all sorts of economic uncertainties and Teh's passing, have been challenging, Tay shares. But he is looking forward to the future.

"I feel energised by the possibilities within the unwritten pages that lie ahead — how we may be at the frontier of a new era of banking, where our human ingenuity can be elevated further with advanced tools like quantum computing and generative AI (artificial intelligence).

"I hope that one day, when I look back at how this story unfolded, I can take comfort that we had managed to utilise the great technological resources of our times to enrich the experiences and lives of our customers and all stakeholders. It would also mean a lot if we can truly live up to the sustainability agenda that we have set ourselves on.

"Ultimately, I also hope that I can ensure the sustainability of this bank for the next generation to continue to thrive with it. A sound leadership succession line with our corporate culture firmly etched across all layers of the organisation — this is my greatest responsibility," he says. E

THE EDGE BILLION RINGGIT Club 2024

COMPANY OF THE YEAR

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

BIG CAP COMPANIES — RM10 BILLION TO RM40 BILLION MARKET CAPITALISATION
CONSTRUCTION

Gamuda Bhd

11 BRC AWARDS OVER THE YEARS

Company of the year 2024

CR award 2016, 2021, 2024

Expanding its presence at home and abroad

BY KAMARUL AZHAR

Gamuda Bhd (KL:GAMUDA) is no stranger to *The Edge* Billion Ringgit Club (BRC) Awards, having taken home eight awards in the construction sector and best corporate responsibility (CR) initiatives category over the years since its first win in 2013.

The tally rose to 12 this year, with Gamuda taking home four BRC awards, including the coveted Company of the Year award for 2024. It also secured the BRC awards for highest growth in profit after tax over three years in the construction sector as well as the BRC big cap category and its third trophy for best CR initiatives.

With 12 BRC trophies in hand, Gamuda is a cut above the rest. This is a testament to the hard work that the group, led by managing director Datuk Lin Yun Ling, has put in over the years, especially in securing contracts overseas.

In his statement to the group's shareholders in Gamuda's 2023 annual report, he noted that the company's regionalisation strategy has borne fruit, with the group marking its second consecutive record-breaking year.

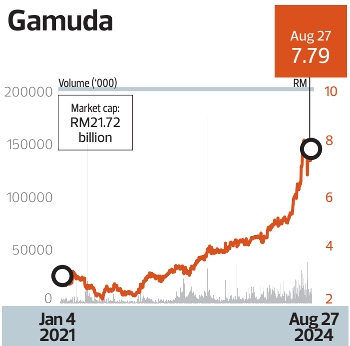
"Even against a backdrop of muted national economic growth, a notable lack of large infrastructure projects locally, elevated interest rates and geopolitical concerns, including the Russia-Ukraine War and flare ups in the Middle East, the group has demonstrated robust outcomes. This is evident with another year of record-breaking numbers in our construction order book, property sales, revenue, earnings and market capitalisation," said Lin.

During the BRC awards evaluation period, Gamuda's net profit increased by a three-year risk-weighted compound annual growth rate (CAGR) of 87.1%, having grown from RM376.5 million in FY2020 to RM1.84 billion in FY2023.

Overseas contracts contributed to the 41% jump in revenue to RM9.1 billion in FY2023, with overseas revenue doubling to RM4.6 billion during the year. This fourfold increase in revenue was due to the significant pickup in work progress at its projects in Australia and Taiwan.

Gamuda's early overseas ventures gave the group room to grow its expertise and broaden its experience in civil construction. Take its venture in Taiwan. When the group entered the market in 2002, it started with a 50:50 joint venture (JV) with New Asia Construction & Development Corp.

Then in 2022, its 60:40 JV with Asia World Engineering & Construction (AWEC) secured a US$451 million contract for the underground alignment and commuter station in Pingzhen District, Taoyuan City. This grew to an 88% stake in another JV with AWEC in October 2023, which secured the contract to construct a 4.4km railway track in Niaosong District, Kaohsiung. This time, Gamuda was the lead contractor of the project.



CONSTRUCTION ORDER BOOK:
RM25 bil

PROPERTY SALES:
RM4.1 bil

FY2023 TOTAL REVENUE:
RM9.1 bil
41% increase y-o-y

OVERSEAS CONSTRUCTION REVENUE:
RM3.5 bil

OVERSEAS CONSTRUCTION EARNINGS:
RM108 mil

2023 ANNUAL REPORT

The latest contract secured in Taiwan, worth NT$23.4 billion (RM3.45 billion), is the largest contract that Gamuda has secured since it entered the market in 2002.

Its expertise in the construction of civil infrastructure, especially underground tunnelling, was noticed even in Australia. Contracts in the Land Down Under made up 43% of its outstanding order book of RM25 billion in July 2024.

The group's growth in Australia is further supported by DT Infrastructure Pty Ltd's (DTI) acquisition of a transport project from Downer EDI Works Pty Ltd and VEC Civil Engineering Pty Ltd in early 2023, which came with a projected work in hand of A$2 billion across the continent.

In July, the JV comprising DTI and Alstom Transport Australia Pty Ltd was awarded a A$1.6 billion (RM5 billion) contract for the Metronet high-capacity signalling project by the Public Transport Authority of Western Australia.

"[The] acquisition of DTI is bearing fruit as Gamuda does not have the expertise in system works, and it broadens Gamuda's positioning in the construction value chain," CGS International said in a July 18 report.

Gamuda's expansion into overseas markets has allowed it to weather domestic downturns better. If construction jobs dry up whenever the Malaysian government tightens its fiscal belt, it can still bank on its overseas markets to replenish its contract order book.

According to Gamuda, the projects in Australia contributed 60% to its divisional revenue and one-quarter to its divisional earnings in FY2023. They have also fuelled the rapid growth of its outstanding order book.

In March 2021, Gamuda's outstanding order book stood at only RM5.5 billion. This means it had secured more than RM20 billion worth of contracts in slightly more than three years.

In fact, Gamuda is guiding for an outstanding order book of RM30 billion for calendar year 2024. This is not a tall order from its current outstanding order book of RM25 billion.

This is not to say that Gamuda hasn't done well locally. The first phase of the Penang LRT (Mutiara Line) from Silicon Island to Komtar is already in the bag as its 60%-owned subsidiary SRS Consortium Sdn Bhd is the project delivery partner (PDP) for the Penang Transport Master Plan (PTMP).

The Penang LRT is part of the PTMP, along with several roads and highways, and the reclamation of the 2,300-acre Silicon Island. Gamuda's subsidiary SRS TC Sdn Bhd is the turnkey contractor for Silicon Island as well as the Pan Island Link Phase 2A. The turnkey contract worth RM3.72 billion was awarded to SRS TC by project developer Silicon Island Development Sdn Bhd in June 2023. Gamuda owns 70% of Silicon Island Development through SRS PD Sdn Bhd.

The federal government allocated RM10 billion for the construction of the Penang LRT under Budget 2024.

In Sabah, Gamuda is developing a 187.5MW hydroelectric power plant in Tenom, together with Sabah Energy Corp Sdn Bhd and Kerjaya Kagum Hitech JV Sdn Bhd. The hydroelectric power plant, called the Upper Padas hydroelectric plant, is estimated to cost RM4 billion. The plant is expected to commence operations in 2029 and run for 40 years. It is expected to contribute to Gamuda's earnings for the next 45 years.

In Australia, Gamuda is in the running to secure four projects, with the most promising being the Suburban Rail Loop in Melbourne, the contract for which is expected to be awarded next month. In New South Wales, the tender for the stations package of the Sydney Metro West is expected to be put out soon.

Gamuda also excels in property development, with sales of more than RM4 billion and unbilled sales of RM6.7 billion in FY2023. The group's total land bank stood at 2,433 acres, with a potential gross development value of RM62 billion.

The group aims to double its annual property sales in five years using a two-pronged strategy, focusing on its Quick Turnaround Projects (QTP) and township developments.

The purchase of properties in London such as Winchester House, which houses the London headquarters of Deutsche Bank AG, is part of its QTP strategic plan. "Located in the heart of London's financial business and commerce centre, Winchester House will comprise Grade A ESG office space, and we have been encouraged by the level of interest from potential co-investors and lessees thus far," Lin said in the 2023 annual report.

In Vietnam, the group acquired a 9.1-acre site in Thu Duc City, Ho Chi Minh City, for a mixed-use development. It envisages an exit time frame of three to five years for this project.

Gamuda has established a strong presence in the Vietnamese property market over the past two decades, developing projects such as Gamuda City in Hanoi, Celadon City and Elysian in Ho Chi Minh City and Artisan Park in Binh Duong.

The group expects to sell RM5.6 billion worth of properties this year with its revenue reaching RM6 billion. This is based on locked-in unbilled sales, together with faster-than-expected sales and construction of QTPs, with 50% of the targeted revenue coming from sales orders in Vietnam, the UK, Australia and Singapore that had yet to be recognised in FY2023.

"We expect significant revenue to be recognised in FY2024, subject to the completion of the QTPs. Vietnam contributed 68% to QTP pre-sales with strong take-up rates of 70% for Artisan Park and 84% for Elysian Phase 1, both of which are expected to be fully sold in 2024 and 2025 respectively," said Lin.

"The West Hampstead QTP project in London, which currently has a take-up rate of 70%, is expected to be fully sold in 2024. Gardens Park, a new township development adjacent to Gamuda Gardens in Rawang, Selangor, is expected to be launched in FY2024."

The future looks bright for Gamuda as it continues to play a significant role in the country's infrastructure development. From highways and rail to data centres and hydroelectric power plants, the group has proved why it is among the best companies in Malaysia. E

THE EDGE BILLION RINGGIT Club 2024

COMPANY OF THE YEAR

Sydney Metro West – Western Tunnelling Package (WTP)
Australia

GAMUDA


Ulu Padas Hydroelectric Dam
Malaysia


Defu Station and Tunnels, MRT Cross Island Line (Phase 1)
Singapore


Seawall – Taipei Port
Taiwan

Gamuda Berhad (197601003632)(29579-T)

BUILDING FORWARD, TOGETHER

As we build towards a better future, we remain grateful for the opportunity to contribute to Malaysia's and the region's growth.

The Company of the Year recognition belongs to our dedicated team, valued partners, and the communities we serve.

We are honoured to receive accolades across multiple categories: Big Cap Companies RM10b to RM40b Market Capitalisation: Highest Growth in Profit After Tax Over Three Years, Construction: Highest Growth in Profit After Tax Over Three Years, and Best Corporate Responsibility Initiatives: Big Cap Companies RM10b to RM40b Market Capitalisation.

These achievements elevate our commitment to sustainable progress.

Thank You.

Delivering sustainable value beyond compliance pressure

BY CINDY YEAP

LOW YEN YEING/THE EDGE

The panel of judges for the CR portion of *The Edge* Billion Ringgit Club Awards 2024: (from left) Devanesan, Koh, Dorothy and Jeffrey

Companies that communicate well on how their business model is evolving to create and deliver lasting value to multiple stakeholders continue to thrive this year, says *The Edge* Billion Ringgit Club (BRC)'s panel of corporate responsibility (CR) judges.

Jeffrey Teoh, managing director and head of wholesale banking of OCBC Bank (Malaysia) Bhd, said upholding CR and promoting sustainability-linked efforts were critical factors in the selection of the winners of *The Edge* BRC 2024.

"This year, just like the others before, CR has been the key to measuring the success of these companies. When sustainability becomes a distinctive priority, we will see greater adoption of green initiatives into business operations as we see in these winners," says Jeffrey, noting how *The Edge* BRC awards had over the past 15 years "become synonymous with Corporate Malaysia's quest for sustainable business excellence at the highest levels".

OCBC has been the main sponsor of *The Edge* BRC since the award's inception in 2010.

"Among the notable efforts by these sustainability exemplars are innovations in decarbonisation, which have led to vastly reducing the carbon footprint they would otherwise have been responsible for. We hope others will emulate them wholeheartedly. On our part, OCBC Malaysia will continue to strive toward our goal of becoming Asia's leading financial partner for a sustainable future. I am pleased to share that, in Malaysia, we continue to support those in need of tailored sustainability-linked financing so they too can do well by doing good," he adds.

At the BRC judges meeting on July 10, Jeffrey made special mention of Gamuda Bhd's commitment to reduce carbon emissions at its developments by 40% by 2030 and how the group's investments in digital Industrialised Building Systems (IBS) not only builds up its capability to deliver affordable homes in a highly efficient manner but also increases productivity by upskilling the local workforce. "[Gamuda] hired senior engineers and invested millions to be able to manufacture homes in a factory environment cheaper and better ... They are truly one notch above their peer group," Jeffrey says.

Incidentally, Gamuda is this year's *The Edge* BRC Company of the Year and winner of the BRC Best CR Initiative award among Big Cap companies. Gamuda is one of four companies that have, over the past 15 years, won the CR award three times. The other three are Malayan Banking Bhd, Sime Darby Bhd and Sunway Bhd.

Dorothy Teoh, CEO of *The Edge* Education Foundation, weighs in on another top scorer. "BRC members in what I call the 'A list' not only do well in ESG metrics but integrate or link their CR programmes to their operations. For instance, Maybank's Women Eco-Weavers programme, which 'weaves' together the objectives of helping women make a livelihood through weaving, promoting environmentally friendly practices and the use of natural materials, preserving an Asean cultural heritage and financial inclusion. There is a huge gap separating these BRC companies and those that still focus merely on philanthropic efforts in their CR programmes, especially ad hoc giving."

She also touches on the need for companies to invest in technology to do good as well as better track and reduce carbon footprint. "With all the talk about artificial intelligence, it's interesting to note some ways in which BRC members are leveraging technology in their operations, such as KLK's [Kuala Lumpur Kepong Bhd] use of satellite monitoring to track deforestation by suppliers."

"We have seen the impact of climate change all over the world in just the first six months of this year alone, from record-shattering temperatures to devastating droughts, terrible floods and wildfires. So, it is reassuring that climate action is front and centre for the majority of BRC members when it comes to CR. Most are measuring and reporting on Scopes 1 and 2 GHG emissions, that is, from their direct operations. We are also seeing more BRC members making efforts to measure and disclose Scope 3 data, that is, all indirect emissions in their value chain, including upstream and downstream emissions. The next challenge is to go beyond compliance."

Philip Koh Tong Ngee, senior partner at Mah-Kamariyah & Philip Koh Advocates & Solicitors, meanwhile, notes ongoing "lively discussions" over the broader backlash against environment, social and governance (ESG) by some global investors that are pressuring companies to put more focus on delivering immediate profits to shareholders over doing good to multiple stakeholders.

"The imposition of ESG accountability on corporations [had] evolved from corporate social responsibility (CSR) and the debate generated over shareholder and stakeholder value is, nevertheless, still a valid one. There is, as one commentator observed, 'a paradox of social cost'," he says, noting that "under the core legislation [the Malaysian Companies Act 2016], the duties of board of directors have not extended to stakeholders".

"Company law has ruled that it is the interests of shareholders that is the responsibility of boards ... [therefore] the additional responsibilities of ESG can be viewed as an additional 'tax' on the resources of a corporation, which must return profits distributable as dividends to investors. It is therefore a chastening experience when we review ESG governance in Malaysian PLCs that this has been done fairly well and there are examples that are exemplary," adds Koh, who is also an adjunct professor at University Malaya's Faculty of Law.

Joining *The Edge* BRC panel of CR judges this year is Devanesan Evanson, who was CEO of the Minority Shareholders Watch Group (MSWG) for six years from December 2017 to December 2023. Devanesan retired from Bursa Malaysia after 18 years of service at age 55 in December 2010. He was chief market operations officer (January 2008 to December 2010), chief regulatory officer (August 2006 to December 2007) and deputy CRO (September 2005 to July 2006).

In recognition of the importance of sustainability, CR constitutes 30% of scores in determining *The Edge* BRC's Company of The Year. The remaining 70% of scores are from a quantitative metric: growth in profit after tax over three years (30%), return to shareholders over three years (20%) and return on equity over three years (20%).

See BRC methodology on Page 50

COMPANIES THAT HAVE WON *THE EDGE* BRC CORPORATE RESPONSIBILITY (CR) AWARDS OVER THE YEARS (2010-2024)

3 CR TROPHIES
- Gamuda Bhd
- Malayan Banking Bhd
- Sime Darby Bhd
- Sunway Bhd

2 CR TROPHIES
- Allianz Malaysia Bhd
- Carlsberg Brewery Malaysia Bhd
- IOI Corp Bhd
- Nestle (M) Bhd
- Petronas Chemicals Group Bhd
- Telekom Malaysia Bhd
- Tenaga Nasional Bhd
- United Plantations Bhd

1 CR TROPHY
- Axiata Group Bhd
- Bursa Malaysia Bhd
- CelcomDigi Bhd
- CIMB Group Holdings Bhd
- KPJ Healthcare Bhd
- Press Metal Aluminium Holdings Bhd
- RHB Bank Bhd
- Sime Darby Plantation Bhd

Note: For consistency, the list does not take into account second and third place CR winners in 2012 to 2014

CR SCORES WERE VERY CLOSE AMONG TOP CONTENDERS

2024 CR INITIATIVE TOP SCORERS
(IN ALPHABETICAL ORDER)

SUPER BIG CAP
- CelcomDigi Bhd (2024 winner)
- CIMB Group Holdings Bhd (2013 winner)
- Hong Leong Bank Bhd
- Malayan Banking Bhd (2015, 2019 & 2023 winner)
- Public Bank Bhd

BIG CAP
- Gamuda Bhd (2016 & 2024 winner, 2021 joint-winner)
- Kuala Lumpur Kepong Bhd
- Nestle Bhd (2012 winner, 2021 joint-winner)
- RHB Bank Bhd (2023 joint-winner)
- Sime Darby Bhd (2014, 2018 & 2022 winner)
- Sunway Bhd (2015 & 2018 winner, 2021 joint-winner)

BELOW RM10 BILLION MARKET CAP
- Allianz Malaysia Bhd (2017 winner, 2024 joint-winner)
- Astro Malaysia Holdings Bhd
- Bursa Malaysia Bhd (2024 joint-winner)
- Carlsberg Brewery Malaysia Bhd (2014 & 2019 winner)
- United Plantations Bhd (2016 & 2023 winner)

Note: ■ 2024 winner


BAuto
BERMAZ AUTO BERHAD
201001016854 (900557-M)
Driven by Excellence
At Bermaz Auto Berhad, our journey has always been about delivering more than just cars—it's about creating value that resonates with our customers and shareholders. As we strive to be the automotive and mobility distributor of choice, our focus is on managing our customers' ownership experience with dedication and care. Being honoured with the 'Highest Returns to Shareholders Over Three Years' award at The Edge Billion Ringgit Club 2024 affirms our commitment to innovation, quality and trust.
In all vehicle marques distributed by us, we aim to provide an exceptional experience, ensuring our customers enjoy more than just a drive, but a lifestyle built on reliability, satisfaction, and a peaceful ownership experience. We remain committed to fulfill customers' satisfaction and to deliver a driving experience as rewarding as the trust that is placed in us. Thank you for being a part of this journey with us.
KIA
mazda
XPENG
EV9
MAZDA CX-5
G6
THEEDGE
BILLION RINGGIT Club
2024

YTL GROUP

Building The Right Thing

The YTL story began 70 years ago with a dream and a vision to build a better future for all. We laid the first brick, setting the foundation for what would become a lasting legacy. From these humble beginnings, YTL has grown and evolved, expanding across industries and nations while enriching the communities we touch.

From our early roots in construction, we embarked to build not just for the present but for the future, paving the way for new eras of growth. We stood for what we believe in; seizing the right opportunities and transforming them into lasting value, ensuring every endeavour is worthy of the generations to come.

YTL has come full circle – building dreams, championing innovation, and creating a lasting impact. Through cycles of change, our strong foundation and enduring values – Honesty, Hard Work, Moral Responsibility, Togetherness, and Vitality – have guided us in driving progress and defining our purpose. We remain dedicated to Building The Right Thing for the good, the nation, and the future.

As we expand across industries and nations with reliability as our hallmark, we also remain united. Whether it is pushing boundaries, breaking barriers, or overcoming obstacles, we have done it as one YTL Family.

Our story is not just about the past; it is about the future we are shaping. As we look ahead, our journey continues as true builders committed to building value that is deserving of its legacy, knowing that our efforts today lay the foundation for a brighter tomorrow.

THE EDGE BILLION RINGGIT Club 2024

UTILITIES
Highest Returns to Shareholders Over Three Years
YTL Power International Bhd

BIG CAP COMPANIES
RM10B TO RM40B MARKET CAPITALISATION
Highest Returns to Shareholders Over Three Years
YTL Power International Bhd

REIT
Highest Returns to Shareholders Over Three Years
YTL Hospitality REIT

THE EDGE BILLION RINGGIT Club 2024

FROM PAGE S7

From left: Datuk Ho Kay Tat (The Edge Media Group), Amanda Zhang (Mercedes-Benz Cars Malaysia), Tan Chor Sen (OCBC Bank Malaysia), Minister of Investment Trade and Industry Tengku Datuk Seri Zafrul Aziz, Prime Minister Datuk Seri Anwar Ibrahim, Tan Sri Datuk Tong Kooi Ong (The Edge Media Group), Syed Abdull Aziz Jailani Kechik (OCBC Al-Amin Bank), and Kathy Fong and Sharon Teh (*The Edge Malaysia*)

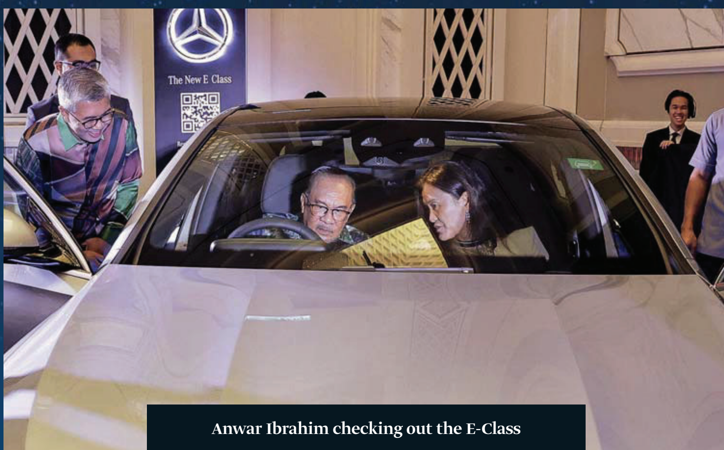
Ho (sixth from left), Fong (third from right) and emcee Sharizan Borhan (right) with the team from Mercedes-Benz Cars Malaysia (from left) Patrick Tan, Adrian Loh, J C Yap, Elaine Hew, Nadia Trimmel, Amanda Zhang and Tracey Ong

Julius Evanson, Eleanor Simone Danker, Sunny Wong, Thinagaran Rajamanikam, Joyce Goh, Kenny Lee, Syed Abdull Aziz Jailani Kechik, Tan Ai Chin, Tan Chor Sen, Jeffrey Teoh, Gideon Wong, Ho Wai Khee, Jennifer Kot, Elaine Chen, Selena Lee, Lee Joo Wee and Shafiq Sheikh Mohamed (OCBC Bank Malaysia)

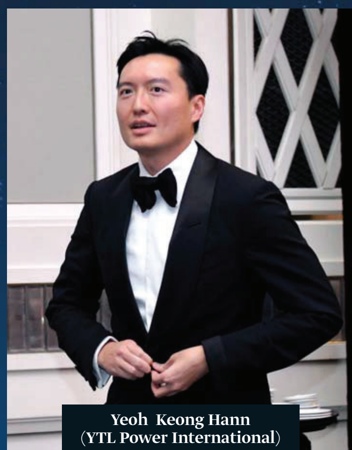
THE EDGE BILLION RINGGIT Club 2024

The all-new Mercedes-Benz E-Class


Yeo Wei Kang (OCBC) and Datuk Teow Leong Seng (Eco World International)



Anwar Ibrahim checking out the E-Class


Yeoh Keong Hann (YTL Power International)


Ruslan Abdul Ghani (Bintulu Port Holdings Bhd)


Jamaluddin Obeng (Perdana Petroleum Bhd), Tan Sri Ravindran Menon (Hartasuma Sdn Bhd), Jose Barrock (*The Edge Malaysia*) and Andrew Lim (Avarga Ltd)


Jenny Ng (*The Edge Malaysia*) with Regina Lee, Ong Ju Yan and Tio Jun Lim (OSK Holdings Bhd)

THE EDGE BILLION RINGGIT Club 2024

Zhang, Fong, Zafrul, Sharon Teh (*The Edge Malaysia*) and Suria Zainal (Ministry of Investment, Trade and Industry)

Jeffrey Teoh (OCBC), Teoh Ee Ken (Ideal Capital) and Tan Chor Sen (OCBC)

Cesarine Lim (Tiffany & Co)

Selena Lee (OCBC) with Anthony Barragry and Irene Sin (IGB REIT)

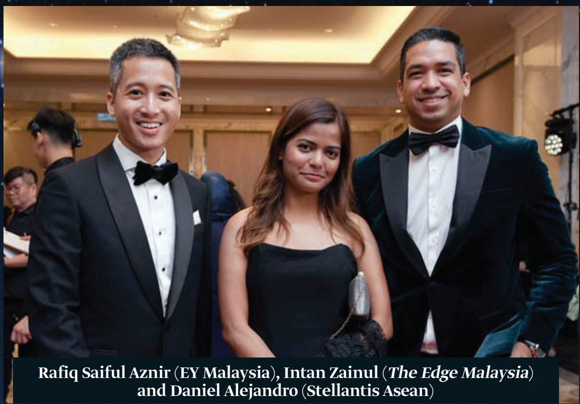
Chu Wai Lune (Gamuda Land), Fong Lai Kuan (*The Edge Malaysia*), Ong Jee Lian (OSK Holdings) and Liew Jia Teng (*The Edge Malaysia*)

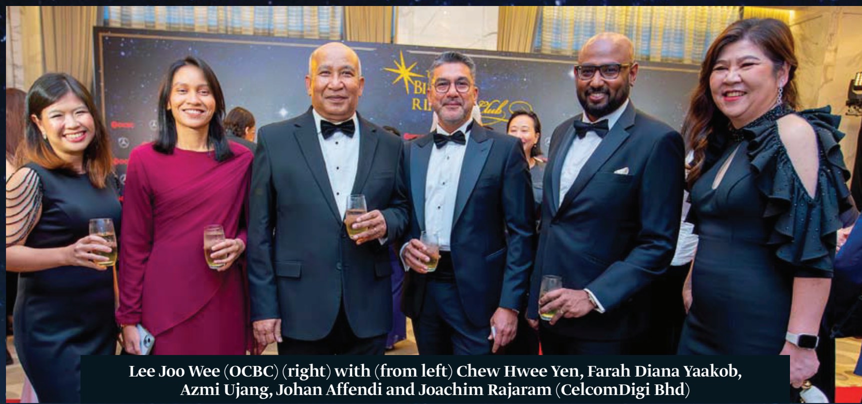
THE EDGE BILLION RINGGIT Club 2024

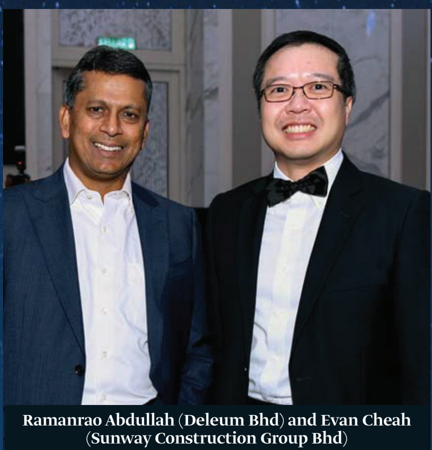

Thinagaran Rajamanikam, Anne Leh, Gideon Wong and Kenny Lee (OCBC)


Seth Lim (OSK Property) and Ambassador of Colombia Alejandro Rosselli


Suria Zainal and Marissa Ahmad


Rafiq Saiful Aznir (EY Malaysia), Intan Zainul (*The Edge Malaysia*) and Daniel Alejandro (Stellantis Asean)


Lee Joo Wee (OCBC) (right) with (from left) Chew Hwee Yen, Farah Diana Yaakob, Azmi Ujang, Johan Affendi and Joachim Rajaram (CelcomDigi Bhd)


Ramanrao Abdullah (Deleum Bhd) and Evan Cheah (Sunway Construction Group Bhd)


Novan Amirudin (CIMB Group Holdings Bhd) with Zafrul


KPJ Healthcare team

Daniel Alejandro (Stellantis Asean) (fifth from left) and Datuk Samson Anand George (Kia Malaysia, sixth from left) with Datuk Wong Kin Foo (fourth from left) and his team from Bermaz Auto Bhd

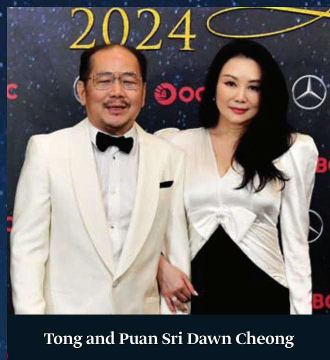
THE EDGE BILLION RINGGIT Club 2024

Datuk Lin Yun Ling (fifth from left) and Justin Chin (fourth from left) with the team from Gamuda Bhd

From left: Emir Hatim (*The Edge Malaysia*), Michelle Khor (Raja, Darryl & Loh), Cindy Yeap (*The Edge Malaysia*), Fong, Ho, Raja Eileen Soraya and Abdul Rashid Ismail (Raja, Darryl & Loh), and Lim Shiew Yuin and Shanmugam Murugasu (*The Edge Malaysia*)

Novan Amirudin (centre), Nor Masliza Sulaiman (right) and Tan Ting Min (CIMB Group Holdings Bhd)

Datuk Ruben Emir Gnanalingam (Westports Holdings Bhd) (centre) with Tan Chor Sen (on Ruben's left) and the team from OCBC Bank Malaysia



Tong and Puan Sri Dawn Cheong

Hanita Ahmad, Vijaykumar Dayinde, Zeid Abdul Razak, Nadiah Tan Abdullah and Juanita Armia Mohd Momin (Malaysia Airports Holdings Bhd)

Alycia Gooi and Chow Kok Hiang (Kim Loong Resources Bhd)

Teoh Ee Ken and Datuk Ng Tyan Ping (Ideal Capital Bhd) with Jeffrey Teoh (OCBC)

Mereen Teo and Alex Toh (ARTELIA) with Dorothy Teoh (*The Edge* Education Foundation)

Yeoh Keong Hann (YTL Power International Bhd) (fourth from left) and Ho Say Keng (YTL Hospitality REIT) (third from left) with the team from YTL Corporation Bhd

Dilip Kadambi (right) and Nili Shayrina Saat (IHH Healthcare Bhd)


Congratulations
THEEDGE BILLION RINGGIT Club 2024
KPJ HEALTHCARE BHD
HEALTHCARE
Highest Returns to Shareholders
Over Three Years
KPJ healthcare
A JCORP Company
HIGHEST RETURNS TO SHAREHOLDERS
OVER THREE YEARS
(HEALTHCARE)
THEEDGE
BILLION
RINGGIT Club
2024
Care for Life
KPJ HEALTHCARE BERHAD 199201015575 (247079-M)

THE EDGE BILLION RINGGIT Club 2024


Tan Sri Tay Ah Lek (centre) with the team from Public Bank Bhd


Joachim Rajaram (left) and Kugan Thirunavakarasu (second from right) with the team from CelcomDigi Bhd


Amanda Zhang (third from left) and the team from Mercedes-Benz Malaysia


Ng Zhu Hann (Tradeview Capital Sdn Bhd), Liew Jia Teng (*The Edge Malaysia*), Datuk Lock Peng Kuan (Baker Tilly Malaysia) and Chua Zhu Lian (Vision Group)


Lucas Lim (fourth from left) with the team from LBS Bina Group Bhd


Dr Kee Kirk Chin (fourth from left) with the team fromApex Healthcare Bhd


Datuk Wan Kamaruzaman Wan Ahmad (fifth from left) with the team from MBSB Bhd


Datuk Ruben Emir Gnanalingam (right) and Eddie Lee from Westports Holdings Bhd


Zainab Mohd Salleh (fourth from left) with the team from Dialog Group Bhd


GREATECH
GREATECH TECHNOLOGY BERHAD
201801008633 (1270647-H)
With over 30 years of experience, a strong global presence, and founders actively leading the way, we are committed to becoming the market leader in factory automation. By delivering cutting-edge solutions, top-tier talent, and world-class service, we ensure exceptional value for our customers.
THE EDGE BILLION RINGGIT Club 2024
TECHNOLOGY
HIGHEST RETURN ON EQUITY OVER THREE YEARS
GREATECH
BK IV
ACCELERATE THE FUTURE
GREATECH

THE EDGE BILLION RINGGIT Club 2024

Tan Ai Chin (OCBC), Sharon Teh (*The Edge Malaysia*), Amanda Zhang (Mercedes-Benz), Ho, Tan Chor Sen (OCBC), Tong, Cheong and Jeffrey Teoh (OCBC)

Stefano Clini and Pearl Lai (Carlsberg Brewery Malaysia Bhd)

Datuk Chang Khim Wah (fifth from left) with the team from Eco World Development Group Bhd

Raymond Gan (fifth from left) with the team from Kelington Group Bhd

Ng Siew Gek and Teeneswary K Jayaraman (Allianz Malaysia Bhd)

Chai Keng Wai (seventh from left) with the team from Matrix Concepts Holdings Bhd

Datuk Peter Lim (right) and Lim Bee Vee (Deloitte Malaysia)

Datuk Wong Kin Foo (fifth from left) with the team from Bermaz Auto Bhd

Wilson Tan and Lai Hao An (Greatech Technology Bhd)

IDEAL
CREATING LEGACY
超越时尚 ▪ 缔造典范

IDEAL CAPITAL BERHAD
201701001111 (1215261-H)

THEEDGE BILLION RINGGIT Club 2024

PROPERTY
Highest Returns to Shareholders Over Three Years

Celebrating yet another milestone made possible by the unwavering trust and confidence of our esteemed stakeholders and valued customers. Together, we will continue to drive greater value through sustainable communities and high-quality homes.

Thank You!

AN EMERGING INNOVATIVE BUSINESS HUB

Mature Township Location In Bertam City
- Strategically located in a mature township at Bertam, Penang.
- A stone's throw away from various amenities such as hypermarkets, eateries, educating, medical institutions and many more.

Flexi-Designed and Architecture
- Flexible space to suit a diverse range of industries' needs for business operations, including corporate office, showroom, warehouse or light production.

One-Stop Managed
- Provide support services to expedite business setup on government agencies approval and financial assistance.
- Fully supported by Federal & Penang State Government.

Well-Developed Infrastructure and Utilities Services
- Comprehensive range of road access, electricity, water supply, water drainage, telecommunication, natural gas & industrial gas as well as security surveillance.

An Excellent Opportunity To Expand Internationally
- Access to new market and business opportunity.
- Widen customer lease and sales.
- Increase sales revenues.
- Enhance financial viability by attracting new customers and unlock opportunities.

Brand Visibility and Reputation
- A value-added feature to enhance company's brand visibility and reputation being part of Penang Technology Park @ Bertam by Ideal Property Group, associating it with quality and reliability.

Freehold Land (880 Acres)
- Higher appreciation value
- No state consent required for subsale/ subletting
- No restriction in interest endorsement on land title

Guarded Light Industry Park
- Enhanced security reduces risk of theft and vandalism
- Ensuring safety of assets and personnel

+604 6465 188 +6019 473 3818
71-5, Ideal @ The One, Jalan Mahsuri, Bayan Lepas,11950 Penang, Malaysia.
www.idealcapital.com.my
Ideal Property Group

THE EDGE BILLION RINGGIT Club 2024

Ong Ju Xin and Ong Ju Yan (centre) with the team from OSK Holdings Bhd

Evan Cheah (fifth from left) and Liew Kok Wing (fourth from left) with the team from Sunway Construction Group Bhd

Aina Zahari (third from right) and Dr Hezri Adnan (second from right) with the team from Bursa Malaysia Bhd

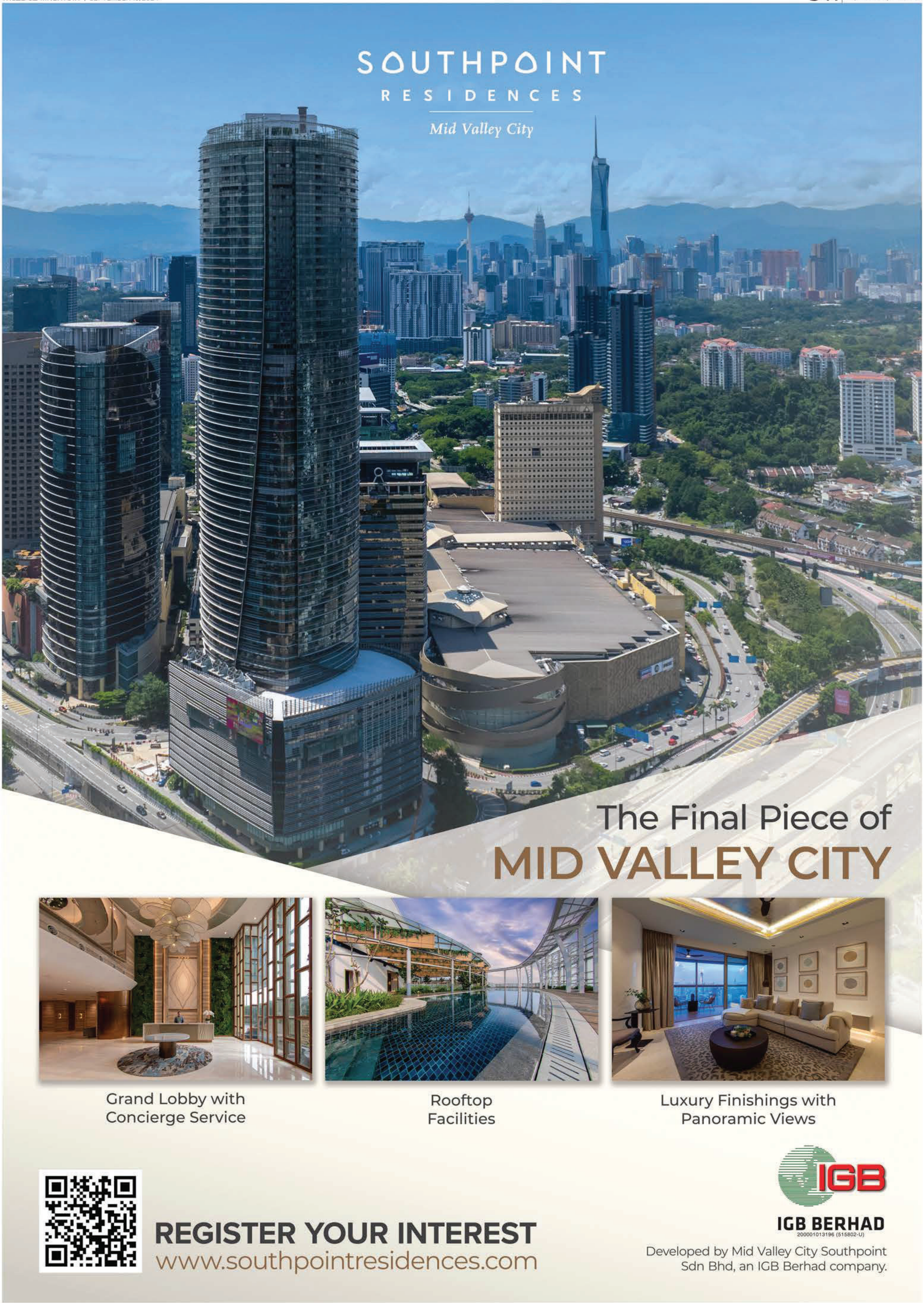
Loh Kam Chuin (ninth from left) with the team from RCE Capital Bhd

Ahmad Hashimi Abdul Manap (fourth from left) with the team from Gas Malaysia Bhd

Datuk Dr Tan Seng Chuan (fourth from right) and Chong Poh Leng (on Tan's right) with the team from Inari Amertron Bhd

Datuk Md Shah Mahmood (fifth from left) with the team from sKLCCP Stapled Group

Datuk Mohamad Farid Salim (fourth from left) with the team from KPJ Healthcare Bhd


SOUTHPOINT
RESIDENCES
Mid Valley City
The Final Piece of
MID VALLEY CITY
Grand Lobby with
Concierge Service
Rooftop
Facilities
Luxury Finishings with
Panoramic Views
IGB
IGB BERHAD
200001013196 (515802-U)
REGISTER YOUR INTEREST
www.southpointresidences.com
Developed by Mid Valley City Southpoint
Sdn Bhd, an IGB Berhad company.

THE EDGE BILLION RINGGIT Club

2024 WINNERS

FROM PAGE S10

BIG CAP COMPANIES (RM10 billion to RM40 billion market cap) – Highest Growth in Profit After Tax Over Three Years
Gamuda Bhd (Datuk Lin Yun Ling, group managing director)

BIG CAP COMPANIES (RM10 billion to RM40 billion market cap) – Highest Return on Equity Over Three Years
Nestlé (Malaysia) Bhd (Datuk Adnan Pawanteh, executive director, corporate affairs)

BIG CAP COMPANIES (RM10 billion to RM40 billion market cap) – Highest Returns to Shareholders Over Three Years
YTL Power International Bhd (Yeoh Keong Hann, executive director)

SUPER BIG CAP COMPANIES (RM40 billion and above market cap) – Highest Growth in Profit After Tax Over Three Years and Highest Returns to Shareholders Over Three Years
CIMB Group Holdings Bhd (Novan Amirudin, group CEO)

SUPER BIG CAP COMPANIES (RM40 billion and above market cap) – Highest Return on Equity Over Three Years
CelcomDigi Bhd (Datuk Idham Nawawi, CEO)

BEST CR INITIATIVES (below RM10 billion market cap)
Allianz Malaysia Bhd (Ng Siew Gek, company secretary and head of Allianz4Good)

BEST CR INITIATIVES (below RM10 billion market cap)
Bursa Malaysia Bhd (Dr Hezri Adnan, director of group sustainability)

BEST CR INITIATIVES (BIG CAP COMPANIES)
Gamuda Bhd (Justin Chin, managing director of Gamuda Engineering)

BEST CR INITIATIVES (SUPER BIG CAP COMPANIES)
CelcomDigi Bhd (Joachim Rajaram, chief corporate affairs officer)

CONSTRUCTION – Highest Growth in Profit After Tax Over Three Years
Gamuda Bhd (Justin Chin, managing director of Gamuda Engineering)

CONSTRUCTION – Highest Return on Equity Over Three Years and Highest Returns to Shareholders Over Three Years
Sunway Construction Group Bhd (Evan Cheah, non-independent non-executive director)

CONSUMER PRODUCTS & SERVICES – Highest Growth in Profit After Tax Over Three Years
7-Eleven Malaysia Holdings Bhd (Tan U-Ming, executive director and co-CEO)

CONSUMER PRODUCTS & SERVICES – Highest Return on Equity Over Three Years
Carlsberg Brewery Malaysia Bhd (Stefano Clini, managing director)

CONSUMER PRODUCTS & SERVICES – Highest Returns to Shareholders Over Three Years
Bermaz Auto Bhd (Datuk Wong Kin Foo, managing director)

ENERGY – Highest Return on Equity Over Three Years
Dialog Group Bhd (Zainab Mohd Salleh, group chief financial officer)

ENERGY – Highest Returns to Shareholders Over Three Years
Dayang Enterprise Holdings Bhd (Emi Suhardi Mohd Fadzil, business development & compliance manager)

FINANCIAL SERVICES (below RM10 billion market cap) – Highest Growth in Profit After Tax Over Three Years
MBSB Bhd (Datuk Wan Kamaruzaman Wan Ahmad, chairman)

FINANCIAL SERVICES (below RM10 billion market cap) – Highest Return on Equity Over Three Years
Bursa Malaysia Bhd (Aina Zahari, director of corporate strategy)

FINANCIAL SERVICES (below RM10 billion market cap) – Highest Returns to Shareholders Over Three Years
RCE Capital Bhd (Loh Kam Chuin, CEO)

FINANCIAL SERVICES (RM10 billion and above market cap) – Highest Growth in Profit After Tax Over Three Years and Highest Returns to Shareholders Over Three Years
CIMB Group Holdings Bhd (Novan Amirudin, group CEO)

FINANCIAL SERVICES (RM10 billion and above market cap) – Highest Return on Equity Over Three Years
Public Bank Bhd (Tan Sri Dr Tay Ah Lek, managing director and CEO)

HEALTHCARE – Highest Growth in Profit After Tax Over Three Years
IHH Healthcare Bhd (Dilip Kadambi, group chief financial officer)

HEALTHCARE – Highest Return on Equity Over Three Years
Apex Healthcare Bhd (Dr Kee Kirk Chin, chairman and CEO)

HEALTHCARE – Highest Returns to Shareholders Over Three Years
KPJ Healthcare Bhd (Datuk Mohamad Farid Salim, chief operating officer, hospital operations)

INDUSTRIAL PRODUCTS & SERVICES – Highest Growth in Profit After Tax Over Three Years and Highest Returns to Shareholders Over Three Years
Kelington Group Bhd (Raymond Gan, group CEO)

PUBLIC BANK

THE EDGE
BILLION
RINGGIT *Club*
2024

Congratulations

PUBLIC BANK FOR RECEIVING

HIGHEST RETURN ON EQUITY OVER THREE YEARS AWARD UNDER THE FINANCIAL SERVICES

RM10 Billion and Above Market Capitalisation

BANK FOR THE **PEOPLE**

PUBLIC BANK BERHAD 196501000672 (6463-H)

publicbankmy @publicbankmy

PLANTATION – Highest Growth in Profit After Tax Over Three Years
Kim Loong Resources Bhd (Alycia Gooi, alternate director to Gooi Seong Lim)

PLANTATION – Highest Return on Equity Over Three Years and Highest Returns to Shareholders Over Three Years
United Plantations Bhd (S Chandra Mohan, group manager of finance)

PROPERTY (below RM3 billion market cap) – Highest Growth in Profit After Tax Over Three Years
LBS Bina Group Bhd (Lucas Lim, deputy CEO)

PROPERTY (below RM3 billion market cap) – Highest Return on Equity Over Three Years
Matrix Concepts Holdings Bhd (Chai Keng Wai, CEO)

PROPERTY (below RM3 billion market cap) – Highest Returns to Shareholders Over Three Years
Ideal Capital Bhd (Teoh Ee Ken, chief financial officer)

PROPERTY (RM3 billion and above market cap) – Highest Growth in Profit After Tax Over Three Years
IGB Bhd (Tan Mei Sian, deputy CEO [third from left] and Tan Boon Lee, group CEO [fourth from left])

PROPERTY (RM3 billion and above market cap) – Highest Return on Equity Over Three Years
OSK Holdings Bhd (Ong Ju Yan, group managing director [third from left] and Ong Ju Xing, deputy group managing director [fourth from left])

PROPERTY (RM3 billion and above market cap) – Highest Returns to Shareholders Over Three Years
Eco World Development Group Bhd (Datuk Chang Khim Wah, president and CEO)

REIT – Highest Growth in Profit After Tax Over Three Years
KLCCP Stapled Group (Datuk Md Shah Mahmood, CEO of KLCC Property Holdings Bhd)

REIT – Highest Return on Equity Over Three Years
IGB REIT (Elizabeth Tan, CEO [third from left] and Rennie Lee, joint deputy CEO of retail [fourth from left])


OCBC

REIT – Highest Returns to Shareholders Over Three Years
YTL Hospitality REIT (Ho Say Keng, group head of finance and company secretary)

TECHNOLOGY – Highest Growth in Profit After Tax Over Three Years
Inari Amertron Bhd (Chong Poh Leng, group chief financial officer)

TECHNOLOGY – Highest Return on Equity Over Three Years
Greatech Technology Bhd (Wilson Tan, strategic account manager)

TECHNOLOGY – Highest Returns to Shareholders Over Three Years
Frontken Corporation Bhd (Nicholas Ng, CEO)

TELECOMMUNICATIONS & MEDIA – Highest Return on Equity Over Three Years
CelcomDigi Bhd (Kugan Thirunavakarasu, chief innovation officer)

TRANSPORTATION & LOGISTICS – Highest Growth in Profit After Tax Over Three Years
Bintulu Port Holdings Bhd (Ruslan Abdul Ghani, group CEO)

TRANSPORTATION & LOGISTICS – Highest Return on Equity Over Three Years
Westports Holdings Bhd (Datuk Ruben Emir Gnanalingam, executive chairman)

TRANSPORTATION & LOGISTICS – Highest Returns to Shareholders Over Three Years
Malaysia Airports Holdings Bhd (Zeid Abdul Razak, covering group chief financial officer)

UTILITIES – Highest Growth in Profit After Tax Over Three Years and Highest Return on Equity Over Three Years
Gas Malaysia Bhd (Ahmad Hashimi Abdul Manap, president and group CEO)

UTILITIES – Highest Returns to Shareholders Over Three Years
YTL Power International Bhd (Yeoh Keong Hann, executive director)

THE EDGE BILLION RINGGIT Club 2024

COMPANY OF THE YEAR

- 2024 — Gamuda Bhd
- 2023 — Mega First Corp Bhd
- 2022 — Frontken Corp Bhd
- 2021 — Vitrox Corp Bhd
- 2020 — Hartalega Holdings Bhd
- 2019 — Press Metal Aluminium Holdings Bhd
- 2018 — Petronas Dagangan Bhd
- 2017 — AirAsia Bhd
- 2016 — Nestlé (Malaysia) Bhd
- 2015 — Tenaga Nasional Bhd
- 2014 — Dutch Lady Milk Industries (M) Bhd
- 2013 — Digi.Com Bhd
- 2012 — Genting Bhd
- 2011 — QL Resources Bhd
- 2010 — Supermax Corp Bhd

VALUE CREATOR:
OUTSTANDING CEO OF MALAYSIA

2024 — Public Bank Bhd
Group Managing Director & CEO
Tan Sri Tay Ah Lek

2022 — Batu Kawan Bhd chairman and Kuala Lumpur Kepong Bhd CEO
Tan Sri Lee Oi Hian

2021 — Malayan Banking Bhd
Group President and CEO
Tan Sri Abdul Farid Alias

2019 — QL Resources Bhd
Executive Chairman
Chia Song Kun

2018 — Dialog Group Bhd
Executive Chairman
Tan Sri Ngau Boon Keat

2017 — Westports Holdings Bhd
Executive Chairman
Tan Sri G Gnanalingam

2016 — Khazanah Nasional Bhd
Managing Director
Tan Sri Azman Mokhtar

2014 — Axiata Group Bhd
President and Group CEO
Tan Sri Jamaludin Ibrahim; and
Sunway Group
Executive Chairman
Tan Sri Jeffrey Cheah

2013 — S P Setia Bhd
President and CEO
Tan Sri Liew Kee Sin; and
Malayan Banking Bhd
President and CEO
Tan Sri Abdul Wahid Omar

2012 — AMMB Holdings Bhd
Chairman
Tan Sri Azman Hashim; and
AirAsia Bhd Group CEO
Tan Sri Tony Fernandes

2010 — Public Bank Group Chairman
Tan Sri Teh Hong Piow; and
CIMB Group CEO
Datuk Seri Nazir Razak

Note: No awards were given in 2011, 2015, 2020 and 2023

METHODOLOGY

Membership in this elite group is automatic and complimentary for all companies listed on Bursa Malaysia as at March 31, 2024, that have at least RM1 billion in market capitalisation. There are 188 members in the club this year.

As recognition is the best reward for accomplishments, it is the hope of *The Edge* that the awards continue to encourage more companies to strive even harder for excellence.

THE AWARDS

- Company of the Year award
- Value Creator(s): Outstanding CEO(s) of Malaysia award(s)
- Best Corporate Responsibility (CR) Initiatives award(s)
- 51 sectoral corporate awards — three categories for 15 sectors plus two categories for large companies

The sectoral awards are:

- *The Edge* BRC Highest Return on Equity Over Three Years
- *The Edge* BRC Highest Growth in Profit After Tax Over Three Years
- *The Edge* BRC Highest Returns to Shareholders — for best-performing stock

The 16 categories are:

- Super Big Cap — companies with a market capitalisation of more than RM40 billion
- Big Cap — companies with a market cap of RM10 billion to RM40 billion
- Construction
- Consumer Products & Services
- Energy
- Financial Services — below RM10 billion market cap
- Financial Services — RM10 billion and above market cap
- Healthcare
- Industrial Products & Services
- Plantation
- Property — below RM3 billion market cap
- Property — RM3 billion and above market cap
- REIT
- Technology
- Telecommunications & Media
- Transportation & Logistics
- Utilities

THE EDGE BRC SECTORAL CORPORATE AWARDS

To be eligible for the corporate awards, a BRC member must have been listed at least four calendar years before the end-March cut-off date of the current year, as companies are evaluated on their financial performance over three years.

The methodology for the corporate awards is both stringent and transparent, with the results audited by **Deloitte Malaysia**. The data used to determine the companies that qualify for *The Edge* BRC membership and winners of *The Edge* BRC Corporate Awards is provided by **Asia Analytica Data Sdn Bhd**.

Members eligible for the Highest Return on Equity Over Three Years and Highest Growth in Profit After Tax Over Three Years awards must be profitable every year throughout the evaluation period. For this year, the evaluation period is from FY2020 to FY2023. Calculation for PAT growth is also subject to a risk-weight factor component to recognise the importance of consistency in profit delivery throughout the evaluation period.

Winners of *The Edge* BRC Highest Returns to Shareholders award are judged purely on total return, consisting of share price gains and dividends over a three-year period. The evaluation period this year was between March 31, 2021 and March 31, 2024.

THE EDGE BRC BEST CR INITIATIVES AWARD

The CR initiatives of eligible companies are evaluated by a panel of judges. *The Edge* BRC Best CR Initiatives award is presented to companies with the top average scores in three categories: Super Big Cap (companies with more than RM40 billion in market cap); Big Cap (companies with RM10 billion to RM40 billion in market cap); and companies with less than RM10 billion in market cap. The panel is selected by *The Edge* and the evaluation criteria are based on the three focal areas spelt out by Bursa Malaysia's Sustainability Reporting Guide for Public Listed Companies — economic, social and environmental. CR scores account for 30% of the evaluation for *The Edge* BRC Company of the Year award.

THE EDGE BRC COMPANY OF THE YEAR AWARD

The Company of the Year award recognises the year's best company based on the following factors:

Evaluation component weightage to overall score	
QUANTITATIVE	
Returns to shareholders over three years	20%
Growth in profit after tax over three years	30%
Return on equity over three years	20%
QUALITATIVE	
CR initiatives	30%

The final decision on *The Edge* BRC Company of the Year takes into account other qualitative elements as determined by *The Edge*

VALUE CREATOR: OUTSTANDING CEO OF MALAYSIA

The winner of this award — of whom there may be more than one — is determined by *The Edge* based on an assessment of the person's contribution to value creation for his/her company. Here, value creation is reflected in the company's market valuation, return to shareholders and stakeholders, revenue and profit growth as well as employment creation. To be chosen, the CEO must have achieved outstanding success in all these areas. Assessment starts from when the person became CEO of the company. *The Edge* has absolute discretion in deciding on this exclusive award and can choose not to name a winner — as was the case in 2011, 2015, 2020 and 2023.

Members of *THE EDGE* BILLION RINGGIT CLUB 2024

COMPANY (IN ALPHABETICAL ORDER)	MARKET CAP AS AT MARCH 31, 2024 (RM MIL)	PRE-TAX PROFIT FY2023 (RM MIL)	NET PROFIT FY2023 (RM MIL)
AEON CO. (M) BHD	1,530	193.9	114.8
AEON CREDIT SERVICE (M) BHD	3,202	547	417.7
AFFIN BANK BHD	5,866	522.9	402.2
AJINOMOTO (M) BHD	1,131	15.9	27.5
AL-AQAR HEALTHCARE REIT	1,058	60.7	63.2
ALLIANCE BANK MALAYSIA BHD	5,713	886.6	677.8
ALLIANZ MALAYSIA BHD	3,556	956.9	700.9
ALPHA IVF GROUP BHD	1,531	NA	NA
AME ELITE CONSORTIUM BHD	1,125	172.9	101.6
AMMB HOLDINGS BHD	13,856	2,255	1,735
AMWAY (M) HOLDINGS BHD	1,198	152.6	115.9
APEX HEALTHCARE BHD	2,120	423.3	398
ASTRO MALAYSIA HOLDINGS BHD	1,592	288.9	259
AURELIUS TECHNOLOGIES BHD	1,052	40.3	37.2
AXIATA GROUP BHD	24,699	793.4	-1,994.8
AXIS REITS	3,163	217.8	145.4
BANK ISLAM MALAYSIA BHD	5,689	746.8	553.1
BATU KAWAN BHD	7,840	1,279	490.9
BERJAYA CORP BHD	1,752	260.8	-110.3
BERJAYA FOOD BHD	1,045	148.7	103.4
BERJAYA LAND BHD	1,812	394	147.3
BERMAZ AUTO BHD	2,791	423.3	305.8
BINTULU PORT HOLDINGS BHD	2,622	158.9	125.1
BLD PLANTATION BHD	1,029	43.9	30.3
BRITISH AMERICAN TOBACCO (M) BHD	2,313	256.3	194.7
BUMI ARMADA BHD	3,435	296.1	332.1
BURSA MALAYSIA BHD	6,029	321.5	252.4
CAPITAL A BHD	3,021	-68.6	336.8
CAPITALAND MALAYSIA TRUST	1,780	163.7	110.0
CARLSBERG BREWERY MALAYSIA BHD	5,656	417.1	327.3
CELCOMDIGI BHD (formerly Digi.Com Bhd)	49,155	2,181	1,552
CHIN HIN GROUP BHD	8,089	189.3	145.7
CIMB GROUP HOLDINGS BHD	70,816	9,541	6,981
CTOS DIGITAL BHD	3,049	108.3	118.1
D & O GREEN TECHNOLOGIES BHD	3,963	49.5	44.1
DAGANG NEXCHANGE BHD	1,105	104.8	-80
DATASONIC GROUP BHD	1,230	108.2	76.4
DAYANG ENTERPRISE HOLDINGS BHD	2,790	337.4	219
DIALOG GROUP BHD	12,877	553.9	510.5
DRB-HICOM BHD	2,861	446.9	238.9
DUOPHARMA BIOTECH BHD	1,154	63.3	52.6
DUTCH LADY MILK INDUSTRIES BHD	1,961	96.5	72.4
DXN HOLDINGS BHD.	3,083	455.5	275.4
EASTERN & ORIENTAL BHD	2,089	56	44.5
ECO WORLD DEVELOPMENT GROUP BHD	4,417	270	189.3
EKOVEST BHD	1,453	-9.9	-111.1
FAR EAST HOLDINGS BHD	2,138	129.5	98.5
FARM FRESH BHD	2,621	52.2	50.1
FGV HOLDINGS BHD	5,034	336.4	101.6
FRASER & NEAVE HOLDINGS BHD	10,732	624.7	536.9
FRONTKEN CORP BHD	6,103	167.1	112
GAMUDA BHD	14,589	1,058	1,838
GAS MALAYSIA BHD	4,455	518.6	383.4
GENETEC TECHNOLOGY BHD	1,589	74.9	66.6
GENTING BHD	18,098	3,567	929.2
GENTING MALAYSIA BHD	15,416	674.2	436.8
GENTING PLANTATIONS BHD	5,518	384.1	253.5
GREATECH TECHNOLOGY BHD	5,882	166.1	154.4
GUAN CHONG BHD	2,983	139.1	100.9
HAP SENG CONSOLIDATED BHD	11,129	1,102	800.3
HAP SENG PLANTATIONS HOLDINGS BHD	1,479	120.2	91.4

COMPANY	MARKET CAP AS AT MARCH 31, 2024 (RM MIL)	PRE-TAX PROFIT FY2023 (RM MIL)	NET PROFIT FY2023 (RM MIL)
HARTALEGA HOLDINGS BHD	9,386	-214.4	-235.1
HCK CAPITAL GROUP BHD	1,165	32.2	25
HEINEKEN MALAYSIA BHD	7,045	510.9	386.8
HEXTAR GLOBAL BERHAD	3,507	91.3	52.7
HEXTAR INDUSTRIES BHD	1,030	57.2	41.9
HEXTAR TECHNOLOGIES SOLUTIONS BHD	2,717	5.5	4.1
HIBISCUS PETROLEUM BHD	2,068	712.1	400.5
HONG LEONG BANK BHD	40,439	4,627	3,818
HONG LEONG CAPITAL BHD	1,022	61.4	49.9
HONG LEONG FINANCIAL GROUP BHD	19,026	5,102	2,791
HONG LEONG INDUSTRIES BHD	3,278	512.1	290.6
HUME CEMENT INDUSTRIES BHD	1,633	73.6	60
IDEAL CAPITAL BHD	1,650	84.3	61.8
IGB BHD	3,301	614.3	311.9
IGB COMMERCIAL REIT	1,128	65.2	84.3
IGB REIT	6,273	517.6	385.8
IHH HEALTHCARE BHD	53,282	4,049	2,952
IJM CORP BHD	8,520	483.0	158.3
INARI AMERTRON BHD	12,139	355.8	323.5
IOI CORP BHD	24,691	1,526	1,114
IOI PROPERTIES GROUP BHD	12,279	1,620	1,393
ITMAX SYSTEM BHD	2,367	82.3	63.3
JAYA TIASA HOLDINGS BHD	1,336	166.8	151.8
KECK SENG (M) BHD	2,070	297.3	240.7
KELINGTON GROUP BHD	1,771	133.9	104.1
KERJAYA PROSPEK GROUP BHD	2,257	178.0	131.5
KIM LOONG RESOURCES BHD	2,114	252.4	162.3
KLCCP STAPLED SECURITIES	13,468	1,187	931.3
KOSSAN RUBBER INDUSTRIES BHD	4,976	34.5	13.3
KPJ HEALTHCARE BHD	8,379	377.9	263.4
KRETAM HOLDINGS BHD	1,406	132.8	108.3
KSL HOLDINGS BHD	1,495	535.0	416.9
KUALA LUMPUR KEPONG BHD	24,603	1,152	834.3
LAGENDA PROPERTIES BHD	1,264	212.6	148.3
LBS BINA GROUP BHD	1,109	239.8	141
LEONG HUP INTERNATIONAL BHD	2,099	554.7	301.7
LOTTE CHEMICAL TITAN HOLDING BHD	2,574	-999.6	-780.3
LPI CAPITAL BHD	4,836	394.9	313.7
MAGNUM BHD	1,610	188.4	125.3
MAH SING GROUP BHD	2,986	327.4	215.3
MALAKOFF CORP BHD	3,103	-954.9	-837.2
MALAYAN BANKING BHD	116,929	12,532	9,350
MALAYAN CEMENT BHD	6,544	253.1	159
MALAYSIA AIRPORTS HOLDINGS BHD	16,619	506.1	485.7
MALAYSIAN PACIFIC INDUSTRIES BHD	6,167	124.3	61.3
MALAYSIAN RESOURCES CORP BHD	3,016	134.2	101.0
MASTER TEC GROUP BHD	1,020	32.8	23.5
MATRIX CONCEPTS HOLDINGS BHD	2,252	260.7	207.2
MAXIS BHD	26,394	1,444	993.0
MBM RESOURCES BHD	1,814	391.3	331.2
MBSB BHD (formerly Malaysia Building Society Bhd)	6,578	559.7	491.8
MEGA FIRST CORP BHD	4,082	476.8	383.7
MI TECHNOVATION BHD	1,644	65.5	55.1
MISC BHD	34,237	2,094	2,124
MNRB HOLDINGS BHD	1,402	151.0	119.5
MR D.I.Y. GROUP (M) BHD	14,077	753.2	560.7
MSM MALAYSIA HOLDINGS BHD	2,285	-28.0	-49.9
MY E.G. SERVICES BHD	5,893	489.4	487.6
NATIONGATE HOLDINGS BHD	3,235	70.5	60.8
NESTLE (M) BHD	27,718	879.1	659.9
OM HOLDINGS LTD	1,041	32.7	18.1

THE EDGE BILLION RINGGIT Club 2024

TOP 20
RANKED BY NET PROFIT

2024	2023	CHG	COMPANY	NET PROFIT FY2023 (RM MIL)
1	1	-	MALAYAN BANKING BHD	9,350
2	4	▲	CIMB GROUP HOLDINGS BHD	6,981
3	3	-	PUBLIC BANK BHD	6,649
4	6	▲	HONG LEONG BANK BHD	3,818
5	16	▲	IHH HEALTHCARE BHD	2,952
6	8	▲	RHB BANK BHD	2,806
7	10	▲	HONG LEONG FINANCIAL GROUP BHD	2,791
8	5	▼	TENAGA NASIONAL BHD	2,770
9	55	▲	TIME DOTCOM BHD	2,569
10	13	▲	MISC BHD	2,124
11	20	▲	YTL POWER INTERNATIONAL BHD	2,028
12	25	▲	TELEKOM MALAYSIA BHD	1,871
13	9	▼	SIME DARBY PLANTATION BHD	1,860
14	28	▲	GAMUDA BHD	1,838
15	15	-	PETRONAS GAS BHD	1,820
16	17	▲	AMMB HOLDINGS BHD	1,735
17	2	▼	PETRONAS CHEMICALS GROUP BHD	1,696
18	32	▲	CELCOMDIGI BHD (formerly Digi.Com Bhd)	1,552
19	26	▲	SIME DARBY BHD	1,458
20	11	▼	PPB GROUP BHD	1,394

TOP 20
RANKED BY PROFIT BEFORE TAX

2024	2023	CHG	COMPANY	PRE-TAX PROFIT FY2023 (RM MIL)
1	1	-	MALAYAN BANKING BHD	12,532
2	3	▲	CIMB GROUP HOLDINGS BHD	9,541
3	2	▼	PUBLIC BANK BHD	8,539
4	6	▲	HONG LEONG FINANCIAL GROUP BHD	5,102
5	8	▲	HONG LEONG BANK BHD	4,627
6	16	▲	IHH HEALTHCARE BHD	4,049
7	9	▲	RHB BANK BHD	3,753
8	27	▲	GENTING BHD	3,567
9	5	▼	TENAGA NASIONAL BHD	3,374
10	10	-	SIME DARBY PLANTATION BHD	2,752
11	24	▲	YTL CORPORATION BHD	2,729
12	25	▲	YTL POWER INTERNATIONAL BHD	2,450
13	14	▲	PETRONAS GAS BHD	2,386
14	21	▲	AMMB HOLDINGS BHD	2,255
15	28	▲	CELCOMDIGI BHD (formerly Digi.Com Bhd)	2,181
16	4	▼	PETRONAS CHEMICALS GROUP BHD	2,110
17	19	▲	MISC BHD	2,094
18	22	▲	SIME DARBY BHD	1,878
19	23	▲	TELEKOM MALAYSIA BHD	1,809
20	18	▼	PRESS METAL ALUMINIUM HOLDINGS BHD	1,646

TOP 20
RANKED BY MARKET CAPITALISATION

2024	2023	CHG	COMPANY	MARKET CAP AS AT MARCH 31, 2024 (RM MIL)
1	1	-	MALAYAN BANKING BHD	116,929
2	2	-	PUBLIC BANK BHD	81,913
3	3	-	CIMB GROUP HOLDINGS BHD	70,816
4	5	▲	TENAGA NASIONAL BHD	65,860
5	4	▼	PETRONAS CHEMICALS GROUP BHD	53,673
6	7	▲	IHH HEALTHCARE BHD	53,282
7	6	▼	CELCOMDIGI BHD (formerly Digi.Com Bhd)	49,155
8	8	-	HONG LEONG BANK BHD	40,439
9	9	-	PRESS METAL ALUMINIUM HOLDINGS BHD	38,314
10	10	-	PETRONAS GAS BHD	34,865
11	12	▲	MISC BHD	34,237
12	44	▲	YTL POWER INTERNATIONAL BHD	31,359
13	14	▲	SIME DARBY PLANTATION BHD	29,807
14	47	▲	YTL CORP BHD	28,842
15	13	▼	NESTLE (M) BHD	27,718
16	11	▼	MAXIS BHD	26,394
17	15	▼	AXIATA GROUP BHD	24,699
18	17	▼	IOI CORP BHD	24,691
19	19	-	KUALA LUMPUR KEPONG BHD	24,603
20	16	▼	RHB BANK BHD	24,304

Note: The net profit and profit before tax figures are as at March 31, 2024, and may be audited or unaudited, depending on whether the company's annual report had been released by that date. Where there is a change in financial year end, the profit figures are annualised

COMPANY	MARKET CAP AS AT MARCH 31, 2024 (RM MIL)	PRE-TAX PROFIT FY2023 (RM MIL)	NET PROFIT FY2023 (RM MIL)
ORIENTAL HOLDINGS BHD	3,933	619.5	453.3
OSK HOLDINGS BHD	3,031	555.1	467.0
P.I.E. INDUSTRIAL BHD	1,367	89.5	73.6
PADINI HOLDINGS BHD	2,257	295.9	222.7
PANASONIC MANUFACTURING MSIA BHD	1,100	91.3	80.1
PAVILION REIT	4,681	431.8	307.4
PECCA GROUP BHD	1,023	46.9	35.4
PENTAMASTER CORP BHD	3,180	141.4	89.1
PERTAMA DIGITAL BHD	1,109	-10.5	-6.4
PETRON MALAYSIA REFINING & MARKETING BHD	1,256	367.7	272.1
PETRONAS CHEMICALS GROUP BHD	53,673	2,110	1,696
PETRONAS DAGANGAN BHD	21,439	1,332	943.1
PETRONAS GAS BHD	34,865	2,386	1,820
PMB TECHNOLOGY BHD	4,318	52.7	44.8
PPB GROUP BHD	21,880	1,488	1,394
PRESS METAL ALUMINIUM HOLDINGS BHD	38,314	1,646	1,215
PROLINTAS INFRA BUSINESS TRUST	1,067	NA	NA
PUBLIC BANK BHD	81,913	8,539	6,649
QL RESOURCES BHD	14,359	480.8	346.8
RADIUM DEVELOPMENT BHD	1,353	19.3	16.8
RANHILL UTILITIES BHD	1,393	147.8	52.8
RCE CAPITAL BHD	1,964	183.9	138.8
RHB BANK BHD	24,304	3,753	2,806
SAM ENGINEERING & EQUIPMENT BHD	3,371	115.0	88.8
SARAWAK OIL PALMS BHD	2,751	420.7	300.9
SCIENTEX BHD	6,376	568.7	438.1
SFP TECH HOLDINGS BHD	1,704	43.3	39.1
SIME DARBY BHD	17,721	1,878	1,458
SIME DARBY PLANTATION BHD	29,807	2,752	1,860
SIME DARBY PROPERTY BHD	6,223	610.3	407.9
SKP RESOURCES BHD	1,414	177.2	140.5
SOLARVEST HOLDINGS BHD	1,039	27.7	19.7
SP SETIA BHD	6,546	655.7	298.6
SPORTS TOTO BHD	1,876	339.3	225.3

COMPANY	MARKET CAP AS AT MARCH 31, 2024 (RM MIL)	PRE-TAX PROFIT FY2023 (RM MIL)	NET PROFIT FY2023 (RM MIL)
SUNWAY BHD	19,319	993.3	737.9
SUNWAY CONSTRUCTION GROUP BHD	3,765	188.6	145.1
SUNWAY REIT	5,206	338.2	338.9
SUPERMAX CORP BHD	2,112	-189.5	-140.9
SYARIKAT TAKAFUL MALAYSIA KELUARGA BHD	3,014	507.6	346.9
TA ANN HOLDINGS BHD	1,762	270.1	157.2
TALIWORKS CORP BHD	1,593	67.1	42
TANCO HOLDINGS BHD	1,755	21.8	18.5
TELEKOM MALAYSIA BHD	23,179	1,809	1,871
TENAGA NASIONAL BHD	65,860	3,374	2,770
TIME DOTCOM BHD	9,577	435.4	2,568.9
TMC LIFE SCIENCES BHD	1,219	40.9	39.3
TOP GLOVE CORP BHD	6,407	-900.4	-925.2
TROPICANA CORP BHD	2,765	-100.0	-174.2
TSH RESOURCES BHD	1,560	197.8	95.1
UCHI TECHNOLOGIES BHD	1,798	168.8	135.2
UEM SUNRISE BHD	6,121	140.5	75.7
UNISEM (M) BHD	6,210	100.4	80.2
UNITED MALACCA BHD	1,070	82.2	61.3
UNITED PLANTATIONS BHD	9,964	933.5	707.8
UOA DEVELOPMENT BHD	4,657	368.4	279.6
UWC BHD	3,141	67.9	55.0
V.S INDUSTRY BHD	3,360	245.3	178.8
VELESTO ENERGY BHD	2,424	121.2	99.5
VITROX CORP BHD	7,166	141.6	128.3
WCE HOLDINGS BHD	2,973	68	97.3
WESTPORTS HOLDINGS BHD	13,094	1,006	779.4
YINSON HOLDINGS BHD	7,144	855.0	589.0
YTL CORP BHD	28,842	2,729	1,096
YTL HOSPITALITY REIT	2,045	141.2	126.9
YTL POWER INTERNATIONAL BHD	31,359	2,450	2,028
7-ELEVEN MALAYSIA HOLDINGS BHD	2,218	21.6	261.8

THE EDGE BILLION RINGGIT Club 2024

How the Top 3 performed

Super Big Cap (Companies with more than RM40 bil market capitalisation)

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**CelcomDigi Bhd**	**45.3%**
2	Public Bank Bhd	12.4%
3	Petronas Chemicals Group Bhd	11.8%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**CIMB Group Holdings Bhd**	**120.2%**
2	IHH Healthcare Bhd	93.6%
3	Hong Leong Bank Bhd	22.9%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**CIMB Group Holdings Bhd**	**21.9%**
2	Malayan Banking Bhd	14.6%
3	Tenaga Nasional Bhd	8.8%
3	CelcomDigi Bhd	8.8%

Financial Services (Below RM10 bil market capitalisation)

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Bursa Malaysia Bhd**	**32.5%**
2	Syarikat Takaful Malaysia Keluarga Bhd	23.5%
3	Aeon Credit Service (M) Bhd	18.5%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**MBSB Bhd**	**22.2%**
2	Alliance Bank Malaysia Bhd	16.9%
3	Affin Bank Bhd	16.3%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**RCE Capital Bhd**	**38.8%**
2	Affin Bank Bhd	20.9%
3	Allianz Malaysia Bhd	20.5%

Big Cap (Companies with RM10 bil to RM40 bil market capitalisation)

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Nestle (M) Bhd**	**101.5%**
2	Mr DIY Group (M) Bhd	37.2%
3	Westports Holdings Bhd	23.5%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**Gamuda Bhd**	**87.1%**
2	Petronas Dagangan Bhd	50.6%
3	IOI Properties Group Bhd	50.3%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**YTL Power International Bhd**	**84.4%**
2	YTL Corp Bhd	63.7%
3	Sunway Bhd	31.1%

Healthcare

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Apex Healthcare Bhd**	**35.1%**
2	Kossan Rubber Industries Bhd	19.2%
3	Duopharma Biotech Bhd	9.3%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**IHH Healthcare Bhd**	**93.6%**
2	Apex Healthcare Bhd	69.2%
3	KPJ Healthcare Bhd	26.9%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**KPJ Healthcare Bhd**	**24.9%**
2	Apex Healthcare Bhd	18.1%
3	IHH Healthcare Bhd	6.3%

Construction

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Sunway Construction Group Bhd**	**18.3%**
2	Gamuda Bhd	12.7%
3	Kerjaya Prospek Group Bhd	10.8%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**Gamuda Bhd**	**87.1%**
2	Sunway Construction Group Bhd	19.4%
3	Kerjaya Prospek Group Bhd	13.2%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**Sunway Construction Group Bhd**	**21.6%**
2	IJM Corp Bhd	21.1%
3	Gamuda Bhd	20.9%

Industrial Products & Services

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Uchi Technologies Bhd**	**60.3%**
2	Kelington Group Bhd	29.2%
3	Press Metal Aluminium Holdings Bhd	22.1%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**Kelington Group Bhd**	**60.9%**
2	Press Metal Aluminium Holdings Bhd	38.3%
3	Pecca Group Bhd	30.8%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**Kelington Group Bhd**	**42.1%**
2	Hume Cement Industries Bhd	32.8%
3	PMB Technology Bhd	31.7%

Consumer Products & Services

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Carlsberg Brewery Malaysia Bhd**	**161.1%**
2	Nestle (M) Bhd	101.5%
3	7-Eleven Malaysia Holdings Bhd	82.2%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**7-Eleven Malaysia Holdings Bhd**	**79.8%**
2	Oriental Holdings Bhd	59.3%
3	Petronas Dagangan Bhd	50.6%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**Bermaz Auto Bhd**	**28.5%**
2	MBM Resources Bhd	23.0%
3	MSM Malaysia Holdings BHd	22.4%

Plantation

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**United Plantations Bhd**	**22.7%**
2	Kim Loong Resources Bhd	17.7%
3	Kretam Holdings Bhd	15.0%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**Kim Loong Resources Bhd**	**43.6%**
2	United Malacca Bhd	33.3%
3	BLD Plantation Bhd	32.7%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**United Plantations Bhd**	**29.1%**
2	Kim Loong Resources Bhd	23.6%
3	Ta Ann Holdings Bhd	22.8%

Energy

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Dialog Group Bhd**	**10.4%**

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**No winner**	**NA**

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**Dayang Enterprise Holdings Bhd**	**21.1%**
2	Hibiscus Petroleum Bhd	20.5%
3	Velesto Energy Bhd	20.2%

Property (RM3 bil and above market capitalisation)

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**OSK Holdings Bhd**	**7.7%**
2	IGB Bhd	6.1%
3	IOI Properties Group Bhd	5.0%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**IGB Bhd**	**111.5%**
2	IOI Properties Group Bhd	50.3%
3	OSK Holdings Bhd	13.4%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**Eco World Development Group Bhd**	**43.1%**
2	UEM Sunrise Bhd	41.5%
3	IGB Bhd	24.7%

Financial Services (RM10 bil and above market capitalisation)

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Public Bank Bhd**	**12.4%**
2	Hong Leong Bank Bhd	11.2%
3	Hong Leong Financial Group Bhd	10.7%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**CIMB Group Holdings Bhd**	**120.2%**
2	Hong Leong Bank Bhd	22.9%
3	Hong Leong Financial Group Bhd	21.8%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**CIMB Group Holdings Bhd**	**21.9%**
2	AMMB Holdings Bhd	15.7%
3	Malayan Banking Bhd	14.6%

Property (Below RM3 bil market capitalisation)

Highest return on equity over three years

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
1	**Matrix Concepts Holdings Bhd**	**11.7%**
2	LBS Bina Group Bhd	9.3%
3	Mah Sing Group Bhd	5.4%

Highest growth in profit after tax over three years

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
1	**LBS Bina Group Bhd**	**35.8%**
2	Mah Sing Group Bhd	31.7%
3	Lagenda Properties Bhd	1.1%

Highest returns to shareholders over three years

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
1	**Ideal Capital Bhd**	**52.0%**
2	KSL Holdings Bhd	30.9%
3	Eastern & Oriental Bhd	29.8%

THE EDGE BILLION RINGGIT Club 2024

REIT

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
Highest return on equity over three years		
1	**IGB Reit**	**8.9%**
2	Al-Aqar Healthcare Reit	6.6%
3	KLCCP Stapled Group	6.1%

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
Highest growth in profit after tax over three years		
1	**KLCCP Stapled Group**	**36.5%**
2	Pavilion Reit	34.7%
3	IGB Reit	11.3%

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
Highest returns to shareholders over three years		
1	**YTL Hospitality Reit**	**18.2%**
2	KLCCP Stapled Group	8.0%
3	IGB Reit	6.9%

Technology

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
Highest return on equity over three years		
1	**Greatech Technology Bhd**	**27.2%**
2	MyEG Services Bhd	23.6%
3	UWC Bhd	22.8%

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
Highest growth in profit after tax over three years		
1	**Inari Amertron Bhd**	**22.1%**
2	MyEG Services Bhd	22.0%
3	Greatech Technology Bhd	20.7%

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
Highest returns to shareholders over three years		
1	**Frontken Corp Bhd**	**4.3%**
2	Inari Amertron Bhd	3.5%
3	Unisem (M) Bhd	2.1%

Telecommunications & Media

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
Highest return on equity over three years		
1	**CelcomDigi Bhd**	**45.3%**
2	Time dotCom Bhd	42.3%
3	Astro Malaysia Holdings Bhd	35.4%

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
Highest growth in profit after tax over three years		
1	**Time dotCom Bhd**	**123.2%**
2	Telekom Malaysia Bhd	22.6%
3	CelcomDigi Bhd	10.0%

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
Highest returns to shareholders over three years		
1	**Time dotCom Bhd**	**13.0%**
2	CelcomDigi Bhd	8.8%
3	Telekom Malaysia Bhd	2.7%

Transportation & Logistics

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
Highest return on equity over three years		
1	**Westports Holdings Bhd**	**23.5%**
2	Bintulu Port Holdings Bhd	10.5%
3	Hextar Technologies Solutions Bhd	4.2%

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
Highest growth in profit after tax over three years		
1	**Bintulu Port Holdings Bhd**	**8.2%**
2	Westports Holdings Bhd	6.0%
3	NA	NA

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
Highest returns to shareholders over three years		
1	**Malaysia Airports Holdings Bhd**	**17.5%**
2	Bintulu Port Holdings Bhd	13.7%
3	MISC Bhd	9.1%

Utilities

RANK	COMPANY	ADJUSTED WEIGHTED ROE OVER 3 YEARS
Highest return on equity over three years		
1	**Gas Malaysia Bhd**	**28.7%**
2	Mega First Corp Bhd	15.5%
3	Petronas Gas Bhd	13.7%

RANK	COMPANY	RISK-WEIGHTED 3-YEAR PAT CAGR
Highest growth in profit after tax over three years		
1	**Gas Malaysia Bhd**	**21.7%**
2	Ranhill Utilities Bhd	7.2%
3	Mega First Corp Bhd	4.9%

RANK	COMPANY	TOTAL RETURNS OVER 3 YEARS
Highest returns to shareholders over three years		
1	**YTL Power International Bhd**	**84.4%**
2	YTL Corp Bhd	63.7%
3	Gas Malaysia Bhd	16.7%

NA (only top three with positive scores mentioned)

PAST AND PRESENT BRC MEMBERS THAT HAVE WON AT LEAST ONE CORPORATE AWARD TROPHY IN THE PAST 15 YEARS

26 TROPHIES
- DIGI.COM BHD (now CelcomDigi Bhd)

16 TROPHIES
- PUBLIC BANK BHD

14 TROPHIES
- PRESS METAL ALUMINIUM HOLDINGS BHD

13 TROPHIES
- HARTALEGA HOLDINGS BHD
- IGB REIT

12 TROPHIES
- BRITISH AMERICAN TOBACCO (M) BHD

11 TROPHIES
- GAMUDA BHD
- SUPERMAX CORP BHD
- UOA DEVELOPMENT BHD

10 TROPHIES
- CIMB GROUP HOLDINGS BHD
- MEGA FIRST CORP BHD
- MUDAJAYA GROUP BHD
- TIME DOTCOM BHD

9 TROPHIES
- AEON CREDIT SERVICES (M) BHD
- DIALOG GROUP BHD
- GAS MALAYSIA BHD
- KUALA LUMPUR KEPONG BHD
- MATRIX CONCEPTS HOLDINGS BHD

8 TROPHIES
- IOI CORP BHD
- MBSB BHD (formerly Malaysia Building Society Bhd)
- SYARIKAT TAKAFUL MALAYSIA KELUARGA BHD

7 TROPHIES
- AXIS REIT
- FRONTKEN CORP BHD
- GUAN CHONG BHD
- SUNWAY CONSTRUCTION GROUP BHD
- UNITED PLANTATIONS BHD
- WESTPORTS HOLDINGS BHD

6 TROPHIES
- KLCCP STAPLED GROUP
- TENAGA NASIONAL BHD
- TOP GLOVE CORP BHD

5 TROPHIES
- CARLSBERG BREWERY MALAYSIA BHD
- ECO WORLD DEVELOPMENT GROUP BHD
- INARI AMERTRON BHD
- KERJAYA PROSPEK GROUP BHD
- KULIM (M) BHD
- LINGKARAN TRANS KOTA HOLDINGS BHD
- MALAYSIA AIRPORTS HOLDINGS BHD
- MAXIS BHD
- MYEG SERVICES BHD
- UCHI TECHNOLOGIES BHD
- VITROX CORP BHD

4 TROPHIES
- BURSA MALAYSIA BHD
- DUTCH LADY MILK INDUSTRIES BHD
- GENTING BHD
- HAP SENG CONSOLIDATED BHD
- HONG LEONG BANK BHD
- IJM CORP BHD
- KIM LOONG RESOURCES BHD
- KOSSAN RUBBER INDUSTRIES BHD
- MAH SING GROUP BHD
- MUHIBBAH ENGINEERING (M) BHD
- NESTLE (M) BHD
- TSH RESOURCES BHD
- YINSON HOLDINGS BHD

3 TROPHIES
- AIRASIA BHD (now Capital A Bhd)
- AIRASIA GROUP BHD
- BERJAYA SPORTS TOTO BHD
- CAHYA MATA SARAWAK BHD
- D&O GREEN TECHNOLOGIES BHD
- DAYANG ENTERPRISE HOLDINGS BHD
- FAR EAST HOLDINGS BHD
- HONG LEONG FINANCIAL GROUP BHD
- IHH HEALTHCARE BHD
- MALAYAN BANKING BHD
- MISC BHD
- OSK HOLDINGS BHD
- PENTAMASTER CORP BHD
- PETRON MALAYSIA REFINING & MARKETING BHD
- PETRONAS CHEMICALS GROUP BHD
- QL RESOURCES BHD
- RCE CAPITAL BHD
- RHB BANK BHD
- SCIENTEX BHD
- SUNWAY BHD
- TELEKOM MALAYSIA BHD
- TROPICANA CORP BHD
- UEM SUNRISE BHD
- VS INDUSTRY BHD
- WIDAD GROUP BHD

2 TROPHIES
- APEX HEALTHCARE BHD
- ASTRO MALAYSIA HOLDINGS BHD
- ATA IMS BHD (FORMERLY DENKO INDUSTRIAL CORP BHD)
- BATU KAWAN BHD
- BERJAYA FOOD BHD
- BUMI ARMADA BHD
- DUFU TECHNOLOGY CORP BHD
- GOLDIS BHD
- GREATECH TECHNOLOGY BHD
- HOCK SENG LEE BHD
- HONG LEONG CAPITAL BHD
- HUP SENG INDUSTRIES BHD
- IDEAL CAPITAL BHD
- IGB BHD
- KELINGTON GROUP BHD
- KPJ HEALTHCARE BHD
- KRISASSETS HOLDINGS BHD
- KSL HOLDINGS BHD
- LAGENDA PROPERTIES BHD
- LBS BINA GROUP BHD
- PETRONAS DAGANGAN BHD
- PETRONAS GAS BHD
- SARAWAK OIL PALMS BHD
- SEG INTERNATIONAL BHD
- SUPERCOMNET TECHNOLOGIES BHD
- TRADEWINDS (M) BHD
- YNH PROPERTY BHD
- YTL HOSPITALITY REIT
- YTL POWER INTERNATIONAL BHD

1 TROPHY
- 7-ELEVEN MALAYSIA HOLDINGS BHD
- AFFIN BANK BHD
- AL-'AQAR HEALTHCARE REIT
- ALLIANZ MALAYSIA BHD
- BANDAR RAYA DEVELOPMENTS BHD
- BERJAYA LAND BHD
- BERMAZ AUTO BHD
- BINTULU PORT HOLDINGS BHD
- BOUSTEAD HOLDINGS BHD (DELISTED JUNE 28, 2023)
- BOUSTEAD PLANTATIONS BHD (DELISTED JAN 23, 2024)
- COASTAL CONTRACTS BHD
- DKSH HOLDINGS BHD
- DRB-HICOM BHD
- EASTERN & ORIENTAL BHD
- GEORGE KENT (M) BHD
- GHL SYSTEMS BHD
- HIBISCUS PETROLEUM BHD
- HONG LEONG INDUSTRIES BHD
- IGB CORP BHD
- IOI PROPERTIES GROUP BHD
- KAWAN FOOD BHD
- KENANGA INVESTMENT BANK BHD
- KOBAY TECHNOLOGY BHD
- LPI CAPITAL BHD
- MALAYSIAN PACIFIC INDUSTRIES BHD
- MMC CORP BHD
- MRCB-QUILL REIT
- PADINI HOLDINGS BHD
- PANASONIC MANUFACTURING (M) BHD
- PERISAI PETROLEUM TEKNOLOGI BHD
- PHARMANIAGA BHD
- PMB TECHNOLOGY BHD
- PPB GROUP BHD
- RIMBUNAN SAWIT BHD
- SIME DARBY BHD
- SP SETIA BHD
- SUNSURIA BHD
- SUNWAY CITY BHD
- TA ANN HOLDINGS BHD
- TAN CHONG MOTOR HOLDINGS BHD
- TASEK CORP BHD
- TDM BHD
- UEM EDGENTA BHD
- UMW HOLDINGS BHD

NOTE:
■ COMPANIES NAMED '*THE EDGE* BRC COMPANY OF THE YEAR'

HIGHEST RETURN ON EQUITY OVER THREE YEARS

SUPER BIG CAP — ABOVE RM40 BILLION MARKET CAPITALISATION
TELECOMMUNICATIONS & MEDIA

CelcomDigi Bhd

26 BRC AWARDS OVER THE YEARS

Company of the year 2013

CR award 2024

Crystallising merger synergies and scale

BY ADAM AZIZ

CelcomDigi Bhd (KL:CDB) has grown from strength to strength in the last two years, with its first full year of operations as a merged entity in the 12 months ended Dec 31, 2023 (FY2023) showing improvements on multiple fronts.

From 20.3 million subscribers at end-2022, CelcomDigi's subscriber base grew to a high of 20.6 million at end-2023, despite intensified competition in the telecommunications space and amid the industry's transition to the brave new world of 5G.

The largest telecommunications group in Bursa Malaysia by market capitalisation also upped dividend payouts from 12.2 sen per share or RM1.07 billion for FY2022, to 13.2 sen per share or RM1.55 billion for FY2023.

No stranger to *The Edge* Billion Ringgit Club (BRC), Digi.Com Bhd (which took its present name on March 2, 2023) has bagged the highest number of BRC corporate awards among all BRC members, taking home 26 trophies in the past 15 years, including two this year.

Since 2013, Digi has bagged the Highest Return on Equity (ROE) Over Three Years award for its sector as well as in the BRC Big Cap category (companies with a market cap of between RM10 billion and RM40 billion).

After merging with Celcom (M) Bhd, the enlarged CelcomDigi has moved up the ladder to bag the same award in the BRC Super Big Cap category (companies with a market cap of above RM40 billion) since last year. The enlarged share base also means its ROE had fallen from as high as 187.6% in 2021 to around the 10% level in 2022 and 2023. Subsequently, it won the Best CR Initiatives for Super Big Cap award this year.

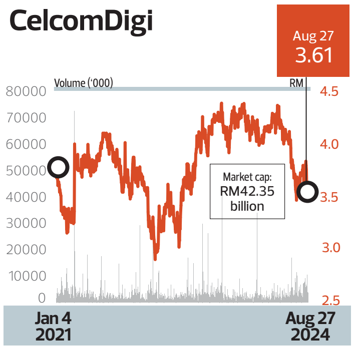
Still, during this year's BRC award evaluation period between 2021 and 2023, CelcomDigi's adjusted weighted ROE over three years came in at a high of 45.3%, the highest in the telecommunications and media sector as well as among its Super Big Cap peers.

This year, CelcomDigi also won the Best Corporate Responsibility (CR) initiative in the Super Big Cap category. (See story on Page 81.)

Its share price had also gained during the BRC award evaluation period, climbing to RM4.19 at end-March 2024, from RM3.25 at end-March 2021, to reflect a three-year compound annual growth rate (CAGR) of 8.8%.

Earnings grew from RM1.22 billion in FY2021 to RM1.55 billion in FY2023, reflecting a three-year weighted CAGR of 10%, which partly reflects the economies of scale enjoyed post-merger.

CelcomDigi says it has realised gross synergies of RM1.09 billion (including scale efficiency and capex avoidance) since the start



of 2023 until June 2024, as it aims "to realise RM8 billion synergies in net present value".

Its CEO Datuk Mohamad Idham Nawawi, in his reflection on CelcomDigi's 2QFY2024 performance, said the group's network integration and modernisation is "ahead of plan", having surpassed the 50% mark — including full integration in Penang — which saw over 8,500 sites modernised and 3,500 sites phased out. The group targets to complete the integration by mid-2025 at the earliest.

Efforts have also been put in place to improve product acceptance, an example of which can be seen in the growth of its home and fibre subscriber base to 131,000 at end-December 2023, from 101,000 at the start of that year.

On top of that, the group continues to transform its industry-leading retail network, which currently comprises over 400 CelcomDigi branded stores and close to 12,000 retailing touchpoints, said Mohamad Idham.

On the 5G front, CelcomDigi in July declared it had submitted its proposal for the deployment of a second 5G network in the country, being one of four entities that have done so.

"We believe we have the right infrastructure to do this in the speediest manner; that we have the financial strength to undertake such a project; as well as the ecosystem that is able to start almost immediately and to complete this within the shortest time possible," said Mohamad Idham.

In 1HFY2024, CelcomDigi's net profit grew 18.3% to RM782.48 million, from RM661.44 million a year ago, as revenue slipped 0.41% to RM6.28 billion, from RM6.3 billion.

While some analysts point to a weak-

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

SUPER BIG CAP — ABOVE RM40 BILLION MARKET CAPITALISATION
FINANCIAL SERVICES (RM10 BIL AND ABOVE MARKET CAPITALISATION)

CIMB Group Holdings Bhd

10 BRC AWARDS OVER THE YEARS

CR award 2013

Strong bounce back from lows of pandemic

BY ADELINE PAUL RAJ

CIMB Group Holdings Bhd (KL:CIMB) has managed to bounce back strongly from the lows of 2020, when the health of all lenders' books was tested by measures introduced during the Covid-19 lockdown.

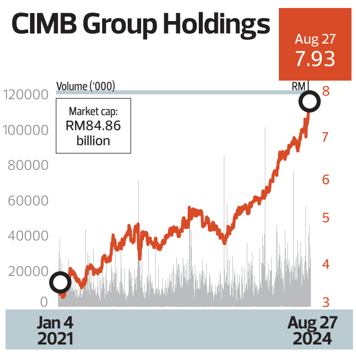
After having seen its net profit take a 73.8% dive to RM1.19 billion in the financial year ended Dec 31, 2020 (FY2020), during which its expected credit losses on loans and financing shot up to RM5.34 billion, the country's second-largest banking group by assets has since gone on to report solid growth in earnings.

Its net profit moved up to RM4.29 billion in FY2021, before improving further to RM5.44 billion in FY2022 and RM6.98 billion in FY2023. The upward trajectory in earnings translated into a risk-weighted compound annual growth rate (CAGR) of 120.2% over the last three years — the highest among its peers.

This makes CIMB Group this year's winner of *The Edge* Billion Ringgit Club (BRC) award for highest growth in profit after tax over three years among financial services companies with a market capitalisation of at least RM10 billion, as well as the BRC Super Big Cap category for companies with a market capitalisation of above RM40 billion.

CIMB also clinched the BRC award for highest returns to shareholders over three years in the same two categories. Its adjusted shareholder return over the BRC period of evaluation (March 31, 2021 to March 31, 2024) was at a three-year CAGR of 21.9% — putting it ahead of rivals.

Between March 31, 2021, and March 31, 2024, CIMB's share price gained 81% from RM3.67 to RM6.64. Investors were drawn to the stock, having taken note of the banking group's marked improvement in financial metrics, particularly return on equity (ROE).



Its ROE, which came in at only 2.1% in FY2020 — lagging behind industry peers, including Malayan Banking Bhd's (KL:MAYBANK) 8.1%, Public Bank Bhd's (KL:PBBANK) 10.7% and RHB Bank Bhd's (KL:RHBBANK) 7.7% — grew to 7.5% in FY2021, 9% in FY2022 and 10.7% in FY2023.

CIMB's dividends have also attracted investors. It paid shareholders a total dividend per share (DPS) of 23 sen in FY2021, then 26 sen in FY2022, followed by a much higher 43 sen in FY2023. The payout last year included a special DPS of seven sen, or RM747 million in total, translating into a record total dividend payout of RM4.59 billion that year.

The stock continues to be a top banking pick among analysts. At the time of writing (Aug 27), Bloomberg data showed that 16 analysts had a "buy" call on the shares and three had a "hold". There were no "sell" calls.

Since March 31 this year up to the time of writing (Aug 27), the stock has risen 19.4% to close at RM7.93 — off a record high of RM7.97 on Aug 19 — for a market capitalisation of

SAM FONG/THE EDGE

er-than-expected bottom line as merger synergies came in slower than expected, those covering the group do see progress in cost savings and continue to expect improvements in the coming quarters.

On a more positive note, CelcomDigi's dividend payout is looking up, with the amount declared rising to seven sen per share or RM821.2 million in 1HFY2024, from 6.4 sen per share in the previous corresponding period.

At the time of writing (Aug 27), its shares closed at RM3.61. This reflects a trailing dividend yield of 3.8% and a market cap of RM42.35 billion, which affirms its position as Malaysia's biggest listed telecommunications stock. E

RM84.86 billion. Its market cap as at March 31 was RM71.05 billion.

"CIMB's preferred capital optimisation option for now continues to be in the form of special dividends versus a higher regular payout. Capital consumption is likely to pick up ahead as sequential loans growth gains pace, but its strong 1QFY2024 capital position leaves headroom for a capital optimisation exercise," RHB Research said in a June 3 report on CIMB after it released its first-quarter results.

There was a leadership change at CIMB this year. Datuk Abdul Rahman Ahmad, who was the group CEO for four years, left at end-June for Permodalan Nasional Bhd, where he reprised his role as president and group CEO.

Novan Amirudin took over as CIMB's new chief on July 1. Novan is former co-CEO of group wholesale banking and CEO of CIMB Investment Bank Bhd.

CIMB's biggest shareholder is Khazanah Nasional Bhd (21.6%), followed by the Employees Provident Fund (13.94%), Amanah Saham Nasional Bhd (9.9%) and Retirement Fund Inc (5.71%). The shareholdings are as at Aug 27. E

HIGHEST RETURN ON EQUITY OVER THREE YEARS

BIG CAP COMPANIES — RM10 BILLION TO RM40 BILLION MARKET CAPITALISATION

Nestlé (M) Bhd

4 BRC AWARDS OVER THE YEARS | Company of the year 2016 | CR award 2012, 2021

Century-long household name delivers more than 'good food'

BY EMIR ZAINUL

Having been in this country for more than 110 years, Nestlé (M) Bhd (KL:NESTLE) continues to deliver on its philosophy of "Good Food, Good Life" through its diverse food and beverage (F&B) offerings, which include halal-certified, made-in-Malaysia products like Milo, Maggi and Nescafé.

For the second year running, the Malaysian unit of the world's largest F&B company won *The Edge* Billion Ringgit Club (BRC) award for Highest Return on Equity (ROE) Over Three Years in the Big Cap category of companies with a market capitalisation of between RM10 billion and RM40 billion.

Nestlé Malaysia also won this award in 2017, as well as the award for Best Corporate Responsibility (CR) initiatives in 2012 and 2021. Its highest achievement at the BRC was taking home the Company of the Year award in 2016.

In the face of elevated commodity prices — including that of coffee and cocoa — and foreign exchange volatility, Nestlé Malaysia delivered solid earnings growth in the financial year ended Dec 31, 2023 (FY2023). Its net profit grew 6.4% year on year to RM659.9 million in FY2023 from RM620.33 million in FY2022, when its earnings gained 8.9% from RM569.8 million in FY2021. Its net profit came in at RM343.7 million in FY2020.

The continued improvement in FY2023 was fuelled by resilient domestic demand, which experienced a strong rebound in FY2022 following the easing of pandemic restrictions globally. FY2023's earnings per share rose to RM2.81 from FY2022's RM2.64.

Following the stellar results, Nestlé Malaysia announced a third interim dividend of RM1.28 per share, six sen more than the third interim dividend of RM1.22 per share it announced in FY2022, taking its FY2023 dividend payout to RM2.68, up from RM2.62 in the previous year.

"The year 2023 witnessed an economically volatile landscape, marked by persistent inflationary pressures, heightened commodity prices and unfavourable exchange rates, as well as geopolitical tensions, aggravated by conflicts and humanitarian crises," Nestlé Malaysia said in its 2023 annual report.

"Against this background, Nestlé Malaysia delivered another year of resilient results and progress at multiple levels. Business growth was primarily driven by local sales which grew 9.9%, contributing to a higher turnover of RM7.1 billion in 2023. As in previous years, this was the result of our holistic strategy, including robust commercial planning and execution, successful innovations across brands and a constant search for efficiencies to generate the funds needed to continue investing in our brands."

Based on the BRC methodology, Nestlé Malaysia delivered an impressive ROE of 100% for FY2021, 102.6% for FY2022 and 101.4% for FY2023, reflecting an average adjusted weighted growth per year of 101.5% over three years.

Nestlé Malaysia's sustained performance builds on the solid foundation established through its 112-year legacy in the country, having operated commercially in Malaysia since 1912. Its dedication to upholding halal standards places the Malaysian operations as the world's largest halal Nestlé producer, with six manufacturing sites and a network of 58 sales offices located strategically across the nation.

Overseeing operations from its headquarters in Selangor, Nestlé Malaysia says it remains committed to ensuring a steady supply of high-quality and nutritious products that meet Malaysians' expectations in terms of taste and are well attuned to evolving lifestyles in the years to come.

"By immersing ourselves in the nuanced needs and evolving tastes of our consumers, we can unlock valuable insights that inspire and inform our product development efforts. These insights fuel the continuous product innovation that allows our much-loved brands to maintain a strong presence and relevance in the lives of Malaysians," says Nestlé.

Recognising emerging trends in healthier and more sustainable options, the company proactively expanded its plant-based offerings in 2023. From its Harvest Gourmet plant-based meals to its dairy-free drinks under the Milo and Nescafé brands, the F&B group has now added the Nestlé Goodnes brand, providing an even wider range of delicious and nutritious plant-based choices.

Its net profit for the first half of financial year 2024 ended June 30 (1HFY2024) fell 23.5% year on year to RM289.11 million from RM378.06 million on the back of an 8% year-on-year decline in sales to RM3.31 billion. The company attributed the decline to "subdued consumer sentiment and cautious spending observed during the Chinese New Year and Hari Raya festive seasons" versus "a historically high record number, hence a very high baseline of reference" in 1H2023. Even so, it said profitability for the first half of 2024 "remains at a healthy level, allowing the board to declare a first interim dividend of 70 sen per share, the same level as the prior year".

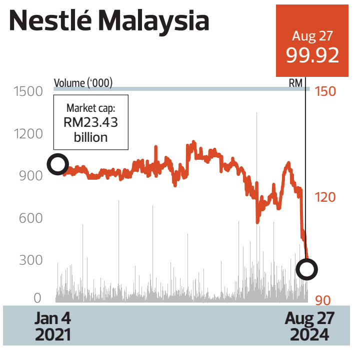
Looking ahead, Nestlé Malaysia expects the challenging conditions in its consumer business "to remain throughout the third quarter [before] moderating progressively towards the end of the year, with a return to growth latest by the first half of 2025".

The company says it will "continue to build on its fundamental strengths to continue providing Malaysians with the best range of great tasting halal products that meet their health, nutrition and lifestyle expectations, and always anchored on its foundation of quality and safety".

"As we have done for the last 112 years, this remains Nestlé Malaysia's one and only truth: investing in Malaysia for the long run, creating jobs and development opportunities for Malaysians and contributing to the betterment of communities across the nation while leading the way for the industry towards a greener more sustainable future," it said in its financial statement for 1H2024.

According to its 2023 annual report, Nestlé SA (which has less than 2% sales recorded in its home base of Switzerland) owned 72.6% of Nestlé Malaysia while the Employees Provident Fund had a 6.65% stake as at Feb 29, 2024. E

NESTLÉ MALAYSIA



HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

UTILITIES
BIG CAP COMPANIES — RM10 BILLION TO RM40 BILLION MARKET CAPITALISATION

YTL Power International Bhd

2 BRC AWARDS OVER THE YEARS

Buoyed by renewable energy push

BY JOHN LAI

International multi-utility operator YTL Power International Bhd (KL:YTLPOWR) bagged its first two trophies at the gala dinner for the *The Edge* Billion Ringgit Club (BRC) awards this year, owing to the phenomenal rise in its share price over the past year and a half.

Seen as a beneficiary of the pivot to renewable energy, YTL Power's share price rose a whopping 527% from 61.7 sen at end-March 2021 to RM3.87 at end-March 2024, translating into a three-year compound annual growth rate (CAGR) of 84.4% during the BRC awards evaluation period — the highest returns to shareholders over three years among peers in the utilities sector as well as in the BRC Big Cap category (companies with RM10 billion to RM40 billion market capitalisation). The winner of this award is judged purely on total returns, consisting of share price gains and dividends over a three-year period.

YTL Power's key businesses are YTL PowerSeraya, the second-largest power generation company in Singapore in terms of installed capacity, and Wessex Water, a water and sewage business in the UK. Its key projects under development in Malaysia include a solar farm, a colocation data centre (DC) and an artificial intelligence data centre (AI DC).

YTL Power also operates a telecommunications business, offering 5G services through its telecom brand Yes. Other key assets include PT Jawa Power, a 1,220MW coal-fired power plant in Indonesia, and Attarat Power Company (APCO), a 554MW oil shale-fired mine mouth power plant in Jordan.

Since March 2023, trading interest in YTL Power shares has increased substantially — 4.5 times higher than their usual average trading volume in the last five years. This increase coincides with the upgrading of the company's 12-month forward earnings per share (EPS) by analysts, largely driven by YTL PowerSeraya's earnings when the Singapore power market was going through an up cycle.

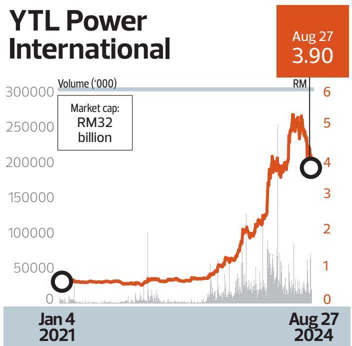
YTL PowerSeraya was a beneficiary of the merchant market dynamics in Singapore's power market in 2022/23, when higher natural gas prices and supply disruptions drove wholesale electricity tariffs to record-highs in mid-2023.

YTL PowerSeraya's integrated business model has greatly benefited from the liberalisation of Singapore's electricity retailer in 2018, with 80% of its sales contracts locked in with fixed tariffs for one to three years, enabling revenue visibility, while the group sources for low-cost gas supply via a multi-year contract. This has resulted in elevated spark spreads, which is the difference between realised electricity tariffs and the cost of gas-fired power generation.

The group's retail electricity brand, Geneco, is the fourth largest in Singapore with a market share of 13.5% in the electricity retail market. Its customers are residential, commercial and industrial players.

It is worth noting that YTL PowerSeraya was bought by YTL Power right after the collapse of Lehman Brothers in 2008 for S$3.8 billion from state-owned Temasek Holdings Ltd at an EV/Ebitda valuation of 10.7 times. In 2023, YTL PowerSeraya's profit before tax reached S$748.9 million.

Analysts' bullish sentiment on the group's power generation prospects saw a constant upgrade in EPS forecasts. In late 2023, analysts' consensus forward EPS was revised



about six times higher to 34 sen from five sen two years earlier.

In late 2023, positive earnings momentum, coupled with being a new FBM KLCI constituent, saw YTL Power's share price jump four times compared with two years earlier.

The stock price went up a notch when the company announced a partnership with Nvidia to establish an AI DC business in December 2023 and March 2024, resulting in a share price rally of 53% in just two months. By comparison, the FBM KLCI gained only 5% during the period. The scarcity of AI proxies in Southeast Asia played a huge role in YTL Power's share price performance.

Nevertheless, some analysts are now less enthusiastic about the group's prospects, noting that the power generation business may have hit a peak cycle in earnings.

JP Morgan Research, for one, initiated coverage with a "neutral" call in August 2024, projecting a 13% year-on-year decline in core earnings as it expects YTL PowerSeraya's earnings to fall faster than the Wessex recovery and thinks AI DC contributions will only begin building up from FY2026E.

It also thinks YTL Power's GPU as a Service (GPUaaS) venture may face high capital expenditure intensity owing to the rapid obsolescence of chips and a tough competitive landscape due to the improving availability of chips and hyperscalers' growth plans.

Based on an internal rate of return (IRR) of 11% to 12% and weighted average cost of capital (WACC) of 6% to 9%, JP Morgan values YTL Power's whole integrated DC complex (AI DC, colocation DC and solar park) at RM7.5 billion. The research outfit also thinks the integrated DC complex's valuation of RM4 billion to RM11 billion has been priced into YTL Power's current share price. It is of the view that the stock rally year to date mostly reflects a fair valuation for the AI DC venture.

"Consecutive earnings disappointments going into FY2025 and uncertainty on the AI DC ramp-up timeline/execution should keep the stock at a holding company discount, in our view," it says.

At the time of writing, analysts are mostly positive on the group's prospects. Eleven out of 15 analysts tracking the stock have a "buy" recommendation while four have a "hold". Their target prices range from JP Morgan's RM4 to Hong Leong Investment Bank's RM7.45, with an average of RM6.07. E

HIGHEST RETURN ON EQUITY OVER THREE YEARS

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

CONSTRUCTION

Sunway Construction Group Bhd

7 BRC AWARDS OVER THE YEARS

Buoyed by optimism on data centre jobs

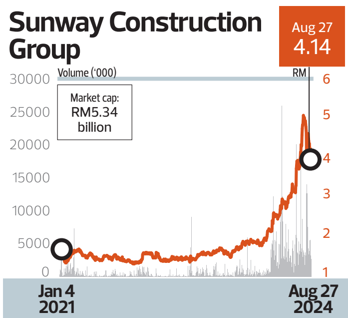
BY JUSTIN LIM

Sunway Construction Group Bhd (KL:SUNCON) is a familiar name at *The Edge* Billion Ringgit Club (BRC) Awards. For the sixth consecutive year, the group has secured the BRC award for highest return on equity (ROE) over three years in the construction sector.

Yet, there is more reason to celebrate in 2024, as SunCon not only maintained its BRC winning streak for ROE but also added another accolade by clinching the *The Edge* BRC award for highest returns to shareholders over the past three years in the construction sector.

SunCon's shareholders already have much to celebrate, with the company's share price surging in reflection of confidence in its job prospects and involvement in data centres that are attracting significant domestic and foreign investments.

In the review period for *The Edge* BRC awards, SunCon's adjusted share price climbed significantly from RM1.62 on March 31, 2021, to RM2.92 on March 31, 2024. This works out to an impressive compound annual growth rate (CAGR) of 21.6% over three years — beating its peers.



In January this year, SunCon bagged a RM1.7 billion contract to provide general contractor services for a data centre construction project in Sedenak Tech Park (STeP), Johor. Then, in March, it won a data centre contract worth RM747.8 million from a US-based multinational technology firm.

With SunCon seen as a beneficiary of Malaysia's data centre boom, its share price surged even more strongly after the 2024 BRC awards evaluation cut-off date, reaching as high as RM5.18 intra-day in mid-July and closing at a fresh high of RM5.09 on July 18.

Since then, however, the stock price has

HIGHEST RETURN ON EQUITY OVER THREE YEARS

CONSUMER PRODUCTS & SERVICES

Carlsberg Brewery Malaysia Bhd

5 BRC AWARDS OVER THE YEARS

CR award 2014, 2019

Premiumisation strategy brews up good returns

BY KANG SIEW LI

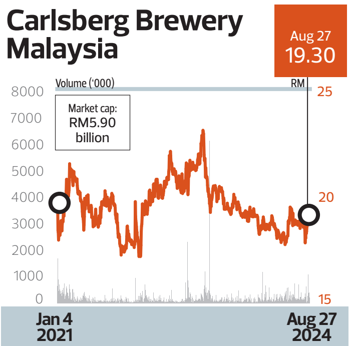
Carlsberg Brewery Malaysia Bhd's (KL:CARLSBG) strategy of focusing on its premium brands is paying off even as the soft consumer market and inflationary pressures have kept sales volumes from normalising back above pre-Covid-19 pandemic levels.

In announcing its results for the first half of 2024 on Aug 19, the brewer of beer brands such as Carlsberg, 1664, Sapporo, Somersby Cider and Tuborg Strong said it would continue to focus on its "Accelerate SAIL" strategic priorities, including enhancing its premium portfolio, and catering to its consumers' lifestyle and needs.

"We continue to drive premiumisation, aligned with our 'Accelerate Premium' priorities, through the successful launch of two premium lager brands — the Japanese Sapporo and French 1664 BRUT — in both Malaysia and Singapore. In addition, we have also unveiled Somersby limited-edition Pineapple & Lime cider variant in Malaysia in July as an added boost to our cider category," said Carlsberg Malaysia managing director Stefano Clini.

Carlsberg Malaysia has seen earnings grow at a compound annual growth rate of 26.4% in the last three years (2020-2023). The brewer recorded strong performance for the financial year ended Dec 31, 2023 (FY2023), posting a net profit of RM327.3 million, up 3.2% from RM317 million in FY2022. It registered a net profit of RM201 million in FY2021, RM162.2 million in FY2020 and RM291 million in FY2019.

Still, Carlsberg Malaysia remains a healthy and profitable company, enabling it to sustain strong dividend payouts to its shareholders. It



paid a dividend of 93 sen per share in FY2023, an increase from 88 sen per share in FY2022.

So far this year, it has declared 42 sen in dividends, which is lower than the 43 sen declared in 1HFY2023, on the back of a 3.4% year-on-year decline in net profit to RM167.3 million due to the recognition of a higher deferred tax expense for its 25%-owned associate Lion Brewery (Ceylon) plc.

Its adjusted weighted three-year return on equity was 23.5% during the review period, according to *The Edge* Billion Ringgit Club (BRC) awards methodology, having jumped to 22.9% in 2023 after slipping to 21.9% in 2022 from 27.1% in 2021.

For the fifth consecutive year, Carlsberg Malaysia took home *The Edge* BRC award for the Highest Return On Equity Over Three Years in the consumer products and services sector.

Over the past year, its stock has fallen 5% to close at RM19.30 on Aug 27, 2024, bringing its market capitalisation to RM5.9 billion. During the current awards evaluation peri-

CARLSBERG GROUP

od between end-March 2021 and end-March 2024, its share price went down from RM21.50 (adjusted) at end-March 2021 to RM19.80 a year later, but rebounded slightly to RM20.60 by March 2023. However, it had slipped back to RM18.50 by March 31 this year — the cut-off date for the 2024 BRC awards. As such, during the period in review between March 31, 2021, and March 31, 2024, its total shareholder returns of minus 4.8% do not look as impressive.

Over the near term, the group remains mindful of the uncertain global economic outlook, marked by ongoing inflationary pressures, high interest rates resulting in the increasingly cautious consumer spending and currency fluctuations. However, the timing of seasonal celebrations, including an earlier Chinese New Year, is expected to contribute to an increase in sales volume.

"We will continue to stay vigilant on cost management and cost optimisation opportunities in our supply chain, which will enable us to accelerate investments in our brands, ensuring sustained growth and delivering value for our shareholders," Clini said.

In an Aug 20 report, Hong Leong Investment Bank Research says it expects Carlsberg Malaysia's beer sales in FY2024 to be driven by the continued influx of foreign tourists to Malaysia and Singapore, and gradual improvements in labour conditions and income prospects within Malaysia.

"Our projections also incorporate the assumption that Sapporo will replace Asahi in the market (following the delisting of the Asahi brand), considering Asahi's relatively low market share in Malaysia.

"We expect FY2024 to be a transitional year for Carlsberg Malaysia, projecting flat earnings growth as the higher advertising costs associated with the Sapporo brand are offset by a positive sales outlook," the research firm said. It added that factors that could lead to better-than-expected results include the appreciation of the ringgit against the US dollar, which could ease Carlsberg Malaysia's cost pressures, and Sapporo's potential to gain more traction in the market. E

given up some of those gains but, at the time of writing, it was still easily double the RM2 levels that it started the year at.

SunCon has delivered decent earnings to help fuel optimism in its prospects. Its net profit grew every year from RM72.8 million in FY2020 to RM112.6 million in FY2021, RM135.2 million in FY2022 and RM145.1 million in FY2023. This reflects a risk-weighted three-year profit after tax CAGR of 19.4% over *The Edge* BRC awards evaluation period.

While its ROE had fallen from as high as 24.8% in FY2021 to 5.4% in FY2022 and 5.6% in FY2023, its adjusted weighted ROE over three years continued to average at a high-single-digit level of 9.4% — beating sectoral peers.

SunCon has consistently paid dividends for shareholders since its listing in 2015. It paid dividends of six sen per share in FY2023, representing a 53% payout. This was an improvement from a dividend of 5.5 sen per share in FY2022 and 5.25 sen per share in FY2021.

For the first half ended June 30, 2024

SUNWAY

(1H2024), its net profit grew 17% year on year to RM71.3 million from RM60.8 million on the back of 11.5% y-o-y growth in revenue to RM1.26 billion, from RM1.13 billion.

Commenting on its prospects in notes accompanying its 1H2024 earnings release, SunCon says it is "optimistic of registering positive growth" for FY2024 based on its existing order book, which stood at RM7.4 billion after securing RM3.47 million new orders up to June 30 this year. It had secured RM1.7 billion new orders as at end-March 2024.

SunCon further raised its target job replenishment for 2024 to a range of RM4 billion to RM5 billion, having breached its previous target job replenishment of RM2.5 billion to RM3 billion.

Among other things, SunCon says it is working on five data centre projects for four multinational clients and continues to proactively pursue more opportunities in the data centre sphere.

"In addition, SunCon is actively participating in various tenders within the warehousing and semiconductor manufacturing domains. SunCon also anticipates a promising outlook for the construction sector, supported by upcoming public sector projects, including the Penang LRT and the Penang International Airport expansion. Apart from opportunities in both the private and public sectors, SunCon continues to pursue in-house pipeline projects from its immediate holding company, Sunway Bhd, particularly those involving special-purpose buildings," it elaborates, noting that it remains actively involved in the construction of advanced technology facilities (ATF).

"On the international front, SunCon obtained a Commercial Operation Date for the Meensurutti-Chidambaram Highway project on Feb 15, 2024, and signed a settlement agreement for the Thorapalli Agraharam-Jittandahalli Highway project on Aug 7, 2024. SunCon is also exploring potential projects in the ATF sector in Asean countries in collaboration with local joint-venture partners."

SunCon notes that there may also be jobs for its precast segment, with the Singapore government's Housing and Development Board (HDB) on track to launch 100,000 flats. from 2021 to 2025. E

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

CONSUMER PRODUCTS & SERVICES

7-Eleven Malaysia Holdings Bhd

1 BRC AWARD OVER THE YEARS

Huge lift from sale of Malaysian pharmacy business

BY LEE WENG KHUEN

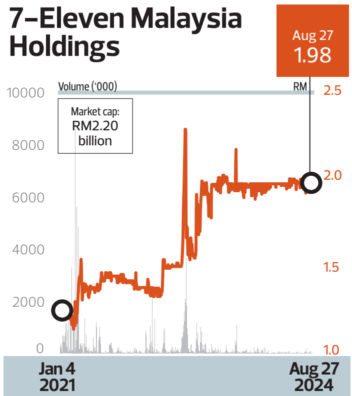
7-Eleven Malaysia Holdings Bhd's (KL:SEM) disposal of its Malaysian pharmacy business yielded a strong set of results for the financial year ended Dec 31, 2023 (FY2023).

This brought a risk-weighted three-year profit after tax (PAT) compound annual growth rate of 79.8% for the awards review period between FY2020 and FY2023, outperforming its peers to bag *The Edge* Billion Ringgit Club (BRC) award for the highest growth in profit after tax over three years for the Consumer Products & Services sector.

This marks the convenience store chain operator's first BRC award win since the award's inception in 2010.

Operating under a long-term exclusive licence, expiring in 2033, from the US-based 7-Eleven Inc, 7-Eleven Malaysia started domestic operations in 1984. The group was listed on the local bourse in May 2014, with a total combined store count of 2,566 as at end-December 2023, comprising 2,319 classic stores and 247 7Cafés. It expects to have 2,636 stores by year end.

Underpinned by the disposal of its 75% stake in Caring Pharmacy Group Bhd for RM675 million to BIG Pharmacy Holdings Bhd in September 2023, 7-Eleven's net profit jumped four times to RM261.77 million in FY2023, from RM66.88 million in FY2022. Annual revenue increased 12% to an all-time high of RM2.78 billion from RM2.48 billion a year earlier, on the back of improved trading conditions and



the acceleration of the 7Café format.

The gain on disposal amounted to RM262.8 million based on a valuation of RM900 million. Note that the divestment excludes the pharmaceutical business joint venture with PT Erajaya Swasembada Tbk Group in Indonesia.

Core net profit for FY2023, however, was down 17.1% to RM93.73 million from RM113.03 million. This was still above the group's net earnings of RM44.35 million in FY2021 and RM29.77 million in FY2020.

For 1QFY2024, its net profit fell 18.1% to RM12.84 million from RM15.68 million a year ago, mainly due to higher operating expenses amid the expansion of new stores and longer operating hours. It was also due to it no longer recognising profit from the pharmaceutical business.

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

CONSUMER PRODUCTS & SERVICES

Bermaz Auto Bhd

1 BRC AWARD OVER THE YEARS

Steering towards record-high earnings

BY ANIS HAZIM

Bermaz Auto Bhd (BAuto) (KL:BAUTO), which distributes Mazda and Kia vehicles in Malaysia and Mazda in the Philippines, achieved remarkable profit growth in recent years as demand proved resilient amid supply chain disruptions.

Its net profit of RM305.8 million for the financial year ended April 30, 2023 (FY2023), was thrice the RM100.8 million received in FY2020, implying a risk-weighted three-year compound annual growth rate (CAGR) of 44.8%. Return on equity (ROE) improved from 25.9% in FY2021 to 43.7% in FY2023, translating into a weighted ROE of 34.8% over three years.

Net profit for FY2024 grew close to 15% year on year to a record high of RM351 million as BAuto booked its highest revenue ever — RM3.93 billion — since its listing more than a decade ago. This was on the back of strong sales volume, better product mix of premium models and higher contribution from its Philippine operations.

Its share price has moved steadily higher on the back of stellar earnings. During *The Edge* Billion Ringgit Club (BRC) awards evaluation period, total returns of BAuto shares enjoyed a three-year CAGR of 28.5%, with the automotive firm's share price rising from RM1.13 on March 31, 2021, to RM2.39 on March 31 this year.

That performance helped BAuto win its first BRC award — for highest returns to shareholders over three years — among BRC members in the consumer products and services sector.

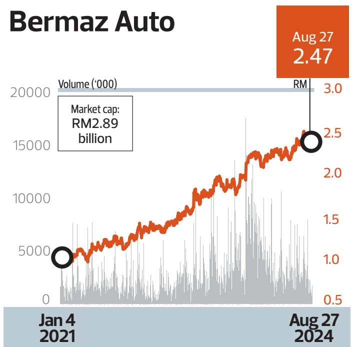
Since then, BAuto shares have surged further, reaching as high as RM2.66 on July 17 — the highest in almost a decade — as automotive stocks were chased higher after the Malaysian Automotive Association raised its car sales forecast for 2024, following strong total industry volume (TIV) in the first half of 2024 (1H2024).

Shareholders have also been receiving more dividends, with dividends per share improving from 6.5 sen in the financial year ended April 30, 2021 (FY2021), to 22 sen in FY2023. BAuto paid its highest-ever dividend so far of 26 sen per share in FY2024.

Noting improved margins following the release of FY2024 full-year results in June, 11 of the 15 analysts covering BAuto maintained "buy" calls while the rest recommended a "hold", citing its attractive dividend yield.

"While we believe Bermaz's sales volumes will soften in FY2025, in line with an expected TIV cyclical downturn, we think its car sales will remain relatively resilient," RHB Investment Bank Research said in a note dated June 12, retaining its "buy" recommendation and RM3.25 target price.

The group's car sales will be supported mainly by Mazda's newly launched CX-3 and CX-5 models earlier this year, as well as robust CX-30 CKD sales, which make up more than 30% of total Mazda volume sold in Malaysia, added the research house, which also lifted its FY2025 earnings forecast after raising its sales assumption to account for



the debut of Chinese electric vehicle (EV) manufacturer Xpeng Motors in the Malaysian market. BAuto secured the rights to sell and provide after-sales service for Xpeng in March 2024 and introduced the Xpeng G6 in Malaysia on Aug 27.

AmInvestment Bank Research also maintained a "buy" call and RM3.42 target price, noting that the normal and special dividend totalling 26 sen for FY2024 was higher than management's guidance.

"The balance sheet remains solid, with a net cash of RM368 million. BAuto churned free cash flow of RM188 million. If this level of cash flow continues into FY2025, we believe that there is scope for another special dividend, as the group will have surplus cash, much more than its business needs," the research house said in a note dated June 11.

Meanwhile, Kenanga Investment Bank Research maintained its "market perform" call, but on a higher target price of RM2.45 (from RM2.30), following strong fourth quarter FY2024 net profits as BAuto dialled back on discounts. It said: "We continue to like BAuto for its strong near-term earnings visibility, backed by an order backlog of 2,000 units for Mazda, Kia and Peugeot vehicles; its premium mid-market Mazda brand that offers superior margins; and its attractive dividend yield of about 8%. However, we are concerned about subsidy rationalisation hurting its target customers, which are the middle-income group."

BAuto expects the group's performance to be "challenging" in FY2025, as the automotive sector is expected to grow at a slower pace amid inflationary pressures, uncertainties in geopolitical conflicts and weaker global growth that would have an adverse impact on the local economy.

"The current influx of vehicles from China has also impacted the sales of vehicles in the country. The launching of new facelift models of the group's existing and new vehicle marques are still very much dependent on market sentiment and economic conditions then," the company said in notes appended with its earnings release. E

Nonetheless, with the huge jump in headline earnings, 7-Eleven paid a 5.4 sen dividend for FY2023, more than double the 2.6 sen declared for FY2022. The payout was also much higher than the 1.6 sen paid for FY2021 and 2.3 sen for FY2020.

Looking ahead, 7-Eleven says its focus continues to be on the expansion of the 7Café store format, which will play a pivotal role in diversifying its sales mix and improving margins, according to financial statements accompanying the release of its latest quarterly results.

"Ongoing initiatives include the establishment of new 7Cafés outside of Klang Valley, complemented by tactical plans to penetrate specific high potential locations. Additionally, we will continue our advisory mission with our Japanese partner to focus on expanding our fresh food commissary offerings and improving production yield by optimising high quality raw materials, adopting best operational practices and discipline," it says.

7-Eleven notes that it is offering more private label brands with better prices and higher quality and has expanded to about 200 stock keeping units (SKUs).

LOW YEN YEING/THE EDGE

With regards to the Indonesian pharmaceutical business, it says the group will continue to collaborate closely with the joint venture partner with an immediate focus on the overall strategic road map, including store expansion plans, product range and pricing review, marketing activation and driving a consumer centric operation.

At the time of writing, Bloomberg data shows that all four analysts who cover 7-Eleven have "hold" calls on the stock, with a consensus target price of RM1.94.

Maybank Investment Bank Research believes the group's sequential earnings should improve alongside the ongoing rollout of the 7Café format and fresh food SKUs. However, continuous brand boycotts on various categories carried in its stores are likely to hamper its earnings growth potential in FY2024.

"The pace of 7-Eleven's sales mix transition into higher margin fresh food products may be inadequate to offset the negative effects from a deteriorating appeal towards existing products that are tied to current external geopolitical tensions. Hence, we lower our FY2024-FY2026 earnings estimates by 9-11%," the research house said in a June 3 note.

Berjaya Corp Bhd (KL:BCORP) founder Tan Sri Vincent Tan is the largest shareholder of 7-Eleven, holding direct and indirect stakes of 22.36% and 5.71% respectively. Meanwhile, Taiwanese bankers Tsai, Tzung-Han and Tsai, Hong-Tu hold 26.27% of 7-Eleven via Classic Union Group Ltd. E

HIGHEST RETURN ON EQUITY OVER THREE YEARS

ENERGY

Dialog Group Bhd

9 BRC AWARDS OVER THE YEARS

Oil and gas stalwart bags ninth BRC trophy

BY JOSE BARROCK

Oil and gas stalwart Dialog Group Bhd (KL:DIALOG) is once again on *The Edge*'s Billion Ringgit Club (BRC) winners list, having been among those honoured in six of the past seven years since taking home its first trophy in 2018.

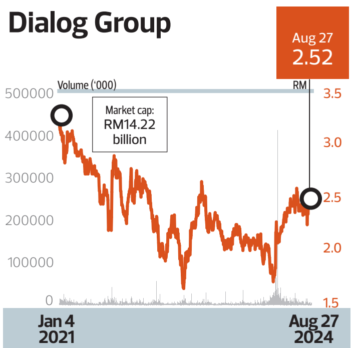
After a hiatus last year, when the Energy and Utilities sectors were merged, Dialog wins its ninth BRC trophy this year, the third time for the highest return on equity (ROE) over three years in the energy sector.

During the BRC awards evaluation period from 2021 to 2023, Dialog's ROE had been on a downtrend from 12.4% in 2021 to 10.5% in 2022 and 9.6% in 2023. However, its adjusted weighted ROE over three years of 10.4% was still above peers in the energy sector.

For the fiscal year ended June 30, 2024 (FY2024), Dialog raked in net profits of RM575.03 million on the back of RM3.15 billion in revenue, up from RM510.5 million in net profits from RM3 billion in turnover in FY2023.

On its stellar showing in FY2024, Dialog attributes it to "the Malaysia operation (which) recorded increased revenue and profit after tax, mainly attributable to increased production from the upstream activities".

"On the international front, the group reported higher revenue and profit after tax for the current quarter and financial year contributed by higher sales of specialist



products and services in various countries. The increased fabrication activities in New Zealand have also contributed positively to the group's better performance in the current financial year," it says.

Dialog's diverse business arms are divided into upstream assets; midstream assets and services; downstream integrated services; and its sustainable and renewable energy offerings as a separate business.

To break it down, its upstream business includes a 20% participating interest in a Production Sharing Contract for three fields, D35, D21 and J4, located offshore Sarawak, up to 2034; an Oilfield Services Contract with national oil company's exploration arm Petronas Carigali Sdn Bhd for recoverable reserves in Bayan Field off the coast of Sarawak which spans until 2036; a 50.01% equity interest in Pan Orient Energy (Siam) Ltd which has the mandate for Concession L53/48, onshore Thailand; and a 70% participating interest in the Baram Junior Cluster Small Field Asset Production Sharing Contract offshore Sarawak, up to 2037.

Parked under its midstream assets are Kertih Terminals Sdn Bhd, Dialog Terminals Langsat (One) Sdn Bhd, Dialog Terminals Langsat (Two) Sdn Bhd, Pengerang Independent Terminals Sdn Bhd, Pengerang LNG (Two) Sdn Bhd, Pengerang Terminals (Two) Sdn Bhd, Dialog Terminals Langsat (Three) Sdn Bhd, Dialog Terminals Pengerang (Five) Sdn Bhd, which are involved in designing, owning and operating independent storage and industrial terminals for crude oil, petroleum, liquefied natural gas, renewable fuels and petrochemical products. Other than the above, Dialog also has a supply base in Jubail, Saudi Arabia, which serves as a one-stop logistics hub and resource centre for oilfield services, equipment and supplies. This is held under its midstream business portfolio.

Dialog's downstream business, meanwhile, comprises engineering, procurement, construction and commissioning (EPCC) for energy projects, maintenance for refinery and plant operations, including catalyst handling services, fabrication of process equipment for plants and upstream production facilities, among others.

The company's sustainable and renewables business includes clean and green energy projects as well as recycling ventures. These include Dialog Diyou PCR Sdn Bhd which builds, owns and operates a food grade recycled polyethylene terephthalate (recycled PET) pellets production facility using recycled PET flakes as raw material to produce food grade recycled PET pellets. In March 2023, Dialog ventured into storage facilities for renewable fuel products at Dialog Terminals Langsat (3) targeting biofuel production companies, energy trading houses and multinational energy companies, and is likely to commence business at the end of this year.

To put things in perspective, Dialog's total assets was just above the RM9 billion mark in June this year. It is also noteworthy that Dialog has a presence in eight countries: Malaysia, Singapore, Thailand, Indonesia, Australia, New Zealand, Saudi Arabia and the United Arab Emirates.

Instrumental in the success of Dialog — among the largest oil and gas companies on Bursa Malaysia with a market capitalisation of more than RM14 billion — is executive chairman Tan Sri Ngau Boon Keat, who has a 19.12% stake in the company and has been the main driver since Dialog was established in 1984. In 2018, Ngau was named *The Edge* BRC Value Creator: Outstanding CEO of Malaysia award for driving Dialog to great heights in just 40 years. E

THE EDGE BILLION RINGGIT Club 2024

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

ENERGY

Dayang Enterprise Holdings Bhd

3 BRC AWARDS OVER THE YEARS

Robust growth as cost management efforts pay off

BY INTAN FARHANA ZAINUL

Dayang Enterprise Holdings Bhd (KL:DAYANG) once again took home *The Edge* Billion Ringgit Club (BRC) award for highest returns to shareholders over three years among companies in the energy sector after a two-year hiatus, following consecutive wins in 2020 and 2021.

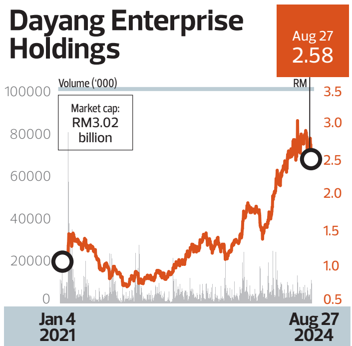
The Sarawak-based oil and gas (O&G) services company — which is involved in offshore topside maintenance services, minor fabrication operations as well as offshore hook-up and commissioning activities — also operates marine vessels through its 63.77%-owned listed subsidiary Perdana Petroleum Bhd (KL:PERDANA).

Over the last three years, Dayang's share price has enjoyed decent upward momentum, with its total return during the BRC awards evaluation period from March 31, 2021, to March 31, 2024, recording a three-year compound annual growth rate (CAGR) of 21.1% — the highest among its sectoral peers.

Its share price took a hit alongside those of other O&G stocks during the Covid-19 pandemic when global crude oil prices nosedived to below zero in April 2020. The stock then began trending higher in 2022 when global crude oil prices rallied to above US$100 per barrel.

During the BRC awards evaluation period, Dayang's adjusted share price moved from RM1.36 at end-March 2021 to 85 sen at end-March 2022, before recovering to RM1.31 at end-March 2023 and RM2.41 at end-March 2024.

The counter has continued its upward trajectory, in line with the overall improvement in the O&G sector as crude oil prices have stayed elevated on the back of growing demand and geopolitical tensions. This year alone, Dayang's share price had surged about 65% to close at RM2.58 on Aug 27, giving the company a market capitalisation of RM3.02 billion.



The stock's stellar performance has been well supported by its earnings growth over the years. It is worth noting that the group suffered heavy losses during its financial year ended Dec 31, 2021 (FY2021), recording a net loss of RM316.6 million due to the pandemic, compared with a net profit of RM56.4 million in FY2020. It was the first loss for the group since its initial public offering (IPO) in 2008.

Nonetheless, its earnings improved in FY2022, returning to the black with a net profit of RM121.2 million. Its net profit surged nearly 81% year on year to RM219 million in FY2023, supported by higher contract value and daily charter rates, despite a lower utilisation rate of 58%, from 60% in 2022.

With the improved financial performance, Dayang resumed dividend payments in FY2021 — which had been its practice since its IPO but was stopped in FY2015 following an unexpectedly sharp plunge in global crude oil prices in September 2014. The oil price rout sent O&G service providers that had overexpanded with debt into dire straits, with their financials further strained during the Covid-19 pandemic. Dayang is among the O&G players that showed

HIGHEST RETURN ON EQUITY OVER THREE YEARS

FINANCIAL SERVICES (RM10 BIL AND ABOVE MARKET CAPITALISATION)

Public Bank Bhd

16 BRC AWARDS OVER THE YEARS

A beacon of stability amid headwinds

BY ADELINE PAUL RAJ

Despite the turbulence of the last few years with the Covid-19 pandemic, geopolitical tensions and a host of economic uncertainties globally, Public Bank Bhd (KL:PBBANK) has managed to pull through and deliver a highly commendable financial performance.

This year, for the eighth consecutive year (2017-2024), Public Bank clinches *The Edge* Billion Ringgit Club (BRC) award for highest return on equity (ROE) over three years in the financial services sector among financial institutions that have a market capitalisation of at least RM10 billion. Public Bank had also taken home the same award for ROE from 2010 to 2013.

Its BRC awards haul over the years is an admirable feat and speaks volumes of the group's ability to deliver consistent and stable returns for shareholders. Public Bank, the country's third-largest banking group by assets and second-largest listed company on Bursa Malaysia, has had an unbroken track record of profitability since its inception in August 1966.

The icing on the cake this year is that its managing director and CEO, Tan Sri Tay Ah Lek, has scooped up the BRC Value Creator: Outstanding CEO of Malaysia award. The bank's founder, the late Tan Sri Teh Hong Piow, who is Tay's mentor, had won the award in 2010.

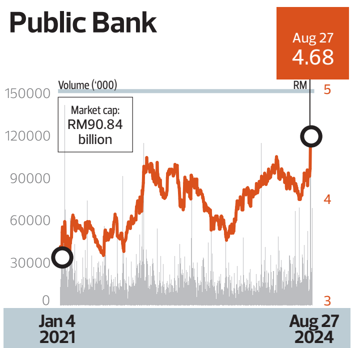
Over the last few years, Public Bank has managed to resume its upward earnings trend, following a decline in the financial year ended Dec 31, 2020 (FY2020) — the year in which the pandemic struck. That year, its net profit slumped to RM4.87 billion, from RM5.51 billion in FY2019.

Its net profit then climbed back up to RM5.66 billion in FY2021, and moved further up to RM6.12 billion in FY2022 and RM6.65 billion in FY2023. The upwards trajectory in earnings translated into a risk-weighted compound annual growth rate (CAGR) of 16.4% over the last three years.

Public Bank's ROE moved up steadily in those years, from 11.9% in FY2021 to 12.4% in FY2022 and 12.7% in FY2023. Its adjusted weighted ROE over the three years was 12.4% — higher than its peers.

In FY2022, the group's pre-tax profit exceeded RM8 billion for the first time (RM8.83 billion), and remained above that level in FY2023 (RM8.54 billion). This was on the back of RM21.4 billion revenue in FY2022 and RM25.4 billion revenue in FY2023.

The group has gone on to report strong financial results so far this year. In 1HFY2024, Public Bank's net profit grew 3.1% year on year to RM3.44 billion, driven mainly by growth in the loan and deposit businesses and further supported by growth in non-interest income. Its revenue expanded 8.9% to RM13.49 billion.



It declared a first interim dividend of 10 sen a share, amounting to RM1.94 billion, which represents 56.5% of the group's net profit in the half-year period.

Public Bank has been one of the more generous dividend paymasters over the years, which is one of the reasons the stock is highly sought after by investors. Over the last three years, its dividend per share rose from 15.2 sen in FY2021 (payout ratio: 52.2%) to 17 sen in FY2022 (53.9%) and 19 sen in FY2023 (55.5%).

In a press statement following the release of its 1HFY2024 results on Aug 27, Tay says global headwinds would persist, but he expects the operating environment in Malaysia to remain conducive to banking business growth, underpinned by resilient private expenditure and investment activities.

He says the group will continue to strengthen its core competency in the retail banking segment while remaining "agile in seizing new opportunities in sustainability and digital transformation in driving business growth".

At the time of writing on Aug 27, the stock had gained 11.7% this year to close at RM4.68, for a market capitalisation of RM90.84 billion. In comparison, Malayan Banking Bhd (KL:MAYBANK), the largest company by market cap, was valued at RM129.12 billion and the third-largest, CIMB Group Holdings Bhd (KL:CIMB), was valued at RM84.86 billion.

The stock remains a top pick among analysts. Bloomberg data shows that 17 analysts have a "buy" recommendation and one, a "sell". The 12-month target price averaged at RM4.91. E resilience during this period of time.

In FY2021, Dayang dished out a dividend of 1.5 sen per share to its shareholders, amounting to RM17.37 million. In FY2022, the company doubled its dividends to three sen per share, amounting to RM34.74 million. It sustained its payout at three sen per share in FY2023.

Dayang's balance sheet is on the healthy side, with a net cash position of RM175.68 million, putting the company in an advantageous position to bid for new contracts.

In its FY2023 annual report, Dayang executive chairman Datuk Hasmi Hasnan said the company will continue to deliver results. "The group remains fundamentally strong both financially and operationally, with an operating profit of RM343.8 million and is in a net cash position. The group will continuously strive to improve its profitability and remain as a cost-efficient service provider to the industry, without compromising on health and safety standards. We will continue to monitor the current operating environment, with greater emphasis on capital preservation, cash flow management and cost containment."

Dayang's earnings continued to improve in the six months ended June 30, 2024 (1HFY2024), with its net profit rising 227% year on year to RM159.34 million from RM48.7 million in 1HFY2023.

Commenting on its prospects in the notes accompanying its 1HFY2024 results, Dayang says, "The current second-quarter performance reflects the robust activities in the maintenance, construction and modification (MCM) and hook-up and commissioning (HUC) projects, coupled with higher vessel utilisation rates. We are confident that we can sustain a similar performance in the third quarter, given the overall industry optimism supported by stable crude oil prices.

"For FY2024, earnings visibility will remain fairly strong with outstanding estimated call-out contracts of about RM1.39 billion. Moving forward, we continue to wait for the results of the new umbrella contracts for MCM and HUC. We will remain prudent in managing our business affairs while continuing to deliver outstanding performance."

The company declared a dividend of three sen per share for 1HFY2024, double the 1.5 sen per share it declared for the same period last year. E

ANNUAL REPORT

HIGHEST RETURN ON EQUITY OVER THREE YEARS

FINANCIAL SERVICES (BELOW RM10 BIL MARKET CAPITALISATION)

Bursa Malaysia Bhd

4 BRC AWARDS OVER THE YEARS

CR award 2024

Fourth straight win boosted by positive market sentiment

BY JOSE BARROCK

Bursa Malaysia Bhd (KL:BURSA), which operates and regulates the local stock exchange, is indeed leading by example. For the fourth straight year, it snagged *The Edge* Billion Ringgit Club (BRC) award for highest return on equity (ROE) over three years in the financial services sector among companies with market capitalisation below RM10 billion.

During the award evaluation period from 2021 to 2023, Bursa's three-year adjusted weighted ROE was a strong 32.5%. It had chalked up an ROE of 41.4% in 2021, 28.3% in 2022 and 31.4% in 2023.

Bursa gave out dividends of 29 sen (a 15 sen interim dividend, or RM121.39 million, and a final dividend of 14 sen or RM113.3 million) for a total payout of RM234.7 million, which is a payout ratio of 93% for FY2023.

In FY2023, it chalked up net profits of RM252.38 million on the back of RM616.49 million in revenue, a recovery from RM226.57 million in net profit from RM693.24 million in revenue in FY2022. There is further room for recovery, with FY2023 earnings short of the net profit of RM377.7 million in FY2020 and RM355.3 million in FY2021.

FY2024 looks set to be better for Bursa, which is among the largest bourses in the region, with some 1,040 listed companies, including 49 on the Leading Entrepreneur Accelerator Platform or LEAP market.

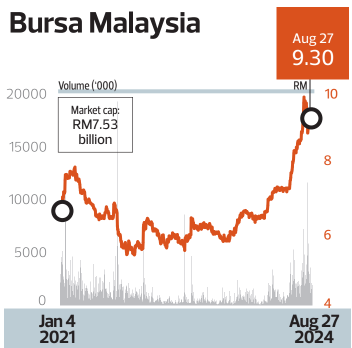
In May, the total market capitalisation of companies listed on Bursa surged above RM2 trillion. Positive market sentiment sent the benchmark FBM KLCI convincingly above the 1,600-point mark to its highest in over three years.

Considering that 63% of Bursa's operating revenue in 2023 was derived from trading revenue, the current year is likely to be a good one.

For the six months ended June 2024, it posted RM155.48 million in net profits from RM387.14 million in revenue. In the corresponding period last year, it registered net profits of RM132.42 million on RM301.1 million in revenue.

For the first six months of FY2024, Bursa accordingly declared an interim dividend of 18 sen per share, which translates into roughly RM145.7 million, representing a dividend payout ratio of 93.7%.

Earlier this month, it was announced that the Malaysian economy had performed better than expected with 5.9% growth in the second quarter of 2024 from a year ago, underpinned by strong domestic demand and a further expansion in exports.



In line with higher growth and renewed global investor interest, the local bourse is likely to gain traction, with increasing momentum and heightened capital market activities.

In its commentary on its prospects for the second half of FY2024, Bursa says the International Monetary Fund, in its July 2024 World Economic Outlook report, maintained its projections for 2024 global and Malaysia growth at 3.2% and 4.4% respectively. The World Bank, in its June 2024 Global Economic Prospects report, revised its 2024 global growth projection upwards to 2.6% from 2.4% in January 2024.

Bursa adds, "The projected global growth is stable for the first time in three years and is aided by cautious monetary policy easing as inflation gradually declines. The World Bank has maintained Malaysia's economic growth projection for 2024 at 4.3%, while Bank Negara Malaysia has maintained its forecast for the economy to grow 4% to 5% for 2024, driven by resilient domestic expenditure and exports recovery.

"The robust trading activities seen in the securities market for 1H2024 were supported by a strong economic outlook backed by [an] influx of foreign direct investments, expectation of improved corporate earnings performance and domestic liquidity ... Given the strong 1H2024 financial performance, the exchange has revised its profit before tax headline key performance indicator from RM361 million to RM379 million."

That bolsters Bursa's chances of being among the BRC award recipients again next year. E

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

FINANCIAL SERVICES (BELOW RM10 BIL MARKET CAPITALISATION)

MBSB Bhd

8 BRC AWARDS OVER THE YEARS

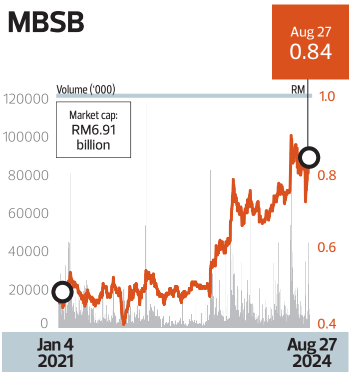
Reaping merger benefits beyond the bottom line

BY ESTHER LEE

MBSB Bhd (KL:MBSB) has had to battle margin squeeze, a common theme within the banking industry in recent years as the cost of deposits rises, triggered by tightening monetary policy around the globe. Its net profit margin fell in 2023 on account of higher funding costs, as Bank Negara Malaysia had normalised its overnight policy rate (OPR) from late 2022 to the first half of 2023.

Despite these challenges, MBSB has done well for itself, as evidenced by the steady rise in its net profit over the last three years.

The country's second-largest standalone Islamic bank saw its net profit increase from RM269.3 million in its financial year ended Dec 31, 2020 (FY2020) to RM491.8 million in FY2023.



This translates into a three-year compound annual growth rate of 30%, bagging MBSB *The Edge* Billion Ringgit Club (BRC) award for the Highest Growth in Profit After Tax Over Three Years among financial services companies with a market capitalisation of below RM10 billion this year. MBSB won the same award in 2020.

MBSB's FY2023 net profit, which grew 6.9% to RM491.8 million from RM460.2 million in the previous year, was largely attributed to the one-time gain from the acquisition of Malaysian Industrial Development Finance Bhd (MIDF).

In October 2023, MBSB completed the acquisition of 100% of MIDF from Permodalan Nasional Bhd (PNB) for RM1.01 billion worth of new share issuance at 96.52 sen per share. This saw the emergence of PNB as a substantial shareholder of MBSB with a 12.78% stake while the Employees Provident Fund (EPF) saw its shareholding in MBSB reduce to 57.45% from 65.78%.

MBSB's revenue for FY2023 grew marginally by 4.7% to RM2.8 billion, attributed to an expansion of financing by 9.6%, says the bank in its 2023 annual report — way higher than the industry average of 4% to 5%.

For the second quarter ended June 30, 2024 (2QFY2024), MBSB's net profit fell 34.4% to RM54.82 million from RM83.69 million in the previous corresponding period, on the back

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

FINANCIAL SERVICES (BELOW RM10 BIL MARKET CAPITALISATION)

RCE Capital Bhd

3 BRC AWARDS OVER THE YEARS

Financing solutions group scores hat-trick

BY KAMARUL AZHAR

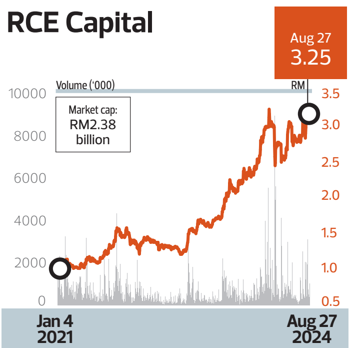
For the third straight year, RCE Capital Bhd (KL:RCECAP) has won *The Edge* Billion Ringgit Club (BRC) award for highest returns to shareholders over three years among companies in the financial services sector with a market capitalisation of below RM10 billion.

The share price of the group, which specialises in providing financing solutions for civil servants in Malaysia, rose 168% over the BRC awards' three-year evaluation period. Its adjusted share price increased from RM1 on March 31, 2021, to RM2.68 on March 31, 2024, translating into a three-year total return compound annual growth rate (CAGR) of 38.8%.

The share price appreciated with RCE's commitment to paying better dividends even as its net profit grew steadily from RM110.6 million in FY2020 to RM124.6 million in FY2021. Thereafter, net profit grew to RM133.2 million in FY2022 and RM138.8 million in FY2023, translating into a risk-weighted three-year profit after tax CAGR of 7.9%.

On May 23, 2023, RCE announced that it was adopting a new dividend guidance, setting a payout ratio of between 60% and 80% from the financial year ended March 31, 2024 (FY2024), provided it does not compromise on its cash-flow requirements. Previously, RCE's payout policy since FY2019 had been 20% to 40% of profit after tax.

RCE's share price spiked to as much as RM3.40 on Jan 24, 2024. Although the share price slipped to RM2.68 two months later on March 31, the counter regained ground to close at RM3.33 on Aug 14. On Aug 15, however, some of those gains were erased after RCE announced that day that its net profits in the first quarter ended June 30, 2024 (1QFY2025), had slipped 17.8% year on year to RM30.3 million from RM36.9 million previously, owing to higher allowances for impairment losses on receivables. The counter closed at RM3.25 on Aug 27, valuing it at RM2.38 billion.



Despite a weaker start to FY2025, RCE says it remains optimistic about maintaining profitability for the rest of the year. It will prioritise quality financing growth and prudent credit risk management to ensure long-term sustainability.

Both Maybank Investment Bank and PublicInvest Research maintained their "hold" call and respective target prices (TPs) of RM3 and RM3.18 on RCE, following the 1QFY2025 release.

According to Maybank, the worst is probably over for RCE and its future quarterly earnings are expected to improve. This is because the civil service salary adjustments announced on Aug 16 are likely to be positive for RCE's financing growth, the bank says in an Aug 16 report.

RCE

"Our earnings estimates and TP are premised on financing receivables growing an average of 15% for 12 months from Dec 1, 2024. Thus, there could be upside to our estimates and TP should the average growth in civil service salaries be larger than our imputed 15%," it says.

On Aug 16, Prime Minister Datuk Seri Anwar Ibrahim, who is also the finance minister, announced that civil servants' salaries would be increased by up to 15% for the executive, management and professional groups.

These hikes are spread out over two phases, with the first phase being an 8% increase on Dec 1, 2024. The second increase of 7% will be effective Jan 1, 2026.

Meanwhile, RHB Research has maintained its "sell" call on RCE with a higher TP of RM2.70 (versus RM2.40 previously), following the 1QFY2025 earnings release that came in just under one-fifth of consensus earnings estimates for the full year.

"The impending salary increase for civil servants could lead to an acceleration in financing growth, though we note that this is set to take effect only in December 2024, or late 3QFY2025 for RCE. We continue to forecast receivables growth in the mid-single digits for the group, with a pickup in FY2026," RHB says in a note dated Aug 16, which acknowledges that RCE's "longer-term prospects look good, as it is a prime beneficiary of the revision to civil service wages, though near-term challenges remain".

In the group's 2024 annual report, RCE chairman Shahman Azman says: "It is crucial to acknowledge the prevailing uncertainties in global and local economies, which demand our careful attention and strategic response.

"As we navigate the uncertain global and local economic landscape and inflationary pressures, we will continue recalibrating our strategies, including prudent financial management, proactive risk mitigation and strategic foresight for sustainability and long-term value creation for stakeholders." E of higher operating expenses and a bigger allowance for impairment. Higher impairment allowances were reported in 2QFY2024 mainly due to higher write-backs in 1Q2024, the banking group explains in its quarterly announcement.

However, revenue was higher by 35% at RM960.85 million from RM711.53 million a year earlier, which the banking group attributes to increased financing income and contributions from the integration with MIDF.

Net profit margin increased by 42 basis points (bps) to 2.6% in 2QFY2024, as the banking group says it continues to focus on improving its financing assets and funding cost.

Meanwhile, the cost-to-income ratio saw an improvement, as it had slipped to 56.9% in 2QFY2024 compared to 58.7% in 1QFY2024, thanks to revenue growth outpacing operating expenses.

MBSB also reported a 4% growth for its gross financing year to date, driven by corporate banking and commercial banking. At the same time, its gross impaired financing (GIF) ratio improved, narrowing by 10bps to 7% from 7.1% in 1QFY2024.

Kenanga Research describes MBSB's GIF as a "thorny issue", as a result of EPF's Ihsan-i scheme.

ZAHID IZZANI/THE EDGE

"Still, the group looks towards some resolution of its legacy assets which may lower its BAU (business as usual) impaired financing to a more palatable 4% to 5% in the near term, albeit still a great gap from the industry's gross impaired loan ratio of 1.6%," it says in an Aug 28 research report.

That said, the research house highlights that there has been a strong uptick in the net interest margin (NIM) of the banking group, which it says is likely from the increased gross financing of 4%, although it is still far behind the bank's target of 8% to 9%.

"However, the group's NIM is typically quite volatile, owing to its shallow CASA (current account and savings account) of 7% and high fixed rate financing. For now, optics indicate that the group has been able to increase its variable rate financing to 69% and a slightly higher SME (small and medium enterprise) mix of 26% as the group had intended," it adds.

Kenanga Research has an "underperform" call on MBSB and a target price of 59 sen as it opines that the synergies between the two entities may take some time before they can be realised. It adds that the group may require greater effort to optimise its funding mix, especially given its low CASA levels, which may make it less attractive than its peers.

Going forward, an area of improvement is MBSB's return on equity (ROE), which was 5.2% in 2023 and had averaged 5.2% a year over three years between 2021 and 2023. The industry average is over 10%. MBSB last won a BRC sectoral award for ROE a decade ago in 2014. E

HIGHEST RETURN ON EQUITY OVER THREE YEARS

HEALTHCARE

Apex Healthcare Bhd

2
BRC AWARDS OVER THE YEARS

Shareholders cash in on divestment bonanza

BY SYAFIQAH SALIM

Few things excite investors more than rising share prices coupled with generous dividends, and Apex Healthcare Bhd (KL:AHEALTH) delivered both over the past three years.

Last year, shareholders were rewarded with bumper dividends, a record-high payout from its RM321.7 million gain after selling a 60% stake in Straits Apex Sdn Bhd to Quadria Capital Investment Management Pte Ltd. The company also made a one-for-two bonus issue.

Buoyed by the good news, Apex Healthcare's adjusted share price soared 65% from RM1.79 as at March 31, 2021, to RM2.95 as at March 31, 2024, reflecting a total return of 18.1% on average per year over three years. Over the same period, the company paid dividends of 11.5 sen per share in FY2021, 8.5 sen in FY2022 and a record 25 sen per share in FY2023.

On the earnings front, Apex Healthcare's net profit saw steady growth from RM56 million in FY2020 to RM59.4 million in FY2021 and RM100.8 million in FY2022. With special gains from the disposal of Straits Apex, Apex Healthcare's net profit for FY2023 skyrocketed 294% year on year to RM398 million. The latter brought the average earnings growth over three years to an impressive 69.2% between FY2020 and FY2023, but not enough to beat all BRC peers.

Nonetheless, the outsized numbers helped boost return on equity (ROE) to 53.9% in FY2023 from 19% in FY2022 and 12.2% in FY2021, translating to an adjusted weighted ROE of 35.1% over three years — beating peers in the healthcare sector to clinch for the first time *The Edge* Billion Ringgit Club (BRC) award for highest ROE over three years.

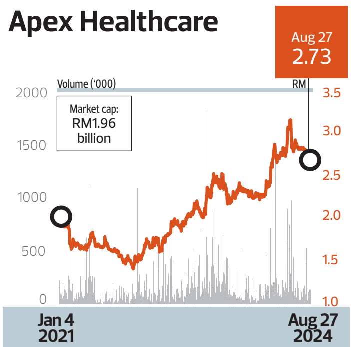
This is not Apex Healthcare's first *The Edge* BRC win, having won the award for highest return to shareholders in the healthcare sector in 2019.

In the absence of special gains, net profit for the first half ended June 30, 2024 (1H2024) is down 87% y-o-y to RM44.85 million from RM353.8 million in 1H2023. However, Apex Healthcare declared a dividend per share of three sen in 1H2024, higher than the 2.5 sen declared in 1H2023.

Commenting on its prospects in notes accompanying its 1H2024 earnings release, Apex Healthcare stated: "The group anticipates delivering a satisfactory performance in 2024. The group is confident that its strategic initiatives, coupled with ongoing efforts to optimise operations, will enable it to navigate potential challenges and capitalise on new growth opportunities."

Founded in 1962, Apex Healthcare is 39.72% owned by Apex Pharmacy Holdings Sdn Bhd, the investment vehicle of chairman and CEO Dr Kee Kirk Chin. The company specialises in the development, manufacturing, wholesaling, marketing and distribution of pharmaceuticals, consumer healthcare products and medical devices. With 10 wholly-owned subsidiaries across Malaysia and Singapore, Apex Healthcare has more than 20 countries worldwide.

Despite economic challenges, Kee told shareholders in the group's 2023 annual report that healthcare spending is expected to rise in 2024, driven by factors like growing affluence, ageing populations and increased public expenditure. In Malaysia, the sector is set to benefit from the RM41.2 billion allocated to the Ministry of Health in Budget 2024, Kee added.



For this year, Apex Healthcare will focus on expanding domestic market share, exploring international product and contract manufacturing opportunities, and accelerating research and development (R&D), particularly in generic pharmaceuticals. The company plans to reinvest 5% of its total manufacturing revenue into R&D of new products to capitalise on patent expiries and meet the growing demand for generics, positioning itself for strong revenue growth.

"In the past year alone, we invested RM8.5 million in R&D and innovation, an increase of over 18% compared with the previous year's outlay, and a figure that represents 3.2% of our revenue gained from manufacturing activities.

"At the same time, we will proactively identify new products and agency partnerships to meet evolving market demands while continuing to acquire and renew globally recognised certifications that signify our high standards in quality. These efforts will be supported by ongoing initiatives to digitalise business processes and remain at the forefront of technological advancements within the industry," he said.

Apex Healthcare is set to expand its warehousing and liquid production facilities after acquiring land from Panasonic Appliances Refrigeration Devices Malaysia Sdn Bhd. This will allow its unit Xepa-Soul Pattinson (Malaysia) Sdn Bhd (XEPA) to streamline operations, boost production capacity and meet rising demand for products like cough and cold syrups.

As part of its sustainability efforts, it is committed to increasing its use of solar energy. Recently, it installed two new solar projects at its wholly-owned units: Apex Pharma Marketing Pte Ltd (AP) in Singapore and Apex Pharmacy Marketing Sdn Bhd (APM) in Subang Jaya.

"When combined with the existing solar panels at XEPA operationalised in 2021, the group's total system capacity now stands at 1,352kWp across these three projects. Looking ahead, we remain committed to exploring additional opportunities to expand our use of renewable energy and reduce our overall carbon emissions, while also seeking to enhance our sustainability practices across our operational footprint," Kee added. E

THE EDGE BILLION RINGGIT Club 2024

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

HEALTHCARE

IHH Healthcare Bhd

3 BRC AWARDS OVER THE YEARS

Record-high earnings on robust healthcare spending, disposal gains

BY LEE WENG KHUEN

IHH Healthcare Bhd (KL:IHH), which has a dual listing on both sides of the Causeway, has seen earnings rebound from the pandemic-induced hit in the financial year ended Dec 31, 2020 (FY2020).

For FY2023, the healthcare group's bottom line nearly doubled year on year (y-o-y), bolstered by a RM981.42 million gain from the sale of IMU Health Sdn Bhd (RM862 million) and Gleneagles Chengdu Hospital (RM116.5 million).

From only RM288.9 million in pandemic-hit FY2020, its net profit rose to RM1.86 billion in FY2021. Despite declining to RM1.55 billion in FY2022, the one-off gains pushed its net earnings to a record high of RM2.95 billion in FY2023. Excluding the exceptional items, its FY2023 net earnings would have been lower y-o-y at RM1.28 billion on the back of higher net finance costs and lower exchange gains.

Based on *The Edge* Billion Ringgit Club (BRC) awards methodology, IHH's risk-weighted three-year net profit compound annual growth rate (CAGR) for the period under review from FY2020 to FY2023 came in at 93.65% — the highest among all the companies with a market value of over RM1 billion under the healthcare sector.

In the absence of disposal gains, IHH's 1QFY2024 net profit was down 45% y-o-y to RM767.97 million from RM1.39 billion in the same quarter a year ago.

IHHMALAYSIA-INTERNATIONAL

SHAHRILL BASRI/THE EDGE

The disposal gains were distributed to its shareholders via a special dividend of 9.6 sen per share, bringing the FY2023 total dividend to 18.6 sen dividend per share, versus seven sen per share for FY2022.

Worth noting is that IHH has improved its dividend policy, with a higher payout ratio of not less than 30% of its profit after tax and minority interest (excluding exceptional items) from 20% previously.

Operating more than 80 hospitals with over 12,000 operational beds in 10 countries, including Malaysia, Singapore, India, China, Hong Kong and Turkey, IHH is Asia's largest hospital operator by market value. Its brands include Acibadem, Mount Elizabeth, Prince Court, Gleneagles, Fortis, Pantai and Parkway.

Most of the analysts are bullish on IHH's prospects, with 18 "buy" calls and four "hold" for the group at the time of writing. The consensus target price is RM7.38, representing a 17.1% upside against its closing price of RM6.30 on Aug 27.

In an Aug 9 note, CIMB Securities said IHH's current valuation is compelling, backed by its long-term earnings resiliency and robust growth potential. The stock was trading at 11 times CY2025 EV/Ebitda, which is a discount of 25% and 34% to its five-year historical mean and regional industry average EV/Ebitda respectively. The research firm believes that IHH is well positioned to capitalise on rising demand for private healthcare.

IHH is working to add close to 4,000 beds

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

HEALTHCARE

KPJ Healthcare Bhd

2 BRC AWARDS OVER THE YEARS

Reaping returns from patient-centric care

BY KAMARUL AZHAR

After a 13-year hiatus, KPJ Healthcare Bhd (KL:KPJ) returns as a winner at *The Edge* Billion Ringgit Club (BRC) Awards 2024, bagging the award for highest returns to shareholders over three years in the healthcare sector.

Except for 2019 when a pharmaceutical group won in this category, glove makers had taken home the award five out of the six times it was presented since the healthcare sector was introduced in 2018. This is the first time a hospital group has managed to clinch the prize.

During the BRC awards evaluation period, KPJ Healthcare's adjusted share price moved from 98.5 sen at end-March 2021 to RM1.92 at end-March 2024. This worked out to a three-year compound annual growth rate (CAGR) of 24.9% in terms of shareholders' returns.

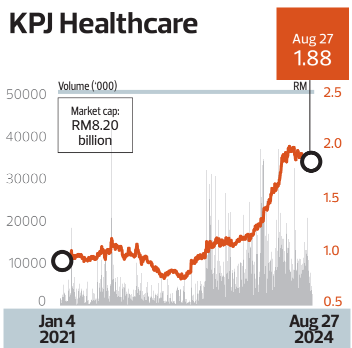
The share price gain perhaps bears testament to KPJ Healthcare's efforts to improve profitability and reduce costs while focusing on becoming more patient-centric.

"We streamlined our operations to concentrate on our core local business, with a particular focus on high-growth sectors, while prioritising efficient execution," said its president and managing director Chin Keat Chyuan in its 2023 annual report.

KPJ Healthcare divested its aged care business in Australia and then sold Rumah Sakit Medika Permata Hijau and Rumah Sakit Medika Bumi Serpong Damai in Indonesia, completely withdrawing from the country.

"In 2023, we started our comprehensive transformation journey focusing on five strategic pillars: Asset Optimisation, New Growth Streams, Digital First, Branding and Culture Activation," said Chin.

"We initiated a programme to ensure the effective and efficient implementation of these strategic initiatives — the Future Forward Leaders programme. The programme



involves the selection of 12 employees from across the KPJ Healthcare network, as a cross functional team that has key capabilities required to drive impact for revenue growth and cost optimisation."

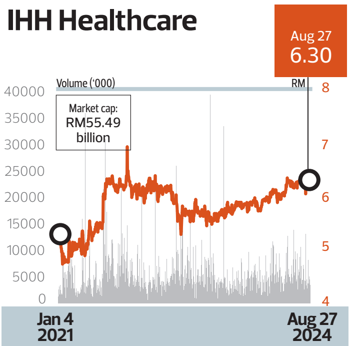
As a result, KPJ Healthcare witnessed a commendable increase in bed occupancy rate (BOR) of 67% in 2023, from 58% in 2022, reflecting the growing confidence among patients seeking hospital services as concerns about Covid-19 exposure diminished.

Patient visits rose to 3.32 million in 2023 from 3.26 million in 2022, said Chin. The uptick in patient visits translated into an increase in surgeries performed, with 105,807 cases in 2023, compared with 95,600 in 2022, an 11% increase.

The market has also noticed KPJ Healthcare's transformation, with its share price up more than a third year to date. Expectations for 2024 are also positive.

"We expect that KPJ Healthcare still has the capacity for expansion and to subsequently increase its BOR as targeted," said MIDF Research in an Aug 7 report. The group aims to increase its BOR to 75% by 2028, out of 5,000 beds.

KPJ Healthcare is looking to increase its



by 2028 to its existing hospital facilities in Malaysia, India, Türkiye, Europe and Hong Kong, giving it a total added capacity of 33%.

"This would translate into a decent organic growth for IHH at a CAGR of 5.8% over FY2023-FY2028. The majority (around 80%) of this bed capacity expansion is concentrated in India (+1,860 beds) and Malaysia (+1,300 beds) due mainly to relatively stronger growth prospects, and the high bed occupancy rates at 70% in India and 72% in Malaysia in FY2023," CIMB Securities noted.

Last May, IHH management shared that the group is looking for potential mergers and acquisitions in Indonesia and Vietnam. Early this year, the group completed the acquisition of Timberland Medical Centre in Kuching, Sarawak, for RM245 million, expanding its footprint to East Malaysia.

Commenting on the outlook, IHH, in its latest financial statements, said: "Despite the strong underlying demand for quality healthcare services, the group is cognisant of the cost pressures arising from sustained inflation, rising energy prices and higher staff costs. These challenges are not unique to the healthcare industry.

"The group is confident that it would be able to maintain a tight rein on costs and leverage operational synergies from its international network to achieve cost savings while, at the same time, ensuring the delivery of high-quality care and value to its patients."

Mitsui & Co Ltd, through MBK Healthcare Management Pte Ltd, holds a 32.8% stake in IHH, being its largest shareholder. Khazanah Nasional Bhd, via Pulau Memutik Ventures Sdn Bhd, owns a 25.73% equity interest in IHH, while the Employees Provident Fund holds 11.33%. E

bed count by about 400 by the end of this year. It had 3,543 beds in Malaysia in 2023.

"We believe that with the current expansions of its existing hospitals in Malaysia in tandem with the climbing demand for healthcare services, KPJ will be able to achieve the feat," said MIDF Research in the report.

The expansion of the number of beds by 400 by the end of this year, which will contribute towards increasing the group's total number of beds to 5,000 by 2028, is timely to leverage the foreign patient market.

Note that health tourism contributed about 5% to 6% of KPJ Healthcare's total business in 2023. According to the Malaysia Healthcare Travel Council, the country's health tourism revenue amounted to RM2.3 billion in 2023.

KPJ Healthcare's strategy for health tourism as a new source of growth will see strategic investments in marketing initiatives, which include the establishment of a dedicated sales team and the opening of at least 10 representative offices in key markets this year.

In its 2023 annual report, Chin also expressed optimism about the group's prospects. "Our outlook is clear: as KPJ Healthcare moves through these strategic horizons, we will not only adapt to change but will drive it. We are ready to embrace the future of healthcare with a resolute commitment to excellence, innovation and compassionate care, always keeping our patients at the heart of our journey." E

HIGHEST RETURN ON EQUITY OVER THREE YEARS

INDUSTRIAL PRODUCTS & SERVICES

5 BRC AWARDS OVER THE YEARS

Uchi Technologies Bhd

Still brewing strong returns

BY ESTHER LEE

Penang-based Uchi Technologies Bhd (KL:UCHITEC) is well-known among industry players, having made a name for itself as the producer of automatic coffee machine systems globally.

As an original design manufacturer (ODM), Uchi specialises in the design, research and development as well as manufacturing of electronic control systems, which include software development, hardware design and system construction of a product. All products manufactured by Uchi are for its clients overseas.

Even amid persistent geopolitical tension and inflationary concerns, the company continued to show resilient sets of earnings over the last few years, supporting its strong return on equity (ROE).

For the financial year ended Dec 31, 2023 (FY2023), the company's net profit increased to RM135.2 million in FY2023, up 8.2%, from RM124.9 million in FY2022. Net profit for FY2022 jumped 36.6% year on year from RM91.4 million in FY2021, after growing 9.1% y-o-y from RM83.8 million in FY2020. During *The Edge* Billion Ringgit Club (BRC) awards evaluation period between FY2020 and FY2023, Uchi's three-year compound annual growth rate (CAGR) for its net profit came in at 17.3%.

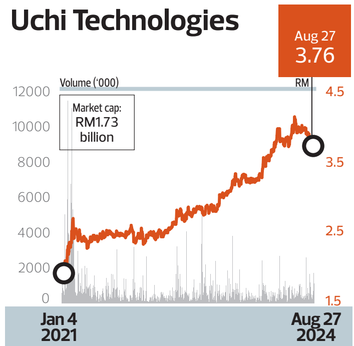
On the back of its consistently growing earnings, the company's ROE climbed from 49.3% in 2021 to 60.9% in 2022 and moved higher to 64.3% in 2023. This delivered an adjusted weighted ROE of 60.3% for Uchi during the three-year BRC award review period between FY2021 and FY2023.

The high ROE, outweighing those of its peers, meant that Uchi has once again clinched the award for highest return on ROE over three years — marking the fifth consecutive year in which the company has bagged the award since 2020.

In terms of revenue, Uchi saw its top line growing 13.1% to RM242.52 million from RM214.32 million in FY2022. The highest contribution, making up 91% of total revenue, stems from its household and professional fully automatic coffee machines product group. The remaining 9% comes from its biotechnology products, being high-precision weighing scales, centrifuges and deep freezers.

As Uchi deals with the export market, a stronger US dollar would be a boon for the company. In FY2023, besides the growth in underlying demand, Uchi said in its 2023 annual report that the appreciation in the US dollar against the ringgit positively impacted revenue conversion.

For the first half ended June 30, 2024 (1H2024), net profit slid 3% to RM64.2 million from RM66.2 million a year ago,



in absence of a gain on disposal of assets held for sale in the current period compared with a RM11.3 million gain recognised from such disposal in the quarter ended March 31, 2023 (1Q2023).

Operating profit for the 1H2024, however, increased 12% y-o-y to RM76.1 million even as revenue rose 5% y-o-y to RM121.3 million. Uchi said the increase was driven primarily by the strengthening of the US dollar against the ringgit, which made up for lower sales demand for its products and services. The ringgit went from RM4.4819 against the US dollar as at June 30, 2023, to RM4.6725 as at March 31, 2024, to RM4.7243 versus the greenback as at June 30, 2024, appended notes show.

Uchi declared a first interim dividend of 6.5 sen per share for 1H2024 compared with 8 sen per share for 1H2023.

"Based on the forecast and orders received, barring any unforeseen impacts, the group anticipates a high single-digit decline in US dollar revenue for FY2024. The group expects no significant changes in the geographical distribution and the revenue contribution ratio of product groups, even though performance might be affected by factors such as fluctuations in the US dollar, material shortages, and changes in material and labour costs. Nonetheless, the group maintains confidence in sustaining profitability with a strong balance sheet," Uchi said in notes appended with its 1H2024 earnings release on Aug 23.

Uchi's largest shareholder is Ted Kao De-Tsan, a Taiwanese, who holds an 18.74% stake in the company. He is also the founder of the company — which was known as Uchi Electronic Co Ltd then — and is currently the executive director. E

THE EDGE BILLION RINGGIT Club 2024

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

INDUSTRIAL PRODUCTS & SERVICES

Kelington Group Bhd

2 BRC AWARDS OVER THE YEARS

New BRC member benefiting from specialisation

BY ADAM AZIZ

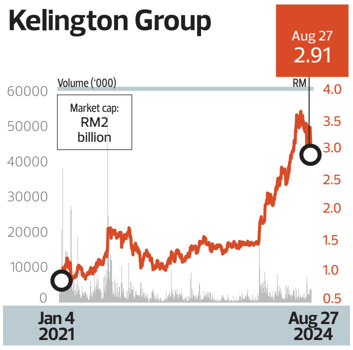
Kelington Group Bhd (KL:KGB) has been reaping the fruits of years of specialisation in the provision of ultra-high purity (UHP) gas and chemical delivery systems which support manufacturing processes in the semiconductor industry. Tailwinds from the chip sector have helped the group's revenue, profit, share price and dividends reach fresh record highs in the last few years.

For typical wafer semiconductor fabrication, UHP gas represents a major material expenditure aside from the silicon itself. In the last financial year ended Dec 31, 2023 (FY2023), Kelington's UHP segment, which sets up and establishes the necessary UHP gas facilities for manufacturers, contributed 62% or RM1.01 billion of its record RM1.6 billion in full-year revenue.

Combined with capacity expansion in its industrial gas segment, Kelington's profit after tax (PAT) hit RM104 million in FY2023, up from RM17.5 million in FY2020 — a remarkable compound annual growth rate (CAGR) of 60.9% over three years.

The stellar performance propelled the 26-year-old company's adjusted share price to a high of RM2.66 at end-March this year, from 92.8 sen on March 31, 2021, which itself represented a CAGR of 42.1% over the three-year period.

The two achievements netted Kelington, whose market capitalisation topped RM1 billion for the first time in December 2023, its first two awards at *The Edge* Billion Ringgit Club (BRC) — for highest returns to shareholders over three years and highest growth in PAT in the last three years in



the industrial products and services sector.

Looking back, Kelington has achieved one milestone after another in recent years, such as attaining a valuation of more than RM1 billion, as well as delivering significant capacity expansion and order book wins.

In 2020, the group's annual order book replenishment rose to a high of RM490 million. That record quadrupled to RM1.85 billion in 2022, reflecting the strong demand that has now driven the group to expand further in Hong Kong and Germany to capture opportunities beyond its key markets of Malaysia, Singapore and China.

Its industrial gas segment has grown rapidly. After running its first carbon dioxide recovery plant in 2019, Kelington developed a new, 70,000tpa (tonnes per annum) liquefied carbon dioxide plant in Kedah just two years later, for a combined operating capacity of 120,000tpa.

The group, which also undertakes process engineering and general contracting, secured

KELINGTON GROUP

a landmark RM420 million contract in 2021 from a world-leading data storage device and solutions specialist.

In line with its improved operations, Kelington's dividend payout has risen from 1.5 sen per share, or RM9.6 million, for FY2021 to a high of four sen per share, or RM26.3 million, for FY2023.

With its order book replenishment already at RM1.3 billion at end-March (70% of its record high replenishment of RM1.85 billion in FY2022), opportunities abound as Kelington sees the semiconductor industry's recovery to continue until 2025, its founding executive chairman and CEO Raymond Gan Hung Keng told *The Edge* in a recent interview.

On the higher margin industrial gas segment, which contributed 7% of revenue in FY2023, Kelington sees "incoming jobs [contributing] up to 50% of group revenue in the next four to five years", according to chief operating officer Steven Ong Weng Leong.

The group seeks to expand its liquefied carbon dioxide capacity in Indonesia on top of bringing the segment to the Philippines as well as entering the gas trading business in India, according to analyst reports.

Analysts covering Kelington share the optimism for the outlook of both its UHP and industrial gas segments, ascribing an average target price of RM3.88 at the time of writing. Since March, the stock had rallied further to a record high of RM3.67 on July 4. It closed at RM2.91 at the time of writing on Aug 27, giving the group a market capitalisation of RM2 billion. E

HIGHEST RETURN ON EQUITY OVER THREE YEARS

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

PLANTATION

United Plantations Bhd

7 BRC AWARDS OVER THE YEARS

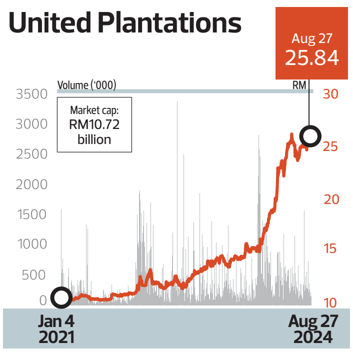
CR award 2016, 2023

In a class of its own

BY JENNY NG

United Plantations Bhd (KL:UTDPLT) (UP) returns as a winner at *The Edge* Billion Ringgit Club (BRC) 2024 corporate awards, clinching awards for highest return on equity (ROE) and highest returns to shareholders over three years in the plantation sector. The award for highest ROE marks its third straight win in the same category. All in, the planter has won seven awards since the BRC's inception in 2010. The seven wins exclude the BRC awards it won for Best Corporate Responsibility (CR) initiatives over the years.

UP continued its winning streak by reg-



istering a new record-breaking net profit for the financial year ended Dec 31, 2023 (FY2023) of RM707.8 million — a 17.63% jump from RM601.7 million in FY2022. In FY2021 and FY2020, net profit came in at RM518.3 million and RM399.5 million respectively. These resulted in a risk-weighted three-year profit after tax compound annual growth rate (CAGR) of 26.2%.

Its strong net profit performance gave UP an adjusted weighted return on equity (ROE) over three years of 22.7% — the highest for the plantation sector during this year's BRC award evaluation period between 2021 and 2023.

Lifted by strong earnings, its (adjusted) share price went from RM11.14 as at end-March 2021 to RM23.98 as at end-March 2024,

reflecting a three-year compound annual growth rate (CAGR) of 29.1% over the BRC awards evaluation period — enough to win the BRC award for highest return to shareholders over three years.

UP's stellar performance in FY2023 was driven by high commodity prices, specifically crude palm oil (CPO) coupled with efforts on the ground to optimise yields by using only its own high-yield planting materials and management practices.

The local delivered CPO price average of RM3,809.50 per metric ton (pmt) in 2023 was down 25.1% from RM5,087.50 in 2022, according to the Malaysian Palm Oil Board (MPOB). In contrast, UP managed to realise an average

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

PLANTATION

Kim Loong Resources Bhd

4 BRC AWARDS OVER THE YEARS

Looking for land to secure future growth

BY SYAFIQAH SALIM

Johor-based oil palm planter and crude palm oil (CPO) miller Kim Loong Resources Bhd (KL:KMLOONG) — which is 62.84%-owned by the Gooi family that also controls property developer Crescendo Corp Bhd (KL:CRESNDO) — has clinched a place on *The Edge* Billion Ringgit Club (BRC) Awards winners' list this year after a five-year hiatus.

Forbes Malaysia lists Kim Loong executive chairman Gooi Seong Lim, who is also chairman and managing director of Crescendo, along with his three younger brothers — managing director Seong Heen and executive directors Seong Chneh and Seong Gum — at No 39 on Malaysia's top 50 rich list and estimates their net worth to be US$535 million as at April 2024. The brothers are also on Crescendo's board.

Thanks to robust average CPO selling prices of RM4,898 per tonne in its financial year ended Jan 31, 2023 (FY2023), Kim Loong's net profit surged to a record high of RM162.3 million, up 18.8% year on year (y-o-y) from RM136.6 million, when its CPO selling prices averaged RM4,488 per tonne. The robust showing is significantly above its net profit of only RM41.1 million in FY2020 and RM94.9 million in FY2021, when its average CPO selling price was RM2,118 and RM2,755 per tonne respectively.

According to *The Edge* BRC awards methodology, the three-year compound annual growth rate (CAGR) of Kim Loong's risk-weighted net profit between FY2020 and FY2023 was a robust 43.6% — beating sectoral peers to clinch for the first time *The Edge* BRC award for the highest growth in profit after tax over three years for the plantation sector.

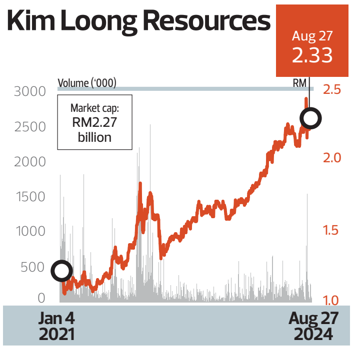
Kim Loong previously won the BRC award for highest return to shareholders over three years in the plantation sector in 2016, 2017 and 2018.

Kim Loong's plantations cover 16,922ha, with 94% fully planted with oil palm. Of the planted area, about 75% consists of mature palms over six years old, 20% are younger palms under six years old, and the remaining 5% are still immature. The group also manages three palm oil mills strategically located near its plantations in Kota Tinggi, Johor, and in Keningau and Telupid, Sabah, with a combined processing capacity of 1.6 million tonnes of fresh fruit bunches (FFB) per year.

To fuel growth, Kim Loong says it is actively seeking new plantation land in Johor, Sabah and Sarawak. The company also plans to establish a new palm oil mill in Sarawak and is currently in the process of obtaining the necessary milling licence.

Its net profit declined 8.9% y-o-y to RM147.75 million in FY2024 even as CPO selling prices averaged lower at RM3,819 per tonne. Labour shortages, changes in biofuel policies and rising operating costs also contributed to the decrease in earnings, though some of the impact was partially offset by a 15% increase in FFB production and improved mill processing margins.

The lower profits notwithstanding, Kim Loong continued to reward shareholders. It declared a dividend of 13 sen per share for FY2024, representing a roughly 86% payout of profits attributable to owners,



although it is lower than the 15 sen per share paid in FY2023 and 14 sen per share paid in FY2022, when CPO prices were much higher.

Still, Kim Loong notes that dividend yields have consistently outperformed conventional bank deposits in the past four years. For FY2024, the implied dividend yield was still a decent 6.37%, based on the closing price at the end of the financial year, even though it was lower than the implied yield of 8.38% in FY2023 and 8.24% in FY2022.

In the first quarter ended April 30, 2024 (1QFY2025), Kim Loong's net profit rose 57% y-o-y to RM49.5 million, from RM31.5 million in 1QFY2024, on the back of a 6% rise in FFB production and a 13% rise in CPO production, with average selling prices up by 2% to 3%.

Kim Loong aims to boost its FFB production in FY2025 at least 5% above the 329,597 tonnes achieved in FY2024, on account of the better age profile of young palms, productive area and on-going replanting programme.

"As part of our plan to achieve long-term sustainability in FFB production, the group has resumed replanting activities since 2023 and targets to replant about 1,000ha per year in the coming years," chairman Seong Lim told shareholders in Kim Loong's 2024 annual report.

"As for the palm oil milling operations, the group targets to achieve a total processing throughput of 1.6 million tonnes of FFB in FY2025. As our biogas plant at Telupid has commenced supply of renewable energy to Sabah Electricity Sdn Bhd's grid since December 2023, we expect this plant to contribute positively to revenue as well as profit from FY2025," he said.

Although the movement of CPO prices has been volatile, Kim Loong expects average prices for FY2025 to be RM4,000 per tonne. "At this price point, the group is expected to continue to perform well in FY2025.

"The management will continue to practise vigilance in monitoring the impact of volatile pricing on our performance and take the necessary measures to mitigate exposure to such risk," Seong Lim said. E

UNITED PLANTATIONS

CPO price of RM4,130 and RM3,792 in FY2023 and FY2022.

UP explained in its 2023 annual report that the higher average CPO price realised was due to forward sales executed during the rally in 2022 for some of its 2023 production.

"Our forward sales policy will usually result in UP achieving a lower average sales price vis-à-vis the MPOB average in a rising market but a higher average sales price in a falling market as seen in 2023," UP chief executive director Datuk Carl Bek-Nielsen explained in the management discussion and analysis section of the annual report.

UP's cost of production (including depreciation and additional bonuses) for its Malaysian estates was lower at RM1,646 pmt of CPO in 2023 compared with RM1,657 in 2022. This was possible despite rising costs thanks to the group's higher yields — a fundamental factor in maintaining a favourable cost structure.

UP is well known to be the market leader in estate and mill management, beating industry averages by far. In 2023, its Malaysian estates registered a fresh fruit bunch (FFB) yield of 28.94 metric tons per hectare (MT/ha) compared with the national average of 15.79MT/ha.

In 2023, UP Group's average oil yield rose to 6.11MT/ha from 5.89 the year before. In fact, its Malaysian estates registered a yield of 6.3MT/ha compared with 6.09MT/ha in 2022, while its Indonesian estates also recorded a higher yield of 5.34MT/ha from 5.10MT/ha in 2022.

For comparison, the Malaysian average oil yield was 3.14MT/ha in 2023, according to MPOB.

At the group level, UP's average oil extraction rate (OER) was 21.82% in 2023; its Malaysian and Indonesian estates achieved an OER of 21.78% and 22.01% respectively. The Malaysian average OER was 19.86%.

UP has a total land bank of 62,513ha located in Malaysia (44,424ha) and Indonesia (18,089ha), in central Kalimantan. Of its total planted areas, 46,227ha (30.9%) have been planted with oil palms and 4,627ha (9.1%) with coconuts. Of the area planted with oil palms, 93.9% are mature.

It has four mills in Malaysia and one in Indonesia.

In 2008, UP became the first Roundtable on Sustainable Palm Oil (RSPO)-certified palm oil producer and its commitment to sustainability was further enhanced by obtaining the Malaysian Sustainable Palm Oil (MSPO) certification in 2018 and the Indonesian Sustainable Palm Oil (ISPO) certification in 2019.

According to its 2023 annual report, UP spent RM34.4 million on replanting 1,772ha of palms and coconuts in its Malaysian estates. Of these, 1,722ha were replanted with oil palms, bringing its total replanted land over the last 10 years to 17,042ha, equivalent to 45% of the total planted area under oil palms.

"This is absolutely necessary if we are to further improve the age profile of our established plantations and, with that, our average yields, which is of special importance in maintaining a favourable cost structure," UP noted in its annual report.

For FY2023, UP paid a total dividend per share of RM1.90, which includes an extraordinary dividend of 40 sen per share. This works out to a yield of 7.48% based on UP's closing price of RM25.40 on Aug 13, which gave it a market capitalisation of RM10.53 billion. E

HIGHEST RETURN ON EQUITY OVER THREE YEARS

PROPERTY (RM3 BIL AND ABOVE MARKET CAPITALISATION)

OSK Holdings Bhd

3 BRC AWARDS OVER THE YEARS

Growing returns in the face of challenges

BY ESTHER LEE

The property market has been hit on multiple fronts, from the increased prices of materials and wages to higher borrowing costs, which also affected homebuyers' ability to purchase houses around the world.

Although classified by the stock exchange under the property sector, OSK Holdings Bhd (KL:OSK) has four other core business segments besides property — construction, hospitality, industries as well as financial services and investment holding — which helped support its earnings over the last few years. In fact, the group's financial services and investment holding segment contributed the majority of the group's profit after tax in the last three financial years. OSK Holdings owns a 10.27% strategic equity investment in RHB Bank Bhd.

During *The Edge* Billion Ringgit Club awards evaluation period, OSK Holdings' return on equity (ROE) stayed consistently above 7% amid challenges — at 7.4% (in FY2021), 7.6% (FY2022) and 7.9% (FY2023) — resulting in a three-year compound annual growth rate (CAGR) ROE of 7.7%.

As such, the property developer with a growing foothold in the private credit space has bagged this year's award for the Highest Return on Equity over Three Years among companies in the property sector with a market capitalisation above RM3 billion.

For the financial year 2023, OSK Holdings' financial services and investment holding segment contributed to the bulk of the group's profit after tax at RM340.67 million, or about 70% of its total net profit of RM467 million. In FY2022, the same segment contributed RM296.62 million (equivalent to 69% of total net profit of RM424.2 million) and RM278.82 million (amounting to 70% of total net profit of RM398.2 million in FY2021).

On the other hand, net profit from the property development segment has remained the second-largest contributor to the group's earnings, although the amount has been declining over the last three financial years.

The property development segment contributed profit after tax of RM95.34 million in FY2023, RM118.39 million in FY2022 and RM136.09 million in FY2021 to total group profits.

From a group perspective, OSK Holdings' net profit grew during the years in review, giving it a three-year CAGR of 13.4% between FY2020 and FY2023.

For the second quarter ended June 30, 2024, OSK Holdings recorded a net profit amounting to RM128.71 million against revenue of RM368.42 million, where net profit was slightly lower by 1.7% and revenue dipped 7.3% from a year earlier. The financial services and investment holding segment contributed the bulk of the pre-tax profit, amounting to RM252.45 million and RM73.021 million respectively, while property development pre-tax profits totalled RM36.63 million for the quarter.

In a research reported dated Aug 28, Hong Leong Investment Bank (HLIB) Research said that OSK Holdings' earnings had come

within expectation, making up 50.3% of its full-year forecast.

HLIB Research said that the group remains on track to see solid growth in FY2024 as it is anticipating a strong 2HFY2024 supported by the property development, cables and capital financing segments.

It added that several of its newer projects in the property development segment should be entering a more advanced stage of construction in the second half of 2024, which should translate into higher billings. As for its cables business, the deliveries of delayed orders from data centres and utility companies should also improve in 2HFY2024.

HLIB Research also anticipates the civil servant and Australia segment loan portfolio of its capital financing business to continue to see healthy growth.

"For FY2025, civil servant financing should be further bolstered by the impending pay hike which raises loan eligibility for civil servants allowing for higher borrowing," it said.

It also believes that its investment in RHB should see improving capital market demand as Malaysia enters a new investment cycle, on account of the voluminous foreign direct investment and expanding domestic investments.

HLIB Research has maintained its "buy" call on OSK Holdings and increased the target price to RM2.47 from RM2.37 previously.

"Our target price remains conservative as it implies an undemanding FY24/25/26 price-earnings ratio of 10.2/9.6/9.1 times," it said.

The research house opined that OSK Holdings is an emerging player in the private credit market, with the segment recording a five-year PBT CAGR of 25.9%.

"Investors who take heed of this development could gain early exposure by investing in the stock as the segment is set to gain higher visibility in the future. Besides, the stock also provides exposure to the growing data centre and solar sector via its cables segment," it added. E

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

PROPERTY (RM3 BIL AND ABOVE MARKET CAPITALISATION)

IGB Bhd

2 BRC AWARDS OVER THE YEARS

Retail business lifts earnings to record high

BY LEE WENG KHUEN

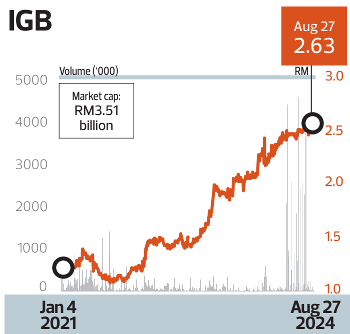
Built on strong foundations laid by pioneers in the real estate sector, IGB Bhd (KL:IGBB) — which controls two locally listed eponymous real estate investment trusts (REITs) whose portfolio includes retail and commercial assets in Mid Valley City — made a comeback on *The Edge* Billion Ringgit Club (BRC) winners list this year.

IGB (which changed its name from Goldis Bhd in March 2018 after the latter privatised IGB Corp Bhd) is currently helmed by group CEO Tan Boon Lee, the youngest son of the late Tan Chin Nam, who co-founded IGB Group (in 1964) and Tan & Tan Developments Bhd (in 1971) with his late brother Datuk Tan Kim Yeow. Boon Lee, brother of IGB chairman Tan Lei Cheng, took over in January 2023 following the retirement of his cousin Datuk Seri Robert Tan Chung Meng (Kim Yeow's son).

With a three-year compound annual growth rate (CAGR) of 111.5% in profit after tax (PAT) during the awards evaluation period of between FY2020 and FY2023, IGB bagged the award for highest growth in PAT over three years among property developers with a market capitalisation of RM3 billion and above.

This is IGB's second BRC trophy following its maiden win in 2019 for the same award. IGB Corp won this award in 2017.

IGB's net profit doubled to a record high of RM311.91 million in FY2023 from RM159.11 million in FY2022, buoyed by the surge in tenant sales in the retail segment as well as a foreign exchange currency gain of RM58.9 million. Its net earnings for FY2020 and FY2021



came in at RM9.25 million and RM161.85 million respectively.

In 1QFY2024, its net profit more than tripled to RM185.34 million from RM56.07 million in the previous corresponding quarter, on the back of a one-off gain of RM108.7 million from the disposal of land owned by a joint-venture company.

In tandem with the surge in its bottom line, IGB's adjusted share price doubled during the period in review, surging from RM1.264 on March 31, 2021, to RM2.45 on March 31, 2024. Last year, the group undertook a one-for-two bonus issue exercise to reward shareholders.

In the retail segment, IGB holds 53.7% of IGB Real Estate Investment Trust (KL:IGBREIT), which owns Mid Valley Megamall and The Gardens Mall in Kuala Lumpur. It also holds 70% of Mid Valley Southkey in Johor.

IGB owns 53% of IGB Commercial REIT (KL:IGBCR), which is Malaysia's largest standalone office REIT. IGB Commercial REIT has seven commercial assets in Mid

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

PROPERTY (RM3 BIL AND ABOVE MARKET CAPITALISATION)

Eco World Development Group Bhd

5 BRC AWARDS OVER THE YEARS

Riding high on demand wave of high-tech facilities

BY KANG SIEW LI

Data centre investments are all the rage these days as demand for artificial intelligence (AI) services escalates. Eco World Development Group Bhd (KL:ECOWLD) is among property developers well positioned to ride the strong wave of demand for data centres, especially in the southern region of Peninsular Malaysia.

In June this year, EcoWorld entered into an agreement to sell 123.14 acres of industrial land located within its business park in Kulai, Johor to Microsoft Payments (Malaysia) Sdn Bhd for RM402.3 million for data centre development.

Pursuant to the sale of the land, EcoWorld in August introduced its fifth revenue pillar dubbed Quantum, which targets ventures in AI, cloud computing, high technology manufacturing and research and development. Its business park in Kulai will be its first business park under this new pillar. Measuring 403.78 acres, it will be anchored by Microsoft.

In an Aug 1 statement to announce its new revenue pillar, Liew Tian Xiong, deputy CEO of EcoWorld, said the group is actively seeking to acquire more suitable sites for Quantum developments.

"This will be in addition to our plans to expand our existing revenue pillars — Eco Townships, Eco Rise, Eco Hubs and Eco Business Parks. With a low net gearing of only 0.24 times as at end-April 2024 and substantial cash coming in from the recent industrial land sale to Microsoft and other upcoming sales in the pipeline, the group is very well positioned to take advantage of any suitable opportunity that may arise to grow our business strongly going forward," he added.

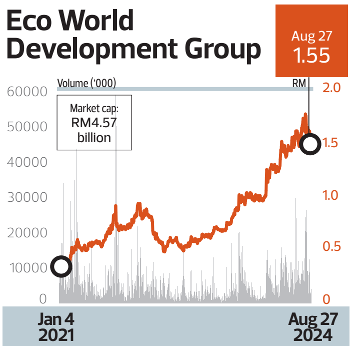
EcoWorld's latest financial report shows it is on track to meet its sales target of RM3.5 billion for the financial year ending Oct 31, 2024 (FY2024). It reported sales of RM2.18 billion in 7MFY2024, representing 62% of its FY2024 sales target. It achieved sales of RM3.61 billion in FY2023.

For 7MFY2024, township projects remained its top sales contributor at 39%, followed by high-rise residential projects at 31%, business parks (19%) and commercial projects (11%).

EcoWorld achieved a risk-weighted three-year profit after tax compound annual growth rate (CAGR) of 4.6% over *The Edge* Billion Ringgit Club (BRC) award review period. It reported a 20% increase in net profit to RM189.3 million for FY2023, from RM157.2 million in FY2022, mainly due to land sales and higher contribution from its Malaysian joint ventures. It made a net profit of RM182.7 million for FY2021 and RM160.2 million for FY2020.

EcoWorld's weighted return on equity (ROE) stood at 3.9% in FY2021, slipping to 3.3% in FY2022 before climbing back to 4.0% in FY2023. This brought the group's adjusted weighted average ROE over three years to 3.8%, according to the awards methodology.

The group started paying dividends to its shareholders in FY2020, with dividend per share steadily increasing every year from two sen per share in FY2020 to four sen per share in FY2021, five sen per share in FY2022 and six sen per share in FY2023.



During this year's award evaluation period between March 31, 2021 and March 31, 2024, EcoWorld saw its adjusted share price rally from 51.2 sen at end-March 2021 to 85.9 sen a year later. However, it fell to 69.1 sen by March 2023, before surging 117% to RM1.50 as at March 31 this year. This brought its market capitalisation to RM4.4 billion.

The share price gains from March 2021 to March 2024 translated into an adjusted return of 43.1%, making EcoWorld the winner of the Highest Returns to Shareholders Over Three Years award in the property sector (RM3 billion and above market capitalisation).

EcoWorld previously won the same BRC sectoral award in 2014, 2015 and 2016 and took home the BRC award for Highest Returns in Profit After Tax Over Three Years (RM3 billion and below market capitalisation) in 2022 when its market capitalisation was below RM3 billion.

EcoWorld's share price has continued to rise since March, bringing its one-year gain to 45% based on Aug 27's closing price of RM1.55, which valued the group at RM4.6 billion.

In an Aug 2 report, MIDF Research says the set-up of the Quantum pillar is expected to be positive for EcoWorld in the medium term as the segment is anticipated to ride the growing demand for high technology facilities in the country such as data centres. "Overall, the setting up of [the] Quantum pillar is expected to grow the earnings contribution from EcoWorld's industrial property segment."

The research firm also says its earnings outlook for EcoWorld remains stable, with steady new property sales largely driven by its township projects.

MIDF Research has maintained its "neutral" call on EcoWorld, with a revised target price of RM1.79 from RM1.63 previously as it has narrowed its revised net asset value discount to 23% from 30% in view of better earnings visibility for the group's industrial property division. E

Valley City and three in Kuala Lumpur.

Overall, IGB has a presence across Asia, Australia, the US and the UK. Apart from retail, construction and hospitality, it is also involved in education, assisted living, co-living and water treatment.

Despite the stellar financial performance, PublicInvest Research — the only research house that covers IGB — has an "underperform" call on the group, with a target price of RM2. This is 24% below its closing price of RM2.63 on Aug 27.

In a May 29 note, the research house said the target price was pegged at a 40% discount to the group's net tangible assets (NTA), or a 10-year discount to its price-to-book value (PB). At end-March 2024, its NTA per share stood at RM3.1091 while its PB was 0.84 times.

Nevertheless, PublicInvest Research upgraded IGB's FY2024 net profit forecast by about 37% to account for its bumper gain from a land sale.

Including a special dividend of two sen, IGB paid a higher dividend of seven sen per share for FY2023, from the five sen per share declared for FY2022. However, the payout was still lower than the 15 sen per share for FY2021.

Commenting on its outlook when releasing its 1QFY2024 financial results, IGB said: "The key challenge to the group's retail segment is the rising cost of living. Inflationary pressures have affected consumer spending.

"As for the group's property investment-commercial segment, the increased business activities underpinned by improving market conditions suggested that the office market in the Klang Valley pointed to a stable and modest recovery. With sustainable demand for office space, the group continues to offer a wide range of flexible solutions to accommodate shifts in market dynamics in the commercial segment."

Meanwhile, the group is of the view that the outlook for the property development sector remains favourable despite challenges such as access to credit, affordability and inflation that are likely to persist in 2024.

The Tan family collectively holds a 55.16% stake in IGB through three private vehicles, namely Tan Chin Nam Sdn Bhd (29.11%), Wah Seong Malaya Trading Co Sdn Bhd (16.03%) and Tan Kim Yeow Sdn Bhd (10.02%). E

ZAHID IZZANI/THE EDGE

HIGHEST RETURN ON EQUITY OVER THREE YEARS

PROPERTY (BELOW RM3 BIL MARKET CAPITALISATION)

Matrix Concepts Holdings Bhd

9 BRC AWARDS OVER THE YEARS

Deepening roots in Seremban and expanding beyond home ground

BY JUSTIN LIM

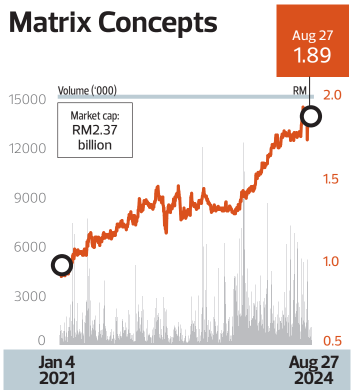
Matrix Concepts Holdings Bhd (KL:MATRIX) has again proven its mettle in the competitive local property market. Despite elevated interest rates, the property developer's steady financial performance and consistent dividend payouts attest to its resilience and commitment to shareholders.

A familiar name on *The Edge* Billion Ringgit Club's (BRC) winners list, Matrix Concepts has for every year, except in 2023, beaten its sectoral peers to take home the award for highest return on equity (ROE) over three years for property companies below RM3 billion market capitalisation. This is its seventh win since its first in 2017 in the ROE category and ninth including BRC awards for highest returns to shareholders over three years in 2019 and highest growth in profit after tax (PAT) over three years in 2021.

Over this year's award evaluation period, its ROE had trended lower from 15.4% in 2021 to 11% in 2022 and 10.6% in 2023. Its three-year adjusted weighted ROE of 11.7% per annum came in above its peers.

A quick check of Matrix Concepts' 2024 annual report shows that its shareholders' equity increased from RM1.6 billion in the financial year ended March 31, 2020 (FY2020) to RM1.8 billion in FY2021 and RM1.91 billion in FY2022. It further grew to RM2 billion in FY2023 and RM2.14 billion in FY2024.

The group posted a PAT of RM205.2 million in FY2022, down from RM262.22 million in FY2021. Its earnings inched higher to RM207.22 million in FY2023 as revenue grew 24.7% year on year (y-o-y) to RM1.11 billion from RM892.4 million previously. In FY2024, Matrix Concepts's PAT further increased to RM244.3 million on revenue of RM1.34 billion — its highest since listing on Bursa Malaysia in 2013.



Since listing on Bursa Malaysia in 2013, Matrix Concepts has consistently paid dividends to its shareholders. Over the past three years, the group paid dividends of 12.5 sen per share in FY2022, 8.25 sen per share in FY2023 and 10 sen per share in FY2024. In FY2022, the group completed a one-for-two bonus issue.

Established in 1996, Matrix Concepts

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

PROPERTY (BELOW RM3 BIL MARKET CAPITALISATION)

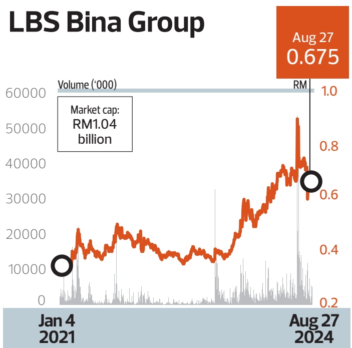
LBS Bina Group Bhd

2 BRC AWARDS OVER THE YEARS

Zeroing in on real market demand

BY JUSTIN LIM

A tighter monetary policy environment and higher cost of living have weighed on private consumption. Nevertheless, niche real estate developer and manager LBS Bina Group Bhd (KL:LBS) managed to deliver decent earnings growth, which helped lift its share price in the first half of the year.



LOW YEN YEING/THE EDGE

While its valuation had slipped below RM1 billion at the time of writing, LBS Bina's market capitalisation was more than RM1 billion as at end-March 2024, being the cut-off date for membership of *The Edge* Billion Ringgit Club (BRC).

LBS Bina's earnings have been growing steadily since the trough during the Covid-19 pandemic, when revenue fell 17.3% from RM1.33 billion in FY2019 to RM1.1 billion in FY2020. Its top line surpassed pre-pandemic levels at RM1.37 billion in FY2021, and further grew thereafter to RM1.72 billion in FY2022 and RM1.83 billion in FY2023.

Earnings-wise, LBS Bina's net profit grew from RM43.7 million in FY2020 to RM95.6 million in FY2021, RM128.5 million in FY2022 and RM141 million in FY2023. That brings the risk-weighted three-year profit after tax (PAT) compound annual growth rate (CAGR) between FY2020 and FY2023 to 35.8%, according to the awards methodology. This bagged LBS Bina the award for highest growth in profit after tax over three years among property companies with a market capitalisation of below RM3 billion.

While this marks the first time the group has won in the PAT category, LBS Bina is no stranger to BRC recognition, having secured the award for highest returns to shareholders over three years among similarly sized property companies in 2018.

Last year, the group took home the award for highest PAT growth over three years for the property sector at *The Edge Malaysia* Centurion Club Corporate Awards 2023, which recognise top-performing public-listed companies with a market cap under RM1 billion. Its market cap stood at RM885.5 million at end-2023, up from RM652 million at end-2022.

"The year 2023 proved to be challenging, but one in which LBS Bina has continued to register notable progress. Amid the many headwinds faced in what was a year of moderating economic growth, we continued to leverage our existing business strengths, while increasingly embracing new ideas to ensure the relevance and competitiveness of our business model, and to capitalise on new opportunities," LBS Bina group executive chairman Tan Sri Lim Hock San says in its 2023 annual report.

The property sector shrugged off the effects of rising costs and weaker consumer spending to register a continued upward trend, as evidenced in the rise of value of property transactions, though overall volume of transactions moved sideways, Lim says, noting that market demand was driven mainly by first-time homeowners and owner-occupiers in 2023.

"LBS Bina continued to focus on meeting real market demand, typified in its launch of 10 new projects to market, with a cumulative gross development value (GDV) of RM2.33 billion. By focusing on our core development values of affordability, connectivity and community, our launched products continued to see strong market traction, reflected in an upbeat sales performance," he says.

For the first half of FY2024 ended June 30 (1HFY2024), the group saw its unaudited net profit rise marginally by 2.62% year on year to RM65.2 million, from RM63.5 million, on the back of a 2.46% y-o-y increase in revenue to RM770.13 million, from RM751.65 million previously. The better earnings were mainly boosted by the stronger property development and hotel segments, offsetting weaker performance in the construction and trading as well as management and investment.

LBS Bina said it had secured total property sales of RM794 million on the back of RM293 million in bookings as at Aug 21, 2024. Total unbilled sales amounted to RM1.71 billion, while its total land bank stood at 2,686 acres. The Klang Valley remains its biggest market, with 91% of property sales achieved in the region.

In an August report, RHB Research

launched its maiden project at Taman Bahau in Negeri Sembilan and expanded its footprint to Johor and Kuala Lumpur. The group has since extended its presence beyond Malaysia, with development footprints in Melbourne, Australia, and Jakarta, Indonesia.

For FY2024, Matrix Concepts recorded property sales of RM1.25 billion, up 4.2 % y-o-y, compared with RM1.2 billion in FY2023. The sales achieved, however, was marginally below the group's internal target of RM1.3 billion. Unbilled sales achieved for FY2024 of RM1.28 billion — while 11% lower than the RM1.44 billion in FY2023 — provide substantial earnings visibility for the next 15 to 18 months.

As at FY2024, the group's total land bank stands at 2,032 acres, which it says is adequate for development over two decades.

For the first quarter ended June 30, 2024 (1QFY2025), Matrix Concepts' net profit fell 6.1% y-o-y to RM60.7 million from RM64.6 million previously on the back of a 15.6% decline in revenue to RM279.7 million.

PublicInvest Research, in a note dated Aug 23, said Matrix Concepts was within its and consensus expectations, coming in at 24% and 23% of full-year estimates respectively. "The slower start to the new financial year is attributed to lower revenue contribution from the property development segment, as revenue recognition from its flagship Sendayan Developments reduced 16.6% y-o-y to RM250.3 million," the research house said, but noted that the group's "sales momentum remained good, with pre-sales secured amounting to RM321.4 million or 25% of FY2025's sales target of RM1.3 billion. Unbilled sales stood at RM1.59 billion".

Maintaining a "neutral" call and unchanged target price of RM1.80, PublicInvest also noted that Matrix Concepts' FY2025 launch targets of RM1.65 billion largely include new phases within its flagship Sendayan Developments in Seremban, Negeri Sembilan. Flagging that the stock offered an attractive dividend yield of about 5%, the research firm maintained its earnings forecasts of RM251.7 million for FY2025, RM243.7 million for FY2026 and RM243.1 million for FY2027.

RHB Research, meanwhile, in a note dated Aug 23, maintained a "buy" recommendation and RM2.15 target price. Forecasting a dividend per share of 11 sen in FY2025 and FY2026, higher than 10 sen in FY2024, RHB noted that Matrix Concepts is in a net cash position but expects net gearing to increase to 0.1 times in 3QFY2025 due to additional borrowings. It expects impact on earnings to be negligible as interest expense will be capitalised.

Like 1Q2024, Matrix Concepts declared a first interim dividend of 2.5 sen for 1Q2025. The research house expects the group to deliver an annual net profit of RM251 million for FY2025, and further grow to RM261 million for FY2026 and RM274 million for FY2027.

In notes accompanying its 1QFY2025 earnings, Matrix Concepts said its acquisition of 1,382 acres of land within the Malaysia Vision Valley development corridor, followed by a new land development agreement with master developer NS Corp in June 2024 for a 1,000-acre prime land, "will enable the group to meet the thriving housing demand in Seremban and capture the spillover effect from the Klang Valley market". "The close proximity of the new land to the anticipated revival of the High-Speed Railway (HSR) project further augments growth prospects," Matrix Concepts said.

"Beyond property development, the group is actively enhancing its other business units, including the healthcare, education and hospitality divisions ... Since the third quarter of FY2024, the group enjoys healthy contributions from its healthcare unit. This income stream is expected to strengthen due to an anticipated increase in patient beds over the next 12 months," Matrix Concepts added, noting that efforts to diversify revenue streams will contribute to its long-term sustainability and growth. E

says LBS Bina's 1HFY2024 earnings are "broadly in line with expectations", accounting for 47% of the research house's full-year forecast and 45% of street's estimates.

With year-to-date sales in August 2024 at only RM794 million and bookings at RM293 million, however, the research firm is mindful that the group could still miss its sales target of RM1.8 billion for the second consecutive year.

"Having said that, on top of the RM1.6 billion launched year to date, LBS Bina is planning to launch a further RM1.4 billion later this year, which should underpin sales in 2H2024," the research house adds.

In the report, RHB Research expects LBS Bina to see a 4% decline in earnings in FY2025 and FY2026 on lower sales assumptions. It anticipates the group to deliver annual earnings of RM144 million in FY2025 and RM152 million in FY2026. Overall, RHB Research kept its "neutral" call but cut its target price to 72 sen, from 93 sen previously.

Of the analysts that tracked LBS Bina at the time of writing, only one had a "buy" call and the remaining two had a "hold" or "neutral" call, with target prices averaging at 90 sen. E

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

PROPERTY (BELOW RM3 BIL MARKET CAPITALISATION)

Ideal Capital Bhd

2
BRC AWARDS OVER THE YEARS

Remarkable share price gains

BY CHERYL POO

Ideal Capital Bhd (KL:IDEAL) has witnessed a phenomenal 251% rise in its share price in the past three years. From 94 sen on March 31, 2021, the share price climbed 43% to RM1.34 one year on, subsequently rising 62% to RM2.17 on March 31, 2023, and then a further 52% to RM3.30 on March 31, 2024.

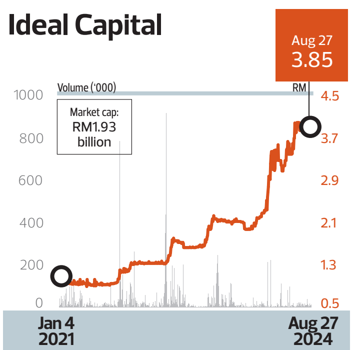
Investors who had bought 100,000 units of the Penang-headquartered property developer's shares at RM94,500 as at end-March 2021 would have raked in a handsome gain of RM235,500 had they taken profit as at end-March this year, according to Bloomberg data.

Based on *The Edge* Billion Ringgit Club (BRC) awards methodology, the three-year compound annual growth rate (CAGR) of Ideal Capital's total shareholder return for the period between March 31, 2021, and March 31, 2024, comes in at 52% per year on average.

This puts it heads and shoulders above peers, giving Ideal Capital its second consecutive win of the BRC award for highest return to shareholders over three years among property companies with below RM3 billion market capitalisation.

With the stock up 28% year to date as it closed at RM3.85 on Aug 27, the company may well stand a chance again next year if the uptrend continues.

According to the group's 2023 annual report, Ideal Capital returned to the black with a net profit of RM55.2 million for the financial year ended Dec 31, 2021 (FY2021). This is compared to a net loss of RM65.8 million in FY2020, which in turn was a steep fall from a



net profit of RM87.86 million in FY2019 prior to the Covid-19 pandemic. The group's net profit came in at RM33.4 million in FY2022 and more than doubled to RM66.8 million in FY2023.

In its 2023 annual report, the group attributed its performance to "active construction of affordable homes of Ideal Residency, Havana Beach Residences, Ideal Venice Residency and Lucerne Residences for the year 2023 with considerable progress made". It added that Penang Industrial Park @ Bertam, which has a gross development value of RM4.2 billion, also contributed to the bottom line of the group in that financial year and would continue to be a main revenue contributor this year.

For the first half ended June 30, 2024 (1H2024), Ideal Capital's net profit more than doubled to RM45.5 million from RM18.8 million in 1H2023 on the back of a 31% year-on-year gain in revenue to RM324.4 million. The group attributed higher earnings to the selling and development of the Penang Technology Park @ Bertam industrial plots as well as steady construction of ongoing projects. Its latest project, Maldives Residences, commenced construction in the second quarter while 1st Avenue Mall recorded total rental income of RM3.75 million in 2Q2024.

Commenting on its prospects, Ideal Capital expects the property development sector "to contribute further to the revenue and profit" for FY2024 with the steady progress of Ideal Residency, Havana Beach Residences, Ideal Venice, Lucerne Residences and Maldives Residences.

"The group has embarked on the selling of industrial lands during the last financial year and this will further contribute to the growth and performance of the group in the near future," Ideal Capital added in notes accompanying its 1H2024 earnings.

Ideal Capital (formerly known as Ideal United Bintang International Bhd) is the public vehicle of "Penang Condo King" Tan Sri Alex Ooi Kee Liang, who is executive chairman and controls a stake of around 65% with his wife, executive director Puan Sri Phor Li Wei, through their private vehicle ICT Innotech Sdn Bhd. E

HIGHEST RETURN ON EQUITY OVER THREE YEARS

REIT

IGB REIT

13 BRC AWARDS OVER THE YEARS

A sterling performer

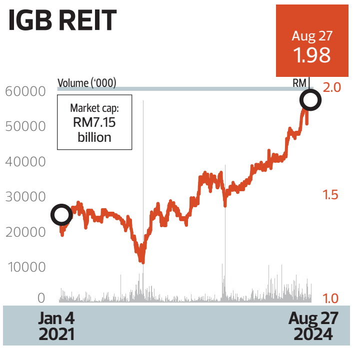
BY CHERYL POO

IGB Real Estate Investment Trust (KL:IGBREIT) has become a familiar presence at *The Edge* Billion Ringgit Club (BRC) awards, having been on the winners list for the past nine years. Its inaugural win at BRC was for the highest growth in profit over three years in 2016, an award it continued to win in 2017 and 2018.

For the seventh consecutive year, IGB REIT has clinched the accolade for the highest return on equity (ROE) over three years in the REIT sector. IGB REIT outshone its peers during the awards review period, recording a three-year adjusted weighted ROE of 8.9% per annum. This came as its ROE improved from 5.8% in 2021 to 9.4% in 2022 and 9.8% in 2023.

The trust's total unitholder returns over three years averaged at 6.3% per year, even as its adjusted unit price went from RM1.43 as at March 31, 2021 to RM1.74 as at March 31, 2024.

IGB REIT's portfolio comprises prime retail centres Mid Valley Megamall (MVM) and The Gardens Mall (TGM) in the Klang Valley, both of which had a combined market value of RM5.5 billion as at end-December 2023. MVM and TGM, with high occupancy rates of 99.9% and 94.8% respectively, offer a strong value proposition to its tenants and patrons as its business plans ensure continual streams of crowds flock to its premises.



It is noteworthy that MVM's net property income (NPI), at RM321.7 million in FY2023 on revenue of RM416.9 million, outdid its performance prior to the pandemic in FY2019 (NPI: RM294.9 million, revenue: RM386.9 million). Similarly, TGM drew a higher NPI of RM126.2 million in FY2023 than RM103.9 million.

According to the awards methodology, IGB REIT's distributable income grew at a risk-weighted three-year compounded average of 11.3% per year from RM259.8 million in FY2020 to RM385.8 million in FY2023.

For the first half ended June 30, 2024 (1H2024), the retail trust's distributable income came in at RM204.05 million, up 7.3% from RM190.19 million in 1H2023.

Based on the REIT's 2023 annual report, MVM and TGM had rental rates ranging from RM15 to RM80 per sq ft (psf) and RM17 to RM40 psf, respectively. These are among the higher rates of retail malls further out from prime locations in the Kuala Lumpur Golden Triangle such as Suria KLCC, which commands square footage rental rates of RM35 to RM206.

IGB REIT's NPI, which stood at RM259.8 million in FY2020, nearly doubled to RM385.8 million in FY2023. Those were tumultuous years as the nation struggled to regain its footing in the aftermath of the Covid-19 pandemic while facing other economic and geopolitical challenges. Notably, the property sector, together with its retail and commercial subsectors, faced its own demons amid tremendous shifts in consumption and working behaviour.

Unitholders who stood by IGB REIT during those difficult years were rewarded with distribution per unit payouts — FY2020: 6.75 sen, FY2021: 6.03 sen, FY2022: 9.86 sen and FY2023: 10.47 sen — with distribution yields ranging

ZAHID IZZANI/THE EDGE

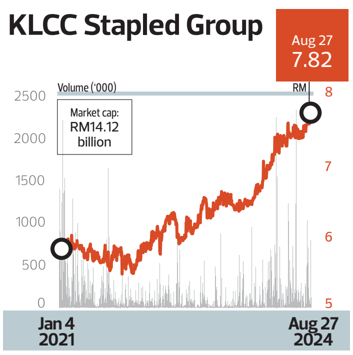
HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

REIT

KLCCP Stapled Group

6 BRC AWARDS OVER THE YEARS

BRC comeback adds another feather in its cap



BY EMIR ZAINUL

The iconic Petronas Twin Towers continue to deliver stable premium rental rates, backed by triple net leases and long-term leases, to its owner the KLCCP Stapled Group (KL:KLCC), which secured *The Edge* Billion Ringgit Club (BRC) 2024 highest growth in profit after tax (PAT) over three years among real estate investment trusts (REITs).

Comprising KLCC Property Holdings Bhd and KLCC REIT, the stapled securities saw distributable income grow 18.9% to RM931.3 million in the financial year ended Dec 31, 2023 (FY2023) from RM782.7 million in FY2022. Year-on-year (y-o-y) growth in FY2022 was even higher at 87.8% from RM495.9 million in FY2021, which in turn grew 14.7% y-o-y from RM432.2 million in FY2020.

According to the awards methodology, this brings its risk-weighted three-year compound annual growth rate for its PAT to 36.5%, the highest among its peers. Even though KLCCP is not a first-time BRC winner, this is its first win under the PAT category. Its previous wins were in 2016 to 2018, under the highest return on equity over three years category.

The group attributed commendable growth in FY2023 to improvement in the hotel and retail segments, while its office segment remained stable with 100% occupancy rates. Reflecting the stellar financial results, the group celebrated its 10th anniversary last year by approving four interim dividends totalling 40.5 sen per stapled security for FY2023, 6.6% higher than the previous year's distribution of 38 sen.

This translated to a full-year dividend payout of RM731.2 million compared with RM686 million in FY2022, which is also the highest dividend payout since its listing as a stapled security in 2013.

The strong performance continued this year, with distributable income for the first half ended June 30, 2024 (1H2024) coming in at RM379.1 million compared with RM361.4 million in 1H2023. Dividend per stapled security was 18.2 sen in 1H2024 compared with 17.3 sen in 1H2023.

As at Dec 31, 2023, its portfolio of assets — comprising seven properties — was valued at RM16 billion, making it the largest REIT in the country.

Beyond the Petronas Twin Towers, the stapled structure's portfolio consists of several notable buildings that make up the Kuala Lumpur City Centre development, such as Menara ExxonMobil, Menara 3 Petronas, Suria KLCC, Mandarin Oriental Kuala Lumpur, Kompleks Dayabumi and Menara Maxis.

KLCC REIT is currently an office-focused REIT with 93% of the revenue contributed by its office segment comprising the Petronas Twin Towers, Menara ExxonMobil and Menara 3 Petronas. The three investment properties generated net property income (NPI) of RM521.6 million on the back of revenue of RM541.9 million in FY2023.

The twin towers remain the REIT's highest revenue contributor at 69% and contributed 72.9% of the total NPI.

The triple net lease for the twin towers and Menara 3 Petronas act as a shield for KLCC REIT in the face of soft market conditions. In these arrangements, all property expenses and outgoings are borne by the tenants, thereby limiting the impact on earnings. These leases, contributing to 91% of the office segment, provide a steady income stream for the REIT, further bolstered by their full occupancy.

Never one to rest on its laurels, the group boldly declared that it is actively pursuing expansion of its investment portfolio and is open to exploring new opportunities overseas from 2024 onwards.

While the location has not been determined, group CEO Datuk Md Shah Mahmood had said in April that KLCCP is seeking mature assets "with good yield".

"For the REIT, it's going to be very stringent in terms of the requirement and the criteria of the asset that we want to invest in," he said in a press conference following the group's annual general meeting.

between 3.65% and 6.09% in those years.

In notes appended to its 1H2024 results, IGB REIT said the escalating cost of living affecting consumers remains the primary challenge for Malaysia's retail sector while acknowledging that the hike in the service tax rate on goods and services from 6% to 8% had affected retail expenditure.

"New policies on the fuel subsidy rationalisation and e-invoicing are also expected to have an inflationary impact on retailers from higher input costs. Targeted subsidies may provide some support to consumer sentiment, but they will most likely have a negative impact on the retail sector. Notwithstanding the above, the combination of wage growth policy, the Employees Provident Fund's flexible account and Rahmah cash assistance could still set a more favourable stage for sustainable growth in retail spending during the latter half of 2024. The manager remains cautious on retail sales growth, which would affect tenants' performances at shopping malls and the financial performance of IGB REIT. Nonetheless, IGB REIT remains committed to bringing about long-term value to its stakeholders," IGB REIT said. E

There is "increasing urgency for us to expand and diversify our business to maintain our leadership and relevance in a rapidly changing landscape", KLCCP stated in its annual report.

Nevertheless, Md Shah is optimistic that the prospects for 2024 remain positive, as the group looks to continue to leverage its assets, long-term and triple net lease arrangements, underpinned by the solid footing of the retail and hotel segments.

"We are optimistic that the upswing will continue, particularly in the retail and hotel segments. Our customer-focused strategy, together with growth in tourism and Mice (meeting, incentive, conference and exhibition) activities, will strategically position us to synergise efforts and enhance our competitive advantage towards future business sustainability," he said.

In notes accompanying its 1H2024 results, KLCCP directors said they "remain positive on the outlook of the group's performance, supported by its strategic assets, brand names and continued efforts in cost optimisation". E

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

REIT

YTL Hospitality REIT

2 BRC AWARDS OVER THE YEARS

A strong return post-pandemic

BY CHERYL POO

Making a strong comeback post-pandemic, YTL Hospitality Real Estate Investment Trust (KL:YTLREIT) is once again among the winners of *The Edge* Billion Ringgit Club awards. This is its second BRC win after garnering the same award in 2019.

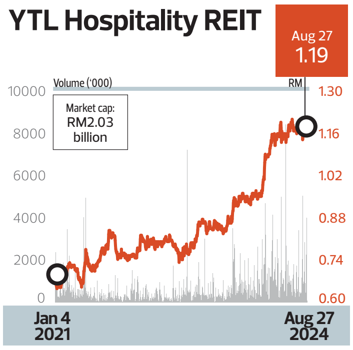
With the hospitality sector among the hardest hit by the Covid-19 pandemic, the return of international travellers is a boon to the tourism industry, benefiting YTL REIT — the only listed trust on Bursa Malaysia that invests specifically in hotel and hospitality assets in the region.

Generous with dividends, the trust dished out distributions per unit (DPUs) of 7.8683 sen in FY2018, 7.8711 sen in FY2019 and 6.7115 sen in FY2020. Reflecting the tough times during the pandemic, DPU dipped to 4.1636 in FY2021 and 3.955 sen in FY2022, which still represented about 90% of total distributable income. DPU came close to pre-pandemic levels at 7.4433 sen in FY2023.

YTL REIT's adjusted unit price rose from 72.6 sen as at end-March 2021 to 83.3 sen as at end-March 2022 and 87.3 sen as at end-March 2023. From there, it gained 37.5% year on year to RM1.20 as at end-March 2024. This brought the three-year compound annual growth rate (CAGR) of its total shareholder return to 18.3% per year during the BRC awards evaluation period between end-March 2021 and end-March 2024.

Return on equity (ROE), which was at low single-digits of 2.7% in FY2021 and 2.26% in FY2022, improved to 4.5% in FY2023, bringing about an adjusted weighted ROE over three years of 3.6%.

This came even as its net property income grew 6.8% from RM235.2 million in FY2020 to RM251.3 million in FY2023 while distributable income improved from RM114.4 million in FY2020 to RM126.9 million in FY2023.



However, given that net property income had sunk to RM71 million in FY2021 and RM67.4 million in FY2022, YTL REIT registered a negative risk-weighted three-year profit after tax CAGR, according to the BRC awards methodology.

YTL REIT was listed in December 2005 on the Main Market of Bursa Malaysia under the name Starhill Real Estate Investment Trust and comprised prime properties in the Golden Triangle of Kuala Lumpur such as the JW Marriott Hotel Kuala Lumpur, Starhill Gallery and parcels in Lot 10 Shopping Centre.

In 2009, the trust embarked on a rationalisation exercise to reposition itself as a pure-play hospitality REIT, focusing on building a class of hotel and hospitality-related assets. The first stage of the exercise was completed in June 2010 and involved disposing of the REIT's retail properties (Starhill Gallery and parcels in Lot 10 Shopping Centre) to Starhill Global Real Estate Investment Trust in Singapore.

YTL REIT subsequently acquired nine additional hotel properties in November and December 2011: the Pangkor Laut Resort, offshore Perak; Tanjong Jara Resort in Terengganu; Cameron Highlands resorts; The Ritz-Carlton Kuala Lumpur — Hotel Wing; the rest of The Ritz-Carlton, Kuala Lumpur — Suite Wing; the AC hotels in Kuala Lumpur, Penang and Kuantan; and Hilton Niseko Village in Japan.

The REIT's international portfolio was further fortified with the acquisitions of the Sydney Harbour, Brisbane and Melbourne Marriott hotels in Australia in November 2012.

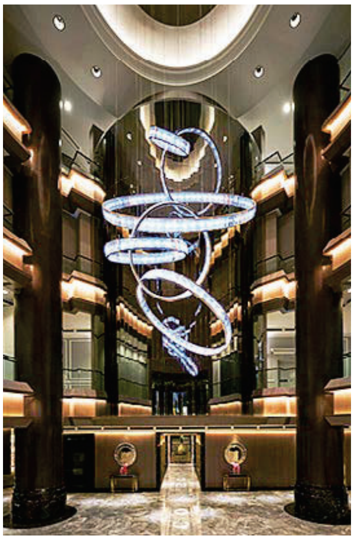
For the financial year ended June 30, 2024 (FY2024), net profit income rose to RM146.05 million, from RM138.7 million in FY2023, on improved performance in its hotel and property rental segments.

"The realisation of the final deferred rental pursuant to the rental deferral programme upon expiry of JW Marriott Hotel's lease agreement in December 2023 contributed substantially" to the 16.9% increase in total distributable income to RM148.3 million in FY2024 from RM126.9 million in FY2023.

Elaborating on its prospects in notes to its unaudited FY2024 results, the manager of YTL REIT said: "With the return to normalcy in the jurisdictions where the group operates, coupled with [the US Federal Reserve's] softening approach in interest rate hikes, the hospitality industry is expected to maintain a relatively positive outlook amid risks of geopolitical uncertainty and other economic challenges.

"The group is continuously taking steps to proactively manage the business and take necessary actions to protect its long-term business prospects and deliver sound performance. Notwithstanding the short-term challenges, [we] remain confident of the long-term prospects of the hospitality sector." E

YTL HOSPITALITY REIT


JW Marriott Hotel Kuala Lumpur


Pangkor Laut Resort


Melbourne Marriott Hotel

HIGHEST RETURN ON EQUITY OVER THREE YEARS

TECHNOLOGY

Greatech Technology Bhd

2 BRC AWARDS OVER THE YEARS

Beneficiary of global pivot towards climate goals

BY JOHN LAI

Greatech Technology Bhd (KL:GREATEC) clinched *The Edge* Billion Ringgit Club (BRC) award for the highest return on equity (ROE) over three years in the technology sector this year, a back-to-back win after taking home its first BRC award last year.

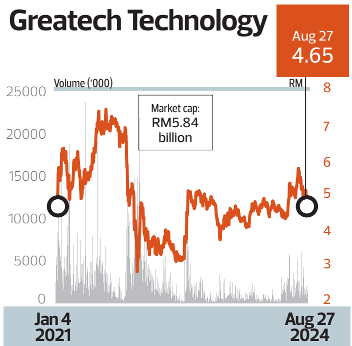
During the BRC awards evaluation period (between FY2020 and FY2023), Greatech's weighted ROE averaged 27.2%. This was the highest in the technology sector, attesting to the company's ability to make good use of its shareholders' capital to generate exceptional earnings.

From FY2020 to FY2023, the systems integrator specialist in industrial automation for the solar and electric vehicle (EV) industries saw its total revenue jump about 2.5 times to RM658.75 million in 2023 from RM261.13 million in 2020, boosted by its key solar customers which went through a large-scale capital investment programme at the end of 2021.

Coming a long way in just five years, Greatech's market capitalisation has soared 16.6 times to RM6.35 billion from just RM382 million when it listed on the ACE Market in June 2019.

It is worth noting that two of Greatech's key customers are based in the US and made up about 75% of its total revenue in FY2023.

Greatech's ability to manoeuvre its manpower to focus on its key customers' imminent capital expenditure plans, coupled with its competitive cost structure that enabled strong pricing advantages, has allowed the company to enjoy industry-leading operating margins of 25% to 37% in previous years, during which its profit after tax rose 1.76



times to RM154.36 million in FY2023 from RM87.85 million in FY2020. On top of the strong operating momentum, the company also has little borrowings.

Greatech envisions promising long-term growth prospects, propelled by ambitious climate targets and widespread decarbonisation initiatives led by the US and other governments around the world.

"As the world increasingly embraces sustainability, the group is strategically positioned to contribute to and capitalise on the evolving landscape of renewable energy. The group's production line systems (PLS) play a pivotal role in reducing the costs associated with generating renewable energy," the company said in its 2023 annual report.

According to the minutes of its recent general meeting, Greatech's management highlighted that the recent US-China tariff hikes will be advantageous to the company, especially in the EV and solar industries, and may allow the company to seize more opportunities. Its CEO is confident about

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

TECHNOLOGY

Inari Amertron Bhd

5 BRC AWARDS OVER THE YEARS

Riding the advanced technologies wave

BY LIEW JIA TENG

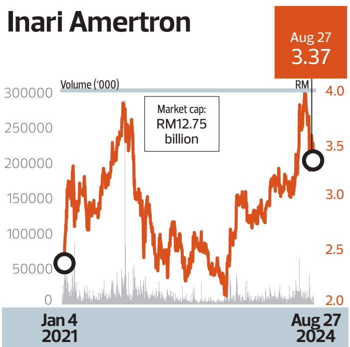
The rising adoption of advanced technologies such as the Internet of Things (IoT), artificial intelligence (AI) and fifth generation (5G) has significantly increased demand for cutting-edge semiconductors.

Inari Amertron Bhd (KL:INARI), the country's largest outsourced semiconductor assembly and test (OSAT) player, has strategically positioned itself to support this technological proliferation through its advanced engineering capabilities.

The one-stop turnkey services provider specialises in 5G Radio Frequency (RF) packages, fibre-optic transceivers for cloud-connected data centres, and power modules for automotive and industrial electronics.

Riding the semiconductor boom that started since the Covid-19 pandemic, Inari saw its net profit more than double from RM155.8 million in the financial year ended June 30, 2020 (FY2020) to RM330.5 million in FY2021. Its bottom line grew further to RM390.9 million in FY2022 before retracting to RM323.5 million in FY2023. The latter is still double the net profit in FY2020.

The strong earnings performance resulted in a risk-weighted three-year profit after tax (PAT) compound annual growth rate (CAGR) of 22.1% between FY2020 and FY2023, earning the group *The Edge* Billion Ringgit Club (BRC) award in 2024 for the



highest profit after tax growth over three years for the technology sector. Inari last won the same award in 2018.

In 2022, Inari won *The Edge* BRC award for highest return to shareholders. In the period under review for the current year, however, shareholder return was only 3.5% per annum over three years as its adjusted share price went from RM2.91 on March 31, 2021, to RM3.23 on March 31, 2024.

Its return on equity (ROE), however, declined from 25.6% in FY2021 to 20.2% in FY2022, before dropping further to 12.7% in FY2023. Its adjusted weighted ROE over three years still stood at 17.5%.

Main Market-listed diversified group Insas Bhd — controlled by low-profile businessman Datuk Seri Thong Kok Khee — is Inari's single-largest shareholder with a stake of about 13.64%.

In its Annual Report 2023, Inari's non-independent, non-executive chairperson Tengku Puteri Seri Kemala Tengku Hajjah Aishah Almarhum Sultan Haji Ahmad Shah highlighted that throughout FY2023, the group had made significant capital investments, totalling RM113 million.

"These investments primarily went into machinery for assembly processes, enhancing our technological capabilities and overall capacity. As technology advances, our expertise in miniaturisation technology, driven by customised processes and equipment designed by our joint venture subsidiary, namely Inari MIT Sdn Bhd, has improved operational productivity while maintaining cost efficiency," she said.

Additionally, Inari established the group's first 1k clean room at its P34 plant in Batu Kawan, Penang to assemble memory products, leveraging cutting-edge technology for a new customer.

Meanwhile, Inari is making "good progress" on the construction of a manufacturing plant and physical facilities at its joint venture in China, Yiwu Semiconductor International Corp (YSIC), said Tengku Aishah.

"With an experienced management team on board, we have successfully secured interest from a few customers keenly awaiting qualification of their products on our production lines to commence operations. YSIC represents a strategic presence for Inari to broaden its competitive edge offerings to a wide China market," she elaborated.

Looking ahead, said Tengku Aishah, Inari maintains cautious optimism for FY2024, as technological investments prioritise digitalisation as a broader trend.

"Our focus remains on strategies to enhance production capacity, efficiency and revenue growth, aligning with or surpassing industry forecasts in FY2024," she added.

In a research report dated July 4, RHB Investment Bank Bhd said it expects subdued near-term earnings growth for Inari, with a brighter FY2025 driven by anticipated contributions from new products and expansion.

"Lacklustre volume growth in major smartphones amid intense competition and trade tensions suggests limited near-term earnings potential, especially if new customers or project contributions fall short of expectations," the report noted, warning of operational headwinds.

Other potential risks include underperformance of the new major smartphone range with the hype built-in on embedded AI features but with few transformation changes to back it up.

"Besides this, the delays or lower contribution from its YSIC expansion in China (we factored in a RM150 million revenue contribution in FY2025), coupled with the slower-than-expected ramp-up and margins for new memory and optoelectronics could pose other downside risks to expectation, while Edge AI and solar-related ventures are still at infancy stage," it added. E

GREATECH TECHNOLOGY/LINKEDIN

the company's growth trend and has guided a year-on-year revenue growth of 25% to 30% for FY2024. The company also revealed that it delivered four standalone equipment to a hydrogen car company in 2023, when it was conducting hydrogen testing in its facilities.

As for its life sciences division, Greatech has made further inroads via the acquisition of Ireland-based Allied Automation Ltd, a specialised automated equipment maker for the medical device and life sciences industry with 25 years of experience.

"With Ireland's renowned expertise in medtech and research, we are positive that our substantial investment in this new venture will generate significantly greater synergy, propelling our global growth in delivering customised automated solutions," said the company.

At end-2023, Greatech revealed an ambitious order book target of RM1.1 billion for FY2024, representing a 38% increase over its 2023 target of RM800 million, which hinges on its optimism for its EV and life sciences segments.

The company's outstanding order book as at May 2024 stood at RM1.01 billion, with solar contributing about 60% of the total followed by e-mobility (26%), life sciences (12%) and semiconductor automation (2%). This gives it order visibility until the first half of 2025.

Greatech's new state of the art, 500,000 sq ft Batu Kawan Plant 4 (BK IV) was fully operational in May this year.

At the time of writing, most investment analysts were positive on the group's prospects. Seven out of ten of those tracking Greatech had a "hold" recommendation on the stock while three had a "buy". Their target prices ranged from HSBC Research's RM4.80 to AmInvestment Bank's RM6.53, with an average of RM6.05.

In July, the company announced a one-for-one bonus issue to reward existing shareholders and encourage trading liquidity of its shares. This is its second bonus issue since 2021. E

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

TECHNOLOGY

Frontken Corp Bhd

A rare proxy to the front-end semiconductor industry

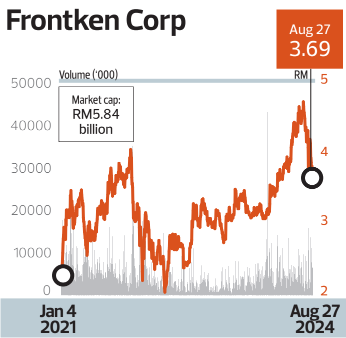
BY LIEW JIA TENG

At a time when most Bursa Malaysia-listed technology firms are mainly involved in the outsourced semiconductor assembly and test (OSAT) and automated test equipment (ATE) segments, Frontken Corp Bhd (KL:FRONTKN) is one of the few players with exposure to the front-end of the semiconductor industry.

Frontken — *The Edge* Billion Ringgit Club (BRC) Company of the Year in 2022 — provides critical services and support services, namely precision cleaning, surface treatment and mechanical engineering solutions, to the semiconductor, oil and gas, power generation and marine industries. For the semiconductor and electronics industries in particular, it provides maintenance and analysis services, focusing on precision cleaning, refurbishment, maintenance and coating applications.

Today, the Main Market-listed technology firm boasts a consolidated workforce of about 1,300 — with engineering plants in several Asia-Pacific countries, including Singapore, Malaysia, Indonesia, Thailand, the Philippines and Taiwan.

Frontken's adjusted share price saw a slight dip from RM3.42 at end-March 2021 to RM2.98 at end-March 2022, reflecting volatility amid renewed concerns over a global chip glut. However, it rebounded modestly at end-March 2023 to RM3.09 and



continued its upward trend to RM3.88 at end-March 2024. This suggests a recovery in investor confidence in the sector and the company's potential growth prospects, partly driven by the artificial intelligence (AI) boom.

While the three-year compound annual growth rate (CAGR) of Frontken's shareholder return during *The Edge* BRC award evaluation period between end-March 2021 and end-March 2024 was only 4.3%, it was good enough to take home the BRC award for the highest returns to shareholders over three years under the technology sector.

Chairman and CEO Nicholas Ng Wai Pin owns a 16.8% indirect stake in Frontken, held via Dazzle Clean Ltd.

In the Annual Report 2023, Ng acknowledges that the financial year ended Dec 31, 2023 (FY2023) is the first time in many years that Frontken has not reported growth in both its revenue and earnings.

"Nonetheless, the result is still a commendable one considering the overall weakness in the main segment that we operate in," he says.

Frontken's revenue for FY2023 was RM500.1 million, a slight decrease of 3% compared with last year due to lower contribution from all its subsidiaries except for the ones in Malaysia and the Philippines.

The group's net profit in FY2023 was RM111.9 million, a decrease of 9% compared with RM123.29 million recorded in FY2022. It posted a net profit of RM82 million in FY2020 and RM104.5 million in FY2021. This gives Frontken a risk-weighted three-year profit CAGR of 11% between FY2020 and FY2023.

Ng says Frontken will endeavour to pay a sustainable dividend and return profits to shareholders that commensurate with the performance of the group. On Feb 22, 2024, the company declared a dividend per share of 2.2 sen amounting to RM34.6 million, in respect of FY2023.

"We believe that we will be able to continue with a sustainable dividend payment, taking into consideration our financial performance, capital commitments, acquisition related activities and reserves, among others," he says.

In a May 3 research report, Phillip Capital says it continues to like Frontken, given its niche front-end semiconductor exposure, consistent margin growth, increasing customer market share and strong earnings growth prospects.

The firm cited key downside risks such as customer concentration risk, labour shortages in operating countries and weaker-than-expected volume demand.

Earlier, on March 15, Hong Leong Investment Bank (HLIB) said Frontken had captured the attention of the local investing community, catalysing from the rising demand and interest for AI-related stocks.

The surge has fuelled strong demand for AI chips and cloud services, propelling prominent players like Nvidia Corp, Advanced Micro Devices Inc and Google parent Alphabet Inc to experience meteoric rises in their share prices.

HLIB believes the expected increase in output from foundries will drive demand for Frontken's services, enabling it to maintain production yields and extend the useful life of chamber components.

"This positions Frontken as a proxy to the front-end semiconductor industry," the research house said. E

THE EDGE BILLION RINGGIT Club 2024

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

TELECOMMUNICATIONS & MEDIA

TIME dotCom Bhd

10 BRC AWARDS OVER THE YEARS

Cashing in on demand for data centres, bandwidth and cloud services

BY LIEW JIA TENG

TIME dotCom Bhd (KL:TIMECOM) has shown robust earnings growth and capital appreciation over the past few years. From the financial year ended Dec 31, 2020 (FY2020) to FY2022, the company's profit rose steadily from RM328 million to RM449.9 million.

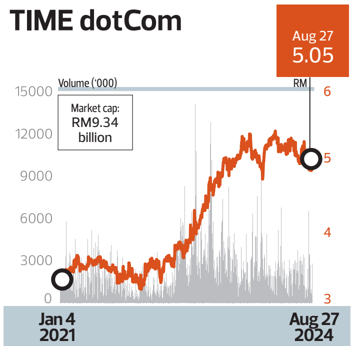
A significant leap occurred in FY2023, with TIME's profit surging to a record high of RM2.57 billion, bolstered by gains on the partial divestment of its data centre business — held via AIMS Group — to US digital infrastructure assets investor DigitalBridge Group Inc.

This significantly lifted TIME's risk-weighted three-year profit after tax (PAT) compound annual growth rate (CAGR) between FY2020 and FY2023 to 123.2% — the highest among peers to bag it *The Edge* Billion Ringgit Club (BRC) award for highest growth in profit after tax over three years in the Telecommunications & Media sector.

TIME's share price also rose to new highs, buoyed by the promise of special dividends from the proceeds of the sale. During the awards evaluation period, TIME's share price appreciated from RM3.591 as at end-March 2021 to RM5.18 by end-March 2024, reflecting a total return on CAGR of 13% per year over the period and also bagging TIME the award for the highest returns to shareholders over three years under the Telecommunications & Media sector.

Following the partial divestment of shares in AIMS Data Centre Holding Sdn Bhd and AIMS Data Centre (Thailand) Ltd in April 2023, TIME declared a special interim tax-exempt (single-tier) dividend of 54.4 sen per share — about half of the proceeds from the AIMS divestment — and paid this to shareholders on May 26, 2023. The group then declared a special interim tax-exempt (single-tier) dividend of 16.25 sen per share on Aug 18, 2023, which was subsequently paid out on Sept 15, 2023. On Feb 29 this year, TIME declared an ordinary interim dividend of 8.25 sen and a special interim tax-exempt (single-tier) dividend of 6.9 sen per share for FY2023. The dividends were paid out on March 27.

Excluding gains from the AIMS divestment and other one-off items, TIME said its adjusted consolidated net profit for FY2023 would have still been RM402.9 million, a 7% increase from RM375.6 million in FY2022 on the back of higher revenue, higher in-



terest income and associate profits.

"We are on track with our network coverage expansion plans even as we continue to innovate to deliver products and services that better serve our customers. The group has delivered broad-based growth thus far and is well aware that to keep growing is to constantly evolve. On that note, we continue to refine our strategies for sustained long-term results," TIME's commander-in-chief Afzal Abdul Rahim said in a statement dated Feb 29 in conjunction with the release of its FY2023 results.

TIME is a telecommunications service provider that delivers domestic connectivity across the retail market segment as well as international and domestic connectivity, cloud computing and managed service solutions that cater to the wholesale and enterprise market segments across the Asean region.

In addition to TIME's extensive domestic fibre-optic network that covers Peninsular Malaysia, the group has also extended its reach into the region. Its fibre-optic network assets span across Singapore, Thailand, Vietnam and Cambodia — countries in which it has established an operational presence.

With stakes in international subsea cable systems such as Unity, Faster, Asia Pacific Gateway (APG) and Asia Africa Europe-1 (AAE-1), TIME dotCom says it can seamlessly connect Europe, Africa and Asia all the way to the US western seaboard. This extensive reach allows the group to cater to the needs of the global bandwidth market.

Through a strategic partnership with affiliates of DigitalBridge Group, TIME says it can still capture significant opportunities

HIGHEST RETURN ON EQUITY OVER THREE YEARS

TRANSPORTATION & LOGISTICS

Westports Holdings Bhd

7 BRC AWARDS OVER THE YEARS

Hat-trick proves resilience amid adversity

BY KANG SIEW LI

Terminal operators such as Westports Holdings Bhd (KL:WPRTS) have hardly seen any reprieve from ongoing challenges. After a brief respite from the pandemic-time congestion and cargo backlogs, they have had to battle similar issues because of disruptions in the Red Sea. A surge in attacks on ships travelling the waters of the Red Sea since November last year has forced shipping lines to reroute vessels, leading to rising costs and renewed congestion in ports across Asia and Europe.

Undaunted, Westports has continued to steer the course as it has for the past 30 years. In the first half of the year (1H2024), it handled 5.4 million TEUs (20ft equivalent units) of containers — a 3% increase from 5.24 million TEUs a year earlier — while advancing its berth expansion plan.

When announcing its 1H2024 performance on July 26, Westports maintained its cautious expectation of a low single-digit growth rate in container volumes for 2024. It handled a record container volume of 10.88 million TEUs last year.

Westports — which together with Northport make up Port Klang — had seen earn-

ings grow at a compound annual growth rate (CAGR) of 6% in the last three years (2020-2023). In the financial year ended Dec 31, 2021 (FY2021), Westports celebrated a record year, posting a net profit of RM808.2 million, up 23% from RM654.5 million in FY2020.

It registered a lower net profit of RM699.6 million in FY2022, hampered by higher fuel cost, lower sundry income and a one-off Prosperity Tax, but rebounded the following year with a net profit of RM779.4 million.

Westports has kept a dividend payout ratio of 75% of its net profit since its public listing in 2013. It paid dividends of RM577 million, or 15.7 sen per share, in FY2023.

For 1HFY2024, the group paid out 8.89 sen per share in dividends, on the back of an 8% year-on-year increase in net profit to RM408.3 million, from RM378.4 million in 1HFY2023.

Westports first took home a *The Edge* Billion Ringgit Club (BRC) top sectoral award in 2018, winning for highest return on equity (ROE) over three years in the transportation and logistics sector.

Although Westports registered a lower ROE of 21.9% for FY2022 and 22.9% for FY2023, its exceptionally higher ROE of 27.1% in FY2021 brought its adjusted weighted ROE to 23.5% over the BRC awards' evaluation period — the best among sectoral peers to give Westports *The Edge* BRC's highest ROE over three years award for the third straight year this year, having won the same award in 2022 and 2023. In 2022 and 2023, Westports also took home *The Edge* BRC award for highest growth in profit after tax over three years. In 2021, Westports won *The Edge* BRC award for highest returns to shareholders over three years.

Over the past year, Westports' stock has gained 20% to close at RM4.29 on Aug 27.

In a July 29 report, Maybank Investment Bank (Maybank IB) says it is optimistic about Westports' outlook, driven by sustained growth in intra-Asia trade and rising foreign direct investments in Malaysia, which will boost its gateway volume expansion.

The research firm notes that the long-awaited construction of an additional eight container terminals (CT10 to CT17), which will nearly double the terminal's capacity to 27 million TEUs from the current 14 million TEUs, will extend Westports' growth prospects. Work on the Westports 2 port expansion is scheduled to begin in 4Q2024 as Westports had appointed its dredging and land reclamation contractor in June, it says.

"With a net gearing of 0.11 times as at 2Q2024, Westports has substantial debt capacity, supported by a robust operating cash flow of more than RM1 billion per year. An equity call is only anticipated in 2027," it adds.

Maybank IB also points to Westports' request for a tariff revision for both container and conventional services. "Any earlier tariff hike could potentially yield upside to Westports' earnings compared to our forecasts," it says, adding that its current forecasts assume a 30% increase in container tariffs in FY2027. The last tariff revisions for containin underserved markets across Asia in the highly connected, ecosystem-centric data centre segment.

The single-largest shareholder of TIME is Pulau Kapas Ventures Sdn Bhd, which is jointly owned by Khazanah Nasional Bhd, Afzal and executive director Patrick Corso.

In the Annual Report 2023, TIME chairman and non-executive director Elakumari Kantilal wrote that the pure fibre broadband service provider was able to sustain its growth through 2023 owing to decisions made that have allowed the group to stay on its business trajectory.

She recalled that in late 2022, TIME made the "bold, market-leading move" to introduce the nation's fastest consumer broadband service, TIME Home Fibre 2Gbps. This was well received and affirmed the market's hunger for bandwidth.

"To deliver on the promise of ensuring our customers experience the most consistent connection, we then turned our attention to indoor connectivity," Elakumari added.

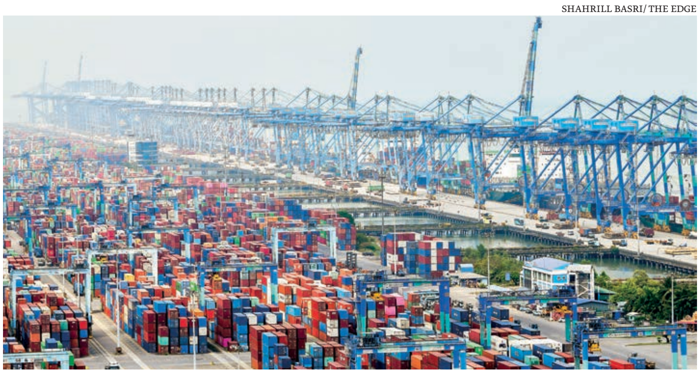
In 2023, TIME introduced the latest in Fibre-to-the-Room (FTTR) technology to Malaysian homes, delivering gigaspeed access to every room via the laying of optic fibres in a discreet manner throughout the property.

"This eliminates the issue of WiFi dead zones that have long plagued some home broadband users," she said.

In a research report in July, BIMB Securities Research highlighted that the rising adoption of artificial intelligence (AI) is creating new opportunities for data centre service providers and prompting a strategic shift to accommodate AI workload requirements.

"Looking ahead, we expect significant contributions from data and data centre operations driven by growing demand for data. We favour TIME due to the group's positive momentum from ongoing expansion efforts," the research house said, adding that the increasing digitalisation across various industries further boosts the need for data. E

SHAHRILL BASRI/ THE EDGE



ers occurred in two stages: in 2015 (+15%) and 2019 (+15%).

"There are several risk factors for our earnings estimates, target price and rating for Westports. Abrupt changes to trading routes or a substantial slowdown in the global economy may lead to lower container throughput and hence earnings for Westports. An unexpected delay in tariff hikes or surge in operational costs will also lead to a dampening of future earnings growth," Maybank IB notes.

It has a "buy" rating on Westports' stock and a higher discounted cash flow-based target price of RM5.38 (from RM4.43 previously). E

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

TRANSPORTATION & LOGISTICS

Bintulu Port Holdings Bhd

1 BRC AWARD OVER THE YEARS

In the spotlight for more reasons than one

BY JOSE BARROCK

Port operator Bintulu Port Holdings Bhd (KL:BIPORT) has been in the news lately, as its administration and oversight will be transferred from the federal government to the Sarawak state government by December.

The planned transfer is understandable, considering Bintulu Port's key role as the operator of a liquefied natural gas (LNG) terminal that runs the largest container port in East Malaysia. Also under its belt is wholly-owned subsidiary Samalaju Industrial Port Sdn Bhd (SIPSB), a purpose-built port that offers dry bulk, break bulk and container services primarily to energy-intensive businesses in the Samalaju Industrial Park and its hinterland, supporting the logistical requirements of industries in the Sarawak Corridor of Renewable Energy.

While there are several new developments, the LNG terminal is Bintulu Port's main revenue generator — making up almost 55% of its cargo volume. National oil company Petroliam Nasional Bhd's (Petronas) 51%-controlled shipping arm, MISC Bhd, calls at the port's terminals to load up on LNG to be transported to markets such as South Korea and Japan.

There is yet another reason to cast the spotlight on Bintulu Port, which has earned a spot on *The Edge* Billion Ringgit Club (BRC) awards winners list for the first time this year.

For the financial year ended Dec 21, 2020 (FY2020), Bintulu Port's net profit came in at RM93.3 million and surged to RM363.2 million in FY2021, helped by the recognition of RM264.5 million in deferred tax assets arising from investment tax allowances at SIPSB. Bintulu Port chalked up a tidy net profit of RM127.7 million in FY2022 and RM125.1 million in FY2023.

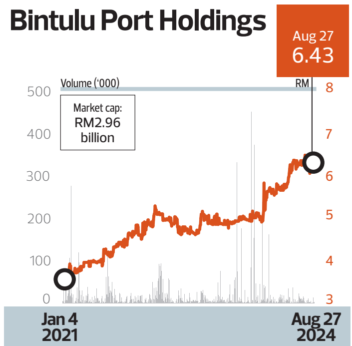
According to the BRC awards methodology, Bintulu Port's risk-weighted three-year profit after tax (PAT) compound annual growth rate (CAGR) between FY2020 and FY2023 was 8.2% — beating peers to win *The Edge* BRC highest growth in PAT over three years in the transportation and logistics sector.

While Bintulu Port won the BRC accolade for highest growth in PAT, the port operator has done well in other areas as well. The three-year CAGR of its total shareholder returns during the period between end-March 2021 to end-March 2024 was an impressive 13.7%.

Even though Bintulu Port's return on equity (ROE) had come off from 23.7% in 2021 to 7.4% in 2022 and 7% in 2023, its adjusted ROE over three years (2021 to 2023) was still a decent 10.5%.

Its prospects remain decent, judging by its financials for its six months ended June 30, 2024 (1H2024). Bintulu Port chalked up net profits of RM84.55 million on the back of RM405.57 million in revenue in 1H2024, in contrast to RM46.23 million from RM364.22 million garnered in 1H2024.

In notes accompanying its accounts, Bintulu Ports elaborates on the better showing:



"Revenue generated from port services at Bintulu Port is RM304.70 million versus RM277.09 million during the first six months of the preceding year, mainly from the handling of cargo LNG and base support facilities and services. Samalaju Industrial Port generated RM80.30 million in revenue compared with RM66.98 million in revenue generated during the first six months of preceding year from the handling of cargo from manganese and quartz."

In the second half of the current year, Bintulu Port is likely to commence the handling of marine services for Sarawak Petchem Sdn Bhd's RM7 billion methanol complex in Tanjung Kidurong, Bintulu, which should boost earnings significantly.

It is also noteworthy that Sarawak's Petroleum Sarawak Bhd (Petros) and Petronas are in talks for the supervision and exploration of oil and gas trading in Sarawak, to be finalised by October. In a nutshell, Sarawak is seeking complete rights over the supervision and trading of gas extracted from its waters, which may, to some extent, come at the expense of Petronas.

With Sarawak in the driver's seat, there is a strong likelihood of a tariff increase as the state streamlines tariffs at its ports, given that tariffs at Bintulu Port have not been reviewed since 1993. The right balance will need to be struck, as Bintulu Port also loses out if Petronas' LNG exports are less competitive, with Petronas being its largest customer.

Sarawak, via the State Financial Secretary of Sarawak and Equisar Assets Sdn Bhd, holds a 41.71% stake in Bintulu Port. Petronas holds 28.51% and MISC holds 2.31% in the port operator. Other notable shareholders include Kumpulan Wang Persaraan (Diperbadankan) (KWAP), with 9.17% equity interest, and various funds under Permodalan Nasional Bhd controlling a little more than 6.5%. E

THE EDGE BILLION RINGGIT Club 2024

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS

TRANSPORTATION & LOGISTICS

Malaysia Airports Holdings Bhd

5 BRC AWARDS OVER THE YEARS

Takeover bid lifts share price, boost returns

BY KATHY FONG

The airport operator's share price shot up to record high of RM10.50 on Aug 30, thanks to the privatisation bid launched by a consortium led by its major shareholder Khazanah Nasional Bhd.

The consortium is offering RM11 per share, or RM12.3 billion in total, to buy out Malaysia Airports Holdings Bhd (MAHB) (KL:AIRPORT), which manages 39 airports nationwide, including five international airports and 17 STOLports. The group also owns and manages one international airport in Istanbul, Turkiye.

Should the takeover exercise materialise, the consortium will wholly own MAHB. Khazanah will be the single largest shareholder with a 40% stake in the consortium.

The Employees Provident Fund and GIP Aurea Pte Ltd will each hold a 30% stake. GIP Aurea is a joint venture between Global Infrastructure Partners (GIP) and Abu Dhabi Investment Authority (ADIA). GIP will have an effective 25% stake in MAHB via its 83.3% stake in the joint venture with ADIA. ADIA will have a 5% effective stake.

PATRICK GOH/THE EDGE

HIGHEST RETURN ON EQUITY OVER THREE YEARS

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

UTILITIES

Gas Malaysia Bhd

9 BRC AWARDS OVER THE YEARS

Having the necessary capex while generously paying dividends

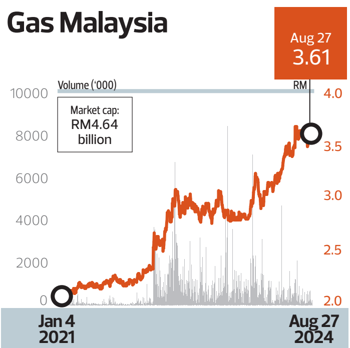
BY JOHN LAI

Domestic natural gas retailer Gas Malaysia Bhd (KL:GASMSIA) continued to benefit from the elevated selling price achieved in 2023. Despite a 10% drop in the volume of natural gas sold year on year, it achieved a record-high revenue of RM8.08 billion in FY2023, a 6% increase from the RM7.65 billion recorded in the previous year.

In terms of its bottom line, Gas Malaysia's FY2023 profit after tax (PAT) managed to hold steady at RM383.4 million, representing a jump of just over 80% from its FY2020 net profit of RM212.6 million.

This strong upward trajectory in PAT represented a risk-weighted compound annual growth rate of 21.7% per annum over three years — the highest among its peers — making the company this year's winner of *The Edge* Billion Ringgit Club (BRC) award for highest growth in PAT over three years in the energy & utilities category. It also won this award in 2023 and 2019.

The "reigning champion" of the highest return on equity (ROE) over three years in the utilities sector since 2019 continues to impress with its adjusted weighted ROE over three years (2021 to 2023) at 28.7%, the highest among peers, making this Gas Malaysia's sixth straight win.



During the BRC awards evaluation period, the company's adjusted ROE rose from 22.6% in FY2021 to 32.3% in FY2022 and 29% in FY2023. Its ROE over the last three years is above the 10-year average of 20%.

Seen as a reliable dividend payer, Gas Malaysia declared a dividend of 22.76 sen per share in FY2023, representing a healthy dividend payout ratio of 76.2%. It paid a dividend per share of 22.76 sen in FY2022, 17.67 sen in FY2021 and 15.05 sen in FY2020.

Nevertheless, the company continued to invest in its distribution network, growing it by about 5% or 133km to 2,839km from 2,706km in the last three years.

In its latest annual report, Gas Malaysia said it plans to construct 800km of pipelines over the next five years, with an investment of RM1.2 billion to RM1.4 billion. This expansion will focus on several regions, including Tanjung Malim in Perak, Chembong in Negeri Sembilan, Rasa in Selangor and Tangkak in Johor.

In 2024 alone, the company plans to build an additional 110km of pipelines, committing a financial outlay of about RM358.3 million for the year. This is because it recognises the importance of natural gas as a fuel for the energy transition, with natural gas set to constitute up to 56% of the energy mix by 2050, up from 43%, under the national roadmap, it said.

Also on the low-carbon agenda, Gas Malaysia has ventured into cogeneration plants where it aims to seek strategic collaborations with industrial park developers to be the industries' main power solution provider. As for its biomethane business, the company said it was actively seeking partnerships with palm oil millers, landfill owners and municipal waste operators.

To fend off competition under a liberalised market, the company said it would adopt a customer-centric approach and offer value-added customised services and a dynamic pricing strategy to solidify its position as the preferred supplier.

For FY2024, Gas Malaysia has guided gas sales volume growth of 4% to 5%, driven largely by strong demand from the rubber glove, consumer product and F&B sectors. In terms of gas price, some analysts noted that the appreciation in the ringgit and the higher average Brent crude price versus that in the last six months could be constructive to the Malaysian Reference Price of natural gas. These factors could bolster the company's financial performance.

At the time of writing, the indicative dividend yield of the stock was 6.4% and investment analysts are largely maintaining a neutral stance on the group, Bloomberg data show. Seven of nine analysts tracking Gas Malaysia have a "hold" recommendation on the counter while two have a "buy". Their target prices range from Macquarie Research's RM3.25 to MIDF Research's RM3.96, with an average of RM3.64. E

While MAHB has had the limelight cast on it for all the wrong reasons because of the malfunction of the aerotrain at Kuala Lumpur International Airport, the takeover offer provided a big boost to its share price, which soared by nearly 38% within four months from early December 2023, lifting it above the RM9 level.

During the period under review, between March 31, 2021 and March 31, 2024, its share price has climbed 62% from RM6.143 to RM9.96.

On top of that, MAHB resumed its dividend payment in the financial year ended Dec 31, 2022 (FY2022) and FY2023, given the strong earnings recovery post-pandemic. Its dividend policy is minimum 50% of the profit attributable to shareholders.

The group declared a dividend per share of 10.80 sen for FY2023, or RM180.2 million in total. It also paid a DPS of 3.91 sen, or RM64.7 million, for FY2022 — the first dividend payment since FY2019.

Given that, MAHB's shareholder return three-year compound annual growth rate for the period of March 31, 2021 to March 31, 2024 was 17.5% — the highest among listed companies with a market capitalisation above RM1 billion in the Transportation and Logistics sector. Hence, MAHB was recognised at *The Edge* Billion Ringgit Club (BRC) 2024 awards for the highest returns to shareholders over three years under the Transportation and Logistics sector. This is the fifth BRC award that the airport operator has won over the years.

MAHB is a good proxy to the pent-up demand for holiday and business travel activities. Systemwide, the group's passenger movements bounced back to 119.5 million in FY2023, up 42% from 83.9 million passengers in FY2022. The figure was barely 36.1 million in FY2021 and 43 million in FY2020. Its record high was 140.6 million in FY2019 before the outbreak of Covid-19.

Systemwide, commercial aircraft movements recovered to 907,573 in FY2023 compared with 745,130 in FY2022 and 412,505 in FY2021. At the peak, MAHB's aircraft movements were at 1.12 million in 2019.

Consequently, the group returned to the black in FY2022 with a net profit attributed to shareholders of RM187.2 million compared to a net loss of RM766.4 million in FY2021 and RM1.116 billion in FY2021.

Revenue in FY2022 came in at RM3.127 billion, nearly double RM1.67 billion in FY2021, after the airport operator slipped into the red for two years in FY2020 and FY2021 due to the Covid-19 pandemic that resulted in the unprecedented closure of international borders.

The growth gained momentum. MAHB posted record high net profit attributable to shareholders of RM543.2 million in FY2023.

Nonetheless, its bumper profit was partly due to a sharp rise in other income and share of profit from associates and joint ventures. In addition, it booked a higher gain on fair value of investment in GMR Hyderabad International Airport Ltd recorded that year.

In 2023, MAHB sold its 11% stake in GMR Hyderabad International Airport Ltd, the operator of the Hyderabad International Airport, to the units of GMR Airports Infrastructure Ltd for US$100 million to unlock its investment in India.

This could be the last award MAHB takes home before the privatisation exercise, which however faces hurdles. E

BEST CR INITIATIVES

SUPER BIG CAP — ABOVE RM40 BILLION MARKET CAPITALISATION

CelcomDigi Bhd

26 BRC AWARDS OVER THE YEARS | Company of the year 2013 | CR award 2024

Upholding sustainability practices while working out merger synergies

BY TAN CHOE CHOE

CelcomDigi Bhd (KL:CDB), which aspires to become Malaysia's leading advocate for sustainability practices, marked the completion of its inaugural year of operations as a merged entity at end-2023, following the completion of the Celcom and Digi merger on Nov 30, 2022, and the renaming of the merged entity as CelcomDigi on Feb 27, 2023.

In a year in which it was busy integrating its business operations amid intense market and macroeconomic pressures, it also established an environmental, social and governance (ESG) strategy that set "clear pathways to build trust, inclusion and create shared value for all stakeholders", according to its chairman Tengku Datuk Seri Azmil Zahruddin Raja Abdul Aziz in the group's Annual Report 2023.

"The strategy ensures we deliver impact by enabling inclusive and safe digital access, maintaining a sustainable value chain, implementing a good governance and performance culture, and managing our environmental impact," Azmil says.

Expectations were high for the group to deliver on its purpose as one of the nation's largest corporations and fulfil its duty to uphold the highest standards in customer experience, corporate governance, sustainability and healthy shareholder returns, he notes.

In response to that, the group signed up for two leadership platforms last year as part of its commitment to securing a sustainable future.

The first was the United Nations Global Compact initiative, a global movement of forward-thinking companies resolved to act based on the Sustainable Development Goals (SDGs), says Azmil. With that, the group continued to support the UN SDGs by emphasising the importance of mobile technology and its ability to digitalise economies, protect the environment and empower societies by promoting digital inclusion, internet safety and building skills for a digital future.

One of the ways in which it did so was by joining CyberSecurity Malaysia (CSM) in the Jelajah Anti-Scam Kebangsaan programme to increase public awareness and protect Malaysians against sophisticated scam tactics.

"We drove higher adoption of digital skills among school and university students to nurture the next generation of top-tier tech professionals to drive our future digital economy. During the flood season, we also took proactive measures to strengthen network resilience and maintain service availability, alongside extending aid relief and rescue efforts to flood victims during these challenging times," says Azmil.

To add emphasis to its climate focus, the group also signed a commitment to the Science-Based Targets initiative (SBTi) Net-Zero Standard — which provides the tools and guidance that allow companies to set greenhouse gas (GHG) emission reduction targets in line with what is needed to keep global heating below catastrophic levels and reach net zero by 2050 at latest.

In early 2023, it also initiated a high-level climate road map that outlines measures to reduce or mitigate GHG emissions over the short, medium and long term to address climate change issues and to transition towards a more sustainable and low-carbon future. As it analysed its current state of carbon emissions and identified major emission sources in accordance with GHG protocol, it set 2023 as the baseline for comparison.

"We have committed to achieving net zero by 2050, in alignment with the SBTi. Throughout 2024 and 2025, we will be undertaking baselining activities to inventorise CelcomDigi's total emissions (Scopes 1, 2 and 3), key assets and Scope 3 dependencies. The board has approved 2023 to be taken as the baseline year, subject to guidance from SBTi. Upon completion of baselining, we will undertake a verification exercise, followed by submission of near-term and long-term (2050) targets," the group says in its annual report.

Its reputation for responsible business practices placed it among the top 10 constituents of the FTSE4Good Bursa Malaysia Index, with a four-star rating on the FTSE4Good Bursa Malaysia Shariah Index, an "A" rating in the MSCI ESG Ratings, and a low- to medium-risk rating in Sustainalytics' ESG Risk Rating.

It also took home the gold award at *The Edge Malaysia*'s ESG Awards for the telco and media sector in November 2023, a success that the group has attributed to the coming together of two established, sustainability-minded entities.

Subsequently, it won the Best CR Initiatives for Super Big Cap award this year.

It believes that by increasing connectivity, improving efficiency and making an impact on behaviour change, it will spur technologies to help industries avoid emissions and transition to a low-carbon economy.

"Our goal is to accelerate efforts to contribute positively to stabilising global emissions by the end of this decade. We will formulate bold business decisions to tap into climate opportunities and long-term emissions reduction targets to limit the global average temperature rise to below 1.5°C above pre-industrial levels," the group says. E

BEST CR INITIATIVES

BIG CAP COMPANIES — RM10 BILLION TO RM40 BILLION MARKET CAPITALISATION

Gamuda Bhd

11 BRC AWARDS OVER THE YEARS

Company of the year 2024

CR award 2016, 2021, 2024

An unwavering commitment to its corporate responsibilities

BY TAN CHOE CHOE

When Gamuda Bhd (KL:GAMUDA) achieved a record high pre-tax earnings of over RM2 billion in FY2023 and secured about RM15 billion in new contracts that bolstered its order book to a record high of RM25 billion, the group also demonstrated its unwavering commitment to corporate responsibility and sustainable practices.

This helped Gamuda win the Best CR Initiatives award for Big Cap Companies at *The Edge* Billion Ringgit Club Awards 2024 for the third time this year, having taken home the trophy in 2016 and 2021 (joint winner).

Among other things, the group achieved a 23% reduction in its greenhouse gas (GHG) emission intensity from its baseline and received its inaugural ISO14064 verification for quantifying and reporting GHG.

"The group was one of the first in the construction sector to undergo the rigorous ISO 14064-1 verification process in FY2023. Achieving the ISO certification enhances our credibility and provides assurance that our environmental disclosures are in line with global practices. The data obtained from our systems will also serve as reliable indicators to track progress against the Gamuda Green Plan 2025," says Gamuda group managing director Datuk Lin Yun Ling in the group's 2023 annnal report.

The Gamuda Green Plan 2025, launched in FY2021, sets out clear carbon emissions targets for the group while strengthening its social stewardship via environmental, social and governance (ESG) initiatives.

The group was also among the first construction companies in Malaysia to use social return on investment (SROI) as a communal investment scorecard. The group measured the SROI, a gauge of the social value created in relation to the cost of its intervention, based on the Social Value UK framework. It achieved an SROI ratio of 3.4 as its social impact from 2015 to 2022, valued at about RM534 million, with the greatest social impact seen in its programmes on education and training, occupational health and safety, biodiversity, diversity and equal opportunity, and local communities.

"This finding did not come as a surprise. Recognising education as a cornerstone of progress and empowerment, we have focused a lot of our time and resources on bridging the gaps in education through efforts such as the Gamuda Scholarship. Every year, roughly two-thirds of the scholarship funds are allocated to students from B40 families and one-third to M40 families. The group has committed to increasing the scholarship fund to RM30 million next year, with an anticipated reach of over 120 deserving students. This expansion is poised to create a more significant ripple effect, nurturing a generation of capable Malaysians," says Lin.

In 2023, it invested RM20 million via its Gamuda Scholarship programme for B40 and M40 communities, and RM30 million for technical and vocational education and training courses.

Gamuda also continues to push for the non-discrimination and betterment of indigenous people by providing access to education and employment opportunities, and including them in its recruitment and supply chain strat-

GAMUDA

egies not just in Malaysia but also in Australia, as it extends its corporate responsibility and commitment to sustainability to its overseas businesses. By 2023, the group had invested more than RM60 million in aboriginal businesses in Australia.

In Vietnam, the group has been helping the local community via the Run for the Heart programme, which has raised RM8 million since 2013 — including RM1 million in 2023 — and enabled over 1,500 Vietnamese children to get free heart surgeries.

Last year (2023) was also a year in which the group achieved 57% women representation on its board and 38% across the group, while its prioritising local first commitment surpassed 90% in Malaysia (94%), Australia (98%) and Vietnam (98%).

It also made significant strides forward in its biodiversity conservation research and development. Its nursery in Yen So Park, Vietnam, underwent a transformation as the country's first Seedling Research Centre, where about 10,000 plants representing 23 distinct species are being cultivated.

"In Malaysia, we officially opened our Wetlands Arboretum in Gamuda Cove. The arboretum, which was developed in partnership with Forest Research Institute Malaysia and University Malaya, is home to over 300 carefully curated native species of flora and fauna that are endangered," Lin says.

Recognising that corporate responsibility plays a role in the long-term sustainability of its business, Lin says: "While our sustainability initiatives are driven by a sense of corporate responsibility, our efforts also offer the benefit of reducing our ESG-related risk exposure. Gamuda's ESG Risk Rating as rated by Sustainalytics continues to show a positive trend with the recent results showing a further reduction in our risk score."

Indeed, as Lin notes, the overall risk exposure for Gamuda is high due to the nature of the industry it is in, "but due to a strong ESG risk management framework, our overall risk rating is viewed as positive and we are ranked in the top 20th percentile globally". E

BEST CR INITIATIVES

BELOW RM10 BILLION MARKET CAPITALISATION — JOINT WINNER

Allianz Malaysia Bhd

1 BRC AWARD OVER THE YEARS

CR award 2017, 2024

Pushing sustainability efforts with Allianz4Good

BY MYIA S NAIR

Allianz Malaysia Bhd (KL:ALLIANZ), part of the Allianz Group in Germany, had prioritised sustainability long before it became a global buzzword and concern. This early start in the journey to a more sustainable future led to the company being one of the early winners of *The Edge* Billion Ringgit Club (BRC) award for Best Corporate Responsibility (CR) Initiatives in 2017.

This year, Allianz Malaysia was again recognised on this front as a joint winner of the BRC award for Best CR Initiatives in the below RM10 billion in market capitalisation category.

Guided by a dedicated local ESG board and an ESG task force, the company achieved its 2023 target of 100% renewable energy in its operations, thanks to the i-Renewable Energy Certificates.

"Our commitment to digitalisation, demonstrated through partnerships with over 40 digital entities, has significantly reduced paper usage and minimised travel. Notably, our Perlindunganku Allianz4All product, aligning with Islamic finance principles, successfully distributed an inaugural surplus of RM65,534.51 from its Claims Allocation Fund to benefit seven charitable organisations," Allianz Malaysia CEO Sean Wang Wee Keong said in a message dated April 1, 2024, in its 2023 annual report.

Acknowledging that monitoring greenhouse gas emissions and the carbon foot-

SHAHRIN YAHYA/THE EDGE

THE EDGE BILLION RINGGIT Club 2024

BEST CR INITIATIVES

BELOW RM10 BILLION MARKET CAPITALISATION — JOINT WINNER

Bursa Malaysia Bhd

4 BRC AWARDS OVER THE YEARS

CR award 2024

Leading by example in bringing positive change

BY TAN CHOE CHOE

Bursa Malaysia Bhd (KL:BURSA), which has just concluded its Strategic Roadmap 2021-2023 — its plan to future-proof the exchange and propel it towards its vision to be Asean's leading, sustainable and globally connected marketplace — has made significant headway in achieving its goals, including embedding sustainability in both the organisation and marketplace.

"As a fundamental pillar of the nation's capital market, Bursa Malaysia is committed to steering our public-listed companies (PLCs) towards a future where sustainability is integral, not optional, in the course of business. For us, sustainability is the cornerstone of long-term growth and competitiveness," say Bursa chairman Tan Sri Wahid Omar and CEO Datuk Muhamad Umar Swift in the group's Sustainability Report 2023 released with the group's latest annual report.

"Our role enables us to bring positive change, driven by the conviction that through collaborative efforts, innovative approaches and a steadfast focus on sustainability, we can forge a path to a future that promises economic progress, alongside environmental and social integrity."

A joint winner of *The Edge* Billion Ringgit Club Best CR Initiatives for Companies Below RM10 billion Market Capitalisation this year, Bursa seeks to establish the exchange as the preferred marketplace for sustainable and responsible investment by upholding high standards of sustainability and disclosure.

With this commitment, it strove for greater inclusion of Bursa PLCs on internationally recognised indices such as the FTSE4Good Bursa Malaysia Index and the FTSE4Good Bursa Malaysia Shariah Index. By end-2023, the number of constituents in the two indices had risen to 109 and 88 respectively, from 98 and 79 as at end-2022, which Bursa sees as a testament to its progress on this front.

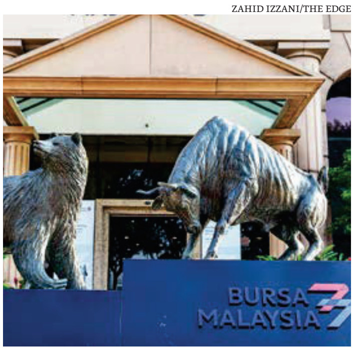
In its effort to make mitigating climate change a foremost priority and develop innovations to help PLCs meet their environmental goals, it introduced the Bursa Carbon Exchange (BCX), which launched its inaugural auction of carbon credits in March 2023 and commenced trading in September that year. The BCX platform is now accessible by PLCs to mitigate some of their carbon emissions by purchasing carbon credits, which Bursa says will encourage investment in carbon reduction and reforestation projects.

As the frontline regulator, Bursa, together with the Securities Commission Malaysia, announced in June 2023 a mandatory sustainability onboarding programme for directors under the Mandatory Accreditation Programme to strengthen the ability of the boards of PLCs to effectively consider sustainability issues.

Bursa recognises that it is also in a position to influence others via its own practices and actions.

"In this regard, we have continued to take active steps to reduce our greenhouse gas emissions from operations via equip-

ZAHID IZZANI/THE EDGE



ment optimisation and improved awareness among staff, resulting in a 12% reduction of our energy consumption.

"We firmly believe our employees all have a role to play in achieving our collective decarbonisation goals. Therefore, we have continued to engage our employees through the Carbon Conscious Workplace programme, an initiative that looks to educate and involve everyone at the exchange. We do this by advocating our employees to integrate sustainable practices into both their professional and personal lives," say Wahid and Umar.

In demonstrating its commitment to climate action, Bursa notably, for the third consecutive year, achieved carbon neutrality through the retirement of carbon credits in 2023, while it transitioned towards green energy by installing a rooftop solar photovoltaic system and using Renewable Energy Certificates.

In 2023, Bursa, which has launched initiatives to promote diversity, was also recognised as Asia's Leading Exchange in Gender Equality in Corporate Leadership, according to the Gender Equality in Corporate Leadership Asia 2023 Report by the United Nations Sustainable Stock Exchange and the International Finance Corporation.

The report, which analysed each exchange's top 100 listed issuers by market capitalisation, says Malaysia leads the region in terms of the proportion of women on boards, which was 26%. Furthermore, 44% of the PLCs on Bursa in the same category have exceeded the target or threshold of 30% female board members, say Wahid and Umar.

The group plans to continue to execute wide-ranging initiatives to strengthen Bursa's position as a role model for Malaysian PLCs in relation to environmental, social and governance practices.

"Sustainability practices are expected to improve, with better data quality, enhanced operational efficiency and best-in-class practices that are aligned to globally recognised standards," Wahid says in the annual report. E

print of its insurance and investment portfolios has been essential in contributing to a low carbon economy, Allianz Malaysia has committed to a 30% reduction in emissions intensity for its proprietary investment portfolio of listed equity and corporate bonds by 2025, based on the 2019 baseline.

"In terms of our own operations, we have set a target to reduce 50% of our emissions by 2025. As the CEO, I take immense pride in our corporate citizenship progress, reflected in our annual report, and our commitment to diversity and inclusion, as evidenced by Allianz's EDGE certification," said Wang.

Globally, Allianz Group, as a signatory of the United Nations Environmental Programme Finance Initiative Principles for Sustainable Insurance since 2014, integrates sustainability risk management in its underwriting processes, which is crucial to managing indirect risks from insured clients. This involves a thorough referral and assessment process, which is part of a comprehensive risk management framework.

"The group incorporates ESG factors into underwriting, utilising policies like the Allianz Standard for Reputational Risk Management to evaluate risks. Regular updates of this framework align with Allianz's climate commitments, including managing fossil-fuel-related businesses. In 2023, Allianz revised its classification framework for sustainable insurance solutions in property and casualty insurance, adapting to evolving regulations like the EU Taxonomy," he elaborated.

Apart from these sustainability initiatives, Allianz Malaysia also aided vulnerable communities during the pandemic and floods. A complimentary flood relief benefit for vehicles damaged by floods, for example, allows vulnerable groups to overcome the emergency situation without being cash-strapped.

Meanwhile, Allianz Malaysia's partnership with Persatuan Bantuan Bencana Alam Malaysia continued to equip members of the public with the right skills to prepare for a flood. Their partnership with the Ministry of Youth and Sports on KLAS Swim successfully trained more than 2,000 people on basic and essential swimming techniques. In total, contributions channelled to corporate social responsibility (CSR) initiatives came to RM2 million, according to its annual report.

The company said that, through its CSR arm Allianz4Good, there were 18,923 beneficiaries of its programmes across its four CSR pillars, namely education, community support and development, mental health and relief.

Allianz Malaysia has also cultivated a diverse and inclusive environment where talents thrive irrespective of their gender, background or ability, it said. Allianz Beyond is its employee network for disability inclusion, which creates a safe space for employees to disclose their disability and workplace assistance needs.

According to Wang, Allianz Group had a commendable score of 82 out of 100 in the 2023 S&P Global Corporate Sustainability Assessment, a pivotal milestone underpinning its inclusion into the prestigious Dow Jones Sustainability Index on Nov 24, 2023. "These results signify Allianz's unwavering dedication to catalysing positive societal and environmental transformations while forging impactful collaborations that shape a more sustainable future," he said.

"The year 2023 has been another remarkable chapter in Allianz Malaysia's story. It has been a journey of growth, resilience and unwavering commitment to our values and vision," Allianz Malaysia chairman Zakri Mohd Khir said in its annual report.

"As we look to the future, we do so with confidence, knowing that we are well equipped to navigate any challenges and seize the opportunities that lie ahead. Our journey continues, and I am confident that with our collective efforts, we will continue to scale new heights and create meaningful impact on our society and economy." E